

PASHUPATI COTSPIN LIMITED

CIN: L17309GJ2017PLC098117

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

Email: haresh@srjaexport.com website: www.pashupaticotspin.com Phone: 2764-262200

26/08/2020

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 for the financial year 2019-20 in accordance to the provisions of Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
Scrip Symbol: PASHUPATI

Dear Sir,

In compliance with Regulation 34(1)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed Annual Report of the Company for the financial year ended 2019-2020 including Notice convening the 03rd Annual General Meeting of the Company, to be held on Monday, 21st September, 2020 at 04.00 p.m. through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM").

The Annual Report including AGM Notice is also available on the Company's website www.pashupaticotspin.com.

Kindly take the above information on your record.

Thanking You,

Yours faithfully,

For, PASHUPATI COTSPIN LIMITED

Saurin Jagdish Bhai Parikh
Managing Director
(DIN: 02136530)

Encl: As stated



PASHUPATI COTSPIN LIMITED

3RD ANNUAL REPORT



Financial Year 2019-2020

PASHUPATI
G R O W T H W I T H V I S I O N



CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Saurin Jagdish Bhai Parikh
Chairman & Managing Director

Mr. Tushar Rameshchandra Trivedi
Wholetime Director

Mr. Dakshesh Jayantilal Patel
Non-Executive Director

Mr. Sandip Ashwinbhai Parikh
Independent Director

Mrs. Sheela Kirtankumar Roy
Independent Director

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Bijal Nareshbhai Thakkar

CHIEF FINANCIAL OFFICER (CFO)

Mr. Hareshkumar Rameshchandra Shah

STATUTORY AUDITOR

M/s. Mahendra N. Shah & Co.
Chartered Accountants,
Statutory Auditor

COST AUDITOR

M/s. Ashish Bhavsar & Associates
Cost Accountants

SECRETARIAL AUDITOR

M/s. Khandelwal Devesh & Associates
Practicing Company Secretary

BANKER

Oriental Bank of Commerce
Yes Bank Limited

CORPORATE IDENTITY NUMBER (CIN)

L17309GJ2017PLC098117

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

REGISTRAR AND SHARE TRANSFER AGENT (RTA)

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

COMMITTEES

1. Audit Committee

Mr. Sandip A. Parikh	Chairman
Mrs. Sheela K. Roy	Member
Mr. Saurin J. Parikh	Member

2. Nomination and Remuneration Committee

Mrs. Sheela K. Roy	Chairman
Mr. Sandip A. Parikh	Member
Mr. Dakshesh J. Patel	Member

3. Stakeholders Relationship Committee

Mrs. Sheela K. Roy	Chairman
Mr. Tushar R. Trivedi	Member
Mr. Dakshesh J. Patel	Member

4. Corporate Social Responsibility Committee

Mr. Saurin J. Parikh	Chairman
Mrs. Sheela K. Roy	Member
Mr. Tushar R. Trivedi	Member

5. Warrant Allotment Committee

Mr. Saurin J. Parikh	Chairman
Mr. Dakshesh J. Patel	Member
Mrs. Sheela K. Roy	Member



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Note:

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice / documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respects of electronic holding with the Depository through their concerned Depository Participants.



LETTER TO SHAREHOLDERS

Dear Shareholders,

We take immense pleasure by sharing with you about the performance of your Company and present Annual Report for the Financial Year 2019-20. We are happy to report again a good performed FY 2019-20 and the Board of your Company has recommended a Final Dividend of 0.50 paise (05%) per share for the FY 2019-20.

We would like to state that your Company is progressing to achieve new milestones in its journey towards growth through total excellence. Pashupati Cotspin Limited has pursued business excellence through passion and expansion project carried out successfully which would result into improved cost competitiveness and profitability.

We have undertaken several strategic initiatives to drive improvement across operating parameters and created a more efficient and sustainable business framework to successfully meet the challenges arose due to ongoing Covid-19 pandemic. We believe that with proper planning on all fronts of the business we can defeat this ongoing pandemic and took this opportunity to thank all our office and factory staff, workers, suppliers, buyers, business associates, bank and other stakeholders to jointly contribute to face this pandemic situation.

Your Company is engaged in the processing of textiles since incorporation. Over the years we believe that we have established a strong customer base and good marketing setup. Further, our group has sufficient marketing expertise and wide marketing network, which is and would be channelled for our business and future expansion, if any. We have dedicated divisions for marketing different types of products and for different geographical locations. The sales division and export division are responsible for marketing of our products and fabrics. All the divisions have well trained and adequate teams to handle daily activities and are supervised regularly.

To meet the need of the international market, we have carried out changes in our machinery and for that purpose we stopped the machines for certain period which caused for loss of production for certain period of time and also interest loss, depreciation, etc., but such improvements in machines would definitely result for improvement of various parameters of the Company in coming years.

I would like to draw your attention towards the fact that as our material is Cotton and during the FY 2019-20, the fluctuation of cotton price caused adverse impact on the profitability of the Company.

Your Company has now focused to give utmost priority to cost cutting and also undertaken necessary steps to reduce per unit cost. Your Company have a clear vision that we have to take the maximum benefit of the forward Integration in our same compound.

We would like to assure that we will continuously seek opportunities and make our best efforts to contribute towards the growth and success of the organization.

I thank all valued shareholders of the Company for their confidence and trust and we assure that all efforts shall be put forth for achieving greater heights in future and shareholders can look forward for robust growth of our Company in the years to come.

We extend our sincere appreciation to colleagues on the board for their wise and matured counsel for the smooth functioning of the Company. We would like to express our profound gratitude to all



our stakeholders, our customers, business associates, employees, bankers, vendors and shareholders who have reposed their trust in us and given us constant support.

With Warm Regards,

Yours Sincerely

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

NOTICE OF 3RD ANNUAL GENERAL MEETING

NOTICE is hereby given that the 03rd (Third) Annual General Meeting of the Shareholders of PASHUPATI COTSPIN LIMITED will be held on Monday, 21st September, 2020 at 04.00 p.m. through Video Conferencing/ Other Audio Visual Means (OAVM) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Standalone audited Financial Statement of the Company for the financial year ended March 31, 2020 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 declare Final Dividend of Rs. 0.50 (Fifty Paise Only) (5%) per equity share for the Financial Year ended March 31, 2020 as recommended by the Board of Directors.

SPECIAL BUSINESS:

4. Ratification of Remuneration of Cost Auditor 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 Section 148 of the Companies Act 2013 read with the Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment thereof, for the time being in force, M/s Ashish Bhavsar & Associates, Cost Accountants, Ahmedabad, the Cost Auditor appointed by the Board of Directors, to conduct the audit of the Cost Records of the Company for the financial year ending 31st March, 2020 be paid the remuneration of Rs.35,000/- plus applicable taxes and out of pocket expenses incurred by them during the course of Audit.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to take such steps and actions as may be necessary for implementing the above resolution.”

5. Ratification of Related Party Transactions entered by the Company with related parties.

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 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) and pursuant to provisions of regulation 23 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof, members of the Company do hereby confirm, ratify and approve the contract and/or arrangements entered with the

following related party during the F.Y. 2019-20 in the ordinary course of business and on arm's length basis be and is hereby approved and ratified.

Sr. No.	Name of the Related Party	Nature of Relationship	Name of Transaction	Amount (Rs. In Cr)
1	R V Enterprise	Mr. Saurin Parikh, Managing Director is a relative of Proprietor.	Purchase	1,65,41,51,960
2	R V Enterprise	Mr. Saurin Parikh, Managing Director is a relative of Proprietor.	Sale	13,81,01,202
3	Pashupati Cotyarn LLP	Mr. Saurin Parikh Managing Director and Mr. Dakshesh Patel Director of Company are also Partners in the LLP.	Rent of Machinery	1,39,00,754

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board/ Committee be and is hereby authorized to agree, make, accept and finalize all such terms, condition(s), modification(s) and alteration(s) as it may deem fit within the aforesaid limits and the Board/ Committee is also hereby authorized to resolve and settle all questions, difficulties or doubts that may arise with regard to giving effect to this Resolution and to do all such acts, deeds, things as may be necessary in its absolute discretion and to finalize any documents and writings related thereto"

6. 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 an **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) and pursuant to provision of regulation 23 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof and subject to such other approvals, consents, permissions and sanctions of other authorities as may be necessary, and also pursuant to the approval of the Audit Committee and the Board of Directors vide resolutions passed/to be passed at their respective meetings, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee of the Board),

to approve all the material related party transactions (including any modifications, alterations or amendments thereto) to be entered into by the Company in the ordinary course of business and on arm's length basis with related party/ies and for the maximum amounts per annum, for 5 (five) consecutive years 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 Jagdish Bhai Parikh Managing Director is a relative of Proprietor.	R V Enterprise	400	-
2.	Purchase of Raw Material/Goods	Mr. Saurin Jagdish Bhai Parikh Managing Director is a relative of Proprietor.	R V Enterprise	-	400
3.	Rent on Machinery	Mr. Saurin Parikh Managing Director and Mr. Dakshesh Patel Director of Company are also Partners in the LLP.	Pashupati Cotyarn LLP	-	03

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, 2013.

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"

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

Date: 24/07/2020
Place: Ahmedabad

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

NOTES

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed, the Government of India; Ministry of Corporate Affairs allowed conducting Annual General Meeting through Video Conferencing (VC) or Other Audio Visual Means (OAVM) and dispensed the personal presence of the members at the meeting. Accordingly, the Ministry of Corporate Affairs issued Circular No. 14/2020 dated April 08, 2020, Circular No. 17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020 prescribing the procedures and manner of conducting the Annual General Meeting through VC/OAVM. In terms of the said circulars, the 03rd Annual General Meeting (AGM) of the members will be held through VC/OAVM. Hence, members can attend and participate in the AGM through VC/OAVM only. The detailed procedure for participation in the meeting through VC/OAVM is as per note no. 18 and available at the Company's website www.pashupaticotspin.com.
2. Information regarding appointment/re-appointment of Directors and Explanatory Statement in respect of special businesses to be transacted pursuant to Section 102 of the Companies Act, 2013 and/ or Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto.
3. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. In line with the aforesaid Ministry of Corporate Affairs (MCA) Circulars, the Notice of AGM along with Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Member may note that Notice and Annual Report 2019-20 has been uploaded on the website of the Company at www.pashupaticotspin.com. The Notice can also be accessed from the websites of the Stock Exchange i.e. National Stock Exchange of India Limited at www.nseindia.com respectively.
6. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, 14th September, 2020 to Monday, 21st September, 2020 (both days inclusive) For the purpose of determining the shareholders eligible for dividend, if any, declared by the shareholders of the Company at the Annual General Meeting and for the purpose of 03rd Annual General Meeting.
7. Members seeking any information with regard to accounts are requested to write to the Company at least 10 days before the meeting so as to enable the management to keep the information ready.
8. The Final Dividend, subject to approval of Members at the Annual General Meeting on 21st September, 2020, will be paid to the Members whose names appear in the Register of

Members, as on the date of Book Closure/Record Date of the Company and for that the Register of Members and Share Transfer Books of the Company will remain closed from Monday, 14th September, 2020 to Monday, 21st September, 2020 (both days inclusive).

9. Members holding the shares in physical mode are requested to notify immediately the change of their address and bank particulars to the R & T Agent of the Company. In case shares held in dematerialized form, the information regarding change of address and bank particulars should be given to their respective Depository Participant.
10. In terms of Section 72 of the Companies Act, 2013, nomination facility is available to individual members holding shares in the physical form. The members, who are desirous of availing this facility, may kindly write to Company's R & T Agent for nominating form by quoting their folio number.
11. 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 and all other documents referred to in the Notice will be available for inspection in electronic mode.
12. The Members can join the AGM through the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
13. Process and manner for members opting for voting through Electronic means:
 - I. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL), as the Authorized e-voting agency for facilitating voting through electronic means. The facility of casting votes by a member using remote e-voting as well as e-voting system on the date of the AGM will be provided by CDSL.
 - II. Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date i.e. Monday, 14th September, 2020, shall be entitled to avail the facility of remote e-voting as well as

e-voting system on the date of the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.

- III. A person who has acquired the shares and has become a member of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date i.e. 14th September, 2020, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or e-voting system on the date of the AGM by following the procedure mentioned in this part.
- IV. The remote e-voting will commence on Friday, 18th September, 2020 at 9.00 a.m. and ends on Sunday, 20th September, 2020 at 5.00 p.m. During this period, the members of the Company holding shares either in physical form or in demat form as on the Cut-off date i.e. Monday, 14th September, 2020 may cast their vote electronically. The members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be disabled for voting by CDSL thereafter.

Those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.

- V. Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again. The voting rights of the members shall be in proportion to their share in the paid-up equity share capital of the Company as on the Cut-off date i.e. Monday, 14th September, 2020.
- VI. The Company has appointed CS Devesh Khandelwal, Practising Company Secretary (Membership No. FCS: 4202; COP No: 6897), to act as the Scrutinizer for conducting the remote e-voting process as well as the e-voting system on the date of the AGM, in a fair and transparent manner.

14. Process for those shareholders whose email ids are not registered:

- a. For members holding shares in Physical mode - please provide necessary details like Folio No., Name of shareholder by email to cs@pashupaticotspin.com.
- b. Members holding shares in Demat mode can get their E-mail ID registered by contacting their respective Depository Participant or by email to cs@pashupaticotspin.com.

15. The instructions for shareholders for remote voting are as under:

- i. The voting period begins on Friday, 18th September, 2020 at 09.00 a.m. and ends on Sunday, 20th September, 2020 at 5.00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Monday, 14th September, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting.
- iii. The shareholders should log on to the e-voting website www.evotingindia.com.
- iv. Click on Shareholders.
- v. Now Enter your User ID

- a) For CDSL: 16 digits beneficiary ID,
- b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- c) Members holding shares in Physical Form should enter Folio Number registered with the Company
- vii. Next enter the Image Verification as displayed and Click on Login.
- viii. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- ix. If you are a first-time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<ul style="list-style-type: none"> • Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot/ Attendance Slip indicated in the PAN field. The Sequence Number will be intimated to such member by way of a letter. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. • Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Date of Birth OR Dividend Bank Details	<ul style="list-style-type: none"> • Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format. • Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

- x. After entering these details appropriately, click on "SUBMIT" tab.
- xi. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- xii. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xiii. Click on the EVSN of the Company – PASHUPATI COTSPIN LIMITED on which you choose to vote.

- xiv. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xv. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xvi. After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xvii. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xviii. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- xix. If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xx. Shareholders can also cast their vote using CDSL’s mobile app m-Voting. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- xxi. Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Shareholders can also cast their vote using CDSL’s Mobile app M-voting available for android based mobiles. The M-voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or call 1800225533.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call 1800225533.

16. The instructions for shareholders voting on the day of the AGM on e-voting system are as under:

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those Members/shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available in the AGM.
3. If any Votes are cast by the members through the e-voting available during the AGM and if the same members have not participated in the meeting through VC/OAVM facility, then the votes cast by such members shall be considered invalid as the facility of e-voting during the meeting is available only to the members participating in the meeting.
4. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

17. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.pashupaticotspin.com within three days of the passing of the Resolutions at the 03rd Annual General Meeting of the Company and shall also be communicated to the Stock Exchanges where the shares of the Company are listed.

18. Instructions for members for attending the AGM through VC/OAVM are as under:

1. Member will be provided with a facility to attend the AGM through VC/OAVM or view the live webcast of AGM through the CDSL e-Voting system. Members may access the same at [https:// www.evotingindia.com](https://www.evotingindia.com) under shareholders'/ members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss

due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. For ease of conduct, members who would like to ask questions may send their questions in advance at least (7) days before AGM mentioning their name, demat account number/folio number, email id, mobile number at cs@pashupaticotspin.com and register themselves as a speaker. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM.
6. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.
19. If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022- 23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

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

Date: 24/07/2020
Place: Ahmedabad

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

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



CONTACT DETAILS

Company: PASHUPATI COTSPIN LIMITED

Regd. Office: Survey No.404 At & Post Balasar, Kadi-Detroj Road, Kadi Mahesana-382715

Phone: 02764-262200

CIN: L17309GJ2017PLC098117

E-mail: cs@pashupatycotspin.com

Registrar and Transfer Agent: Sharex Dynamic (India) Private Ltd Unit-1, Luthra Industrial Premises, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai-400 072

E-Voting Agency: Central Depository Services (India) Limited E-mail: helpdesk.evoting@cdslindia.com Phone: 022- 22723333/ 8588

Scrutinizer: CS Devesh Khandelwal Practicing Company Secretary (FCS: 6897 and COP: 4202)

E-mail: info@csdevesh.com



**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE
COMPANIES ACT, 2013**

Item No. 4

The Board at its meeting held on 19th August, 2018 on the recommendation of Audit Committee, has appointed M/s Ashish Bhavsar & Associates, Cost Accountant, Ahmedabad as the Cost Auditor to conduct the audit of cost records of the Company for the financial year 2019-20 on a remuneration of Rs.35,000/- (excluding Taxes) plus reimbursement of out of pocket expenses and conveyance.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration as mentioned above, payable to the Cost Auditor is required to be ratified by the shareholders of the Company. The Board recommends the aforesaid resolution for approval of the members.

None of the Directors, Key Managerial Personnel (KMP) of the Company or their relatives are concerned or interested in the aforesaid resolution except to the extent of their shareholding.

Item No. 5

The Company has entered into transactions over a period of time with R V Enterprise and Pashupati Cotyarn LLP. The Audit Committee & the Board of Directors of the Company have considered this Contracts/Arrangement and limits at their respective meetings and ratified and approved the Contracts/Arrangements and have also decided to seek ratification and approval of Shareholders pursuant to Section 188 of the Act, read with the Companies (Meetings of Board and its Powers) Rules, 2014. The Board accordingly recommends the resolution as set out in Item No. 5 of the Notice for ratification and approval of the members as an Ordinary Resolution. Interested members would not be eligible to vote on the resolution set out at item No.5 of the accompanying notice in term of Section 188 of the Companies Act, 2013 and SEBI Regulations.

None of the Directors except Mr. Saurin Jagdish Bhai Parikh, Mr. Tushar Rameshchandra Trivedi, and Mr. Dakshesh Jayantilal Patel along with their relatives are interested in the said resolution except to the extent of their Shareholding. The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the Shareholders.

Item No. 6

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 and ("the Act") and/or the Securities and Exchange Board of India(Listing Obligations and Disclosure Requirements)Regulations, 2015 ("Listing Regulations"), the Board of Directors of your Company has approved the proposed transactions along with annual limit for 5 (Five) consecutive years including financial year 2019-20 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 may carry out on arm's Length basis and all factors relevant to the respective transactions may consider by the Board. The Company will seek fresh approval of shareholders under applicable provisions on completion of 5 (five) consecutive years.

None of the Directors except Mr. Saurin Jagdish Bhai Parikh, Mr. Tushar Rameshchandra Trivedi, and Mr. Dakshesh Jayantilal Patel along with their relatives are interested in the said resolution except to the extent of their Shareholding. The Board recommends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the Shareholders.

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

Date: 24/07/2020
Place: Ahmedabad

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

Sd/-
SAURIN JAGDISH BHAI PARIKH
Chairman & Managing Director
(DIN: 02136530)

DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AS REQUIRED UNDER REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS 2015

(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
DIN	07859419
Date of Birth	06/01/1968
Date of Appointment	03/07/2017
Relationship Between Directors <i>inter se</i>	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.
Qualification	Bachelor of Engineering (Civil)
Other Board Membership*	Nil
Committee Membership in other public companies	Nil
Number of Shares held in the Company	5,25,000

*Pvt. Companies excluded.

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

Date: 24/07/2020
Place: Ahmedabad

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

Sd/-
SAURIN JAGDISH BHAI PARIKH
Chairman & Managing Director
(DIN: 02136530)

**DIRECTOR'S REPORT****Dear Members,**

Your Directors take pleasure in presenting the 03rd Annual Report on business and operations along with Audited Financial Statements and the Auditor's report of your Company for the financial year ended 31st March, 2020.

1. Financial Results

The Financial Performance of the company for the year ended 31st March; 2020 is summarized as below:

(Standalone) (Rs. in Lakh)

Particulars for the year ended	March 31,2020	March 31,2019
Net revenue from Operations (Sales)	39701.11	53782.78
Profit Before Depreciation, Exceptional Item and Tax	1141.95	2739.87
Less: Depreciation	1335.46	1280.95
Profit Before Extra ordinary Items and Tax	(193.50)	1458.92
Extra Ordinary Items	336.13	369.72
Profit Before Tax	142.63	1089.19
Tax Expense		
-Current Tax	(63.54)	234.78
Less: MAT Credit Receivable	0.00	(76.98)
-Deferred Tax	(141.85)	(14.78)
Profit After Tax	348.01	946.18
EPS (Basic)	3.33	9.20
EPS (Diluted)	2.40	9.20

2. Overview Of Company's Financial Performance:

During the year under review, your Company has achieved a total net sale of Rs.39701.11 lakhs and achieved Net Profit after Tax (NP) of Rs.348.01 lakhs. Your directors are optimistic about the performance of the Company in the coming years.

3. Dividend

Your Directors are pleased to recommend a Final Dividend of Re. 0.50 (Rupee Fifty Paisa) (5%) per equity share of face value of Rs.10/- each for the financial year ended on 31st March, 2020 which shall be paid subject to approval of members at the ensuing 3rd Annual General Meeting.

The Final Dividend, subject to approval of Members at the Annual General Meeting on 21st September, 2020, will be paid to the Members whose names appear in the Register of Members, as on the date of Book Closure/Record Date of the Company for the purpose of 03rd AGM and Payment of Final Dividend.

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-

There is no change in the nature of business carried out by the Company in the Year 2019-2020.

6. Amounts Transferred To Reserves:

During the year under review, the Company has not transferred any amount to General 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 made an investments into Limited Liability Partnership (LLP) under the provisions of Section 186 of the Companies Act, 2013 and has also provided loans to persons or provided security in connection with the loan to any other body corporate or person and the particulars of such investments and loans, falling under the provisions of Section 186 of the Companies Act, 2013 are provided in the notes no. 12 and 17 respectively to financial statements of the Company.

10. Extract of the Annual Return

Pursuant to Section 92(3) of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, an extract of Annual Return in Form MGT-9 containing details as on the Financial Year ended 31st March, 2020 as required in the prescribed format is appended as "**Annexure A**" to the Board's Report which forms an integral part of this Report, 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 5(Five) Directors, out of which 2 are Executive Directors, 1 is Non Executive Director and 2 are Independent Directors that includes one Woman Independent Director. The Chairman of the Board is an executive Director.



The Board of Directors duly met Six (06) times on 18/05/2019, 30/05/2019, 19/08/2019, 09/10/2019, 14/11/2019 and 04/02/2020 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	Attendance at the Last AGM
Mr. Saurin Jagdish Bhai Parikh	Chairman & Managing Director	Promoter	06	06	Yes
Mr. Tushar Rameshchandra Trivedi	Whole Time Director	Promoter	06	06	Yes
Mr. Dakshesh Jayantilal Patel	Non-Executive Director	Promoter	06	06	Yes
Mr. Sandip Ashwinbhai Parikh	Non-Executive Director	Independent	06	05	Yes
Mrs. Sheela Kirtankumar Roy	Non-Executive Director	Independent	06	05	Yes

II. APPOINTMENTS:

During the year under review, no Director has been appointed by the company.

III. CESSATIONS:

During the year under review, no Director has been resigned from the company.

IV. Retirement by Rotation

In accordance with the provisions of Section 152 of the Companies Act, 2013 read with the Companies (Appointment & Qualification of Directors) Rules, and Companies Articles of Association, Mr. Dakshesh Jayantilal Patel (DIN-07859419), Whole Time Director of the Company 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. Familiarization Program of Independent Directors

The Independent Directors have been updated with their roles, rights and responsibilities in the Company by specifying them in their appointment letter along with necessary documents, reports and internal policies to enable them to familiarize with the Company's procedures and practices. The Company endeavours, through presentations at regular intervals, to familiarize the Independent Directors with the strategy, operations and functioning of the Company and also with changes in the regulatory environment having a significant impact on the operations of the Company and the industry as a whole. The Independent Directors also meet with senior management team of the Company in informal gatherings. During the year 2019-20, the Company has conducted 6 programs for familiarizing the Directors for a total duration of 6 hours. The Policy on familiarization program for independent directors, role, responsibility and rights of independent directors is uploaded on www.pashupaticotspin.com.

**VI. 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 03rd Annual General Meeting.

VII. 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 & Compliance Officer

VIII. 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. BOARD COMMITTEES

Your Company has five Committees of the Board, namely:

- I. Audit Committee
- II. Nomination and Remuneration Committee
- III. Stakeholders' Relationship Committee
- IV. Corporate Social Responsibility Committee
- V. Warrant Allotment Committee

Details of all the Committees along with their composition, terms of reference and meetings held during the year are provided in detail as below:

I. 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	Independent Director	Chairman	4	4
Mrs. Sheela Kirtankumar Roy	Independent Director	Member	4	3



Mr. Saurin Jagdish Bhai Parikh	Managing Director	Member	4	4
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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. The Audit Committee shall oversee financial reporting process and disclosures, review financial statements, internal audit reports, related party transactions, financial and risk management policies, auditors qualifications, compliance with Accounting Standards etc. and oversee compliance with Stock Exchanges and legal requirements concerning financial statements and fixation of audit fee as well as payment for other services etc.

Four Audit Committee meetings were held during the year 2019-20 on 30/05/2019, 19/08/2019, 09/10/2019, and 12/11/2019.

II. 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 Company Secretary acts as the Secretary to the Nomination and Remuneration Committee and the Committee Members are:

Name	Category	Position
Mrs. Sheela Kirtankumar Roy	Independent Director	Chairman
Mr. Sandip Ashwinbhai Parikh	Independent Director	Member
Mr. Dakshesh Jayantilal Patel	Non Executive Director	Member

The Board has in accordance with the provisions of sub-section (3) of Section 178 of the Companies Act, 2013 formulated the policy setting out the criteria for determining qualifications, positive attributes, independence of a Director and policy relating to remuneration of Directors, Key Managerial Personnel and other employees. The said policy is available on the Website of the Company www.pashupaticotspin.com.

No Meeting was held during the year 2019-20.

III. 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. Company Secretary is the Compliance Officer, who acts as the Secretary to the Committee and the Members of the Committee are:

Name	Category	Position	No. of meetings held	No. of meetings attended
Mrs. Sheela Kirtankumar Roy	Independent Director	Chairman	4	4
Mr. Tushar Rameshchandra Trivedi	Whole Time Director	Member	4	4



Mr. Dakshesh Jayantilal Patel	Non Executive Director	Member	4	4
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The Stakeholders Relationship Committee looks into shareholders' complaints related to transfer of shares, non-receipt of balance sheet besides complaints from SEBI, Stock Exchanges, Court and various Investor Forums. It oversees the performance of the Registrars and Transfer Agent, and recommends measures for overall improvement in the quality of investor services. The Company is in compliance with the SCORES, which has initiated by SEBI for processing the investor complaints in a centralized web based redress system and online redressal of all the shareholders complaints.

Four meetings were held during the year 2019-20 on 22/05/2019, 28/09/2019, 14/12/2019 and 25/02/2020.

IV. 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:

- 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.
- Recommend the amount of expenditure to be incurred on the corporate social responsibility activities; and
- Monitor the implementation of the Company's corporate social responsibility policy.

During the financial year ended 31st March, 2020, the Company has done CSR expenditure of Rs. 16,85,000 (Rupees Sixteen Lacs Eighty Five Thousand Only). The CSR initiative of the Company is mainly under promotion of Healthcare specially relating to cancer awareness.

The Corporate Social Responsibility Committee comprises the following:

Name	Category	Position	No. of meetings held	No. of meetings attended
Mr. Saurin Jagdish Bhai Parikh	Managing Director	Chairman	4	4
Mrs. Sheela Kirtankumar Roy	Independent Director	Member	4	4
Mr. Tushar Rameshchandra Trivedi	Whole Time Director	Member	4	4

Four meetings were held during the year 2019-20 on 01/04/2019, 05/08/2019, 10/12/2019 and 22/02/2020.

The Company's CSR Policy statement and Annual Report on the CSR activities undertaken during the financial year ended 31st March, 2020, in accordance with section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) is set out in "**Annexure B**" to this Report.

**V. Warrant Allotment Committee**

Pursuant to 62 (1) (c) read with Section 42 of Companies Act, 2013 and Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and Special Resolution passed in Extra-Ordinary General Meeting dated 29th December, 2018, the Company had issued 50,00,000 (Fifty Lakh only) Share Warrants carrying an option/entitlement to subscribe to Equity shares of Rs.10/- each and the Board of Directors in their meeting held on 28.01.2019 formed a committee named **Warrant Allotment Committee** to delegate all its power pertaining to allotment of 50,00,000 share warrants to the proposed allottees and conversion of such warrants into equity shares. Following directors are the members of the said committee.

Name	Category	Position	No. of meetings held	No. of meetings attended
Mr. Saurin Jagdish Bhai Parikh	Managing Director	Chairman	2	2
Mr. Dakshesh Jayantilal Patel	Non-Executive Director	Member	2	2
Mrs. Sheela Kirtankumar Roy	Independent Director	Member	2	2

Two meetings were held during the year 2019-20 on 30/11/2019 and 09/01/2020

The scope and function of the Committee and its terms of reference shall include the following;

A. Tenure:

The Warrant 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 arise. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher. Meeting of the Committee shall be called by at least five days' notice in advance.

C. Terms of Reference:

- To call the balance amount i.e. 75% from the warrant holders
- To convert warrants in to Equity Shares on receipt of the balance amount of warrants
- To make application for listing and trading approval to NSE
- To issue Share to the allottees in dematerialize form
- To do application for corporate action with NSDL & CDSL as and when required in the matter of allotment and issue of shares on conversion of warrants
- To do application for Lock-in of shares issued on conversion of warrants
- 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.

13. Compliance Officer

The Compliance Officer of the Company is Ms. Bijal Nareshbhai Thakkar, who is also designated as Company Secretary of the Company.

14. 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.

15. 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.

Due to spread of Novel Corona Virus (COVID-19) Our Plant was dosed w.e.f. March 25, 2020 to April 01, 2020 (07 days) due to lockdown however, we got permission on April 02, 2020 from concerned authorities, subject to fulfilment of certain conditions, to partially start production operations.

16. 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 or courts or tribunals impacting the going concerns status and Company's operations in future.

17. Conversion of Warrants into Equity Shares of the Company

During the year under review, pursuant to 62 (1) (c) read with Section 42 of Companies Act, 2013 and Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, the Company has allotted 950000 Equity Shares of Rs.10/- each at a premium of Rs.49/- per Share in the meeting of the Board of Directors held on 04.02.2020, pursuant to Conversion of Equity Warrants issued on 28.01.2019.

18. Changes in Paid up-Share Capital of the Company

During the year under review, on 04/02/2020, the Company has allotted 950000 equity shares of Rs.10/- each on conversion of 950000 warrants and accordingly the paid-up Equity Share Capital of the Company has been increased from Rs. 10,28,40,000 (Rupees Ten Crore Twenty Eight Lacs Forty Thousand Only) divided into 1,02,84,000 (One Crore Two Lakhs Eighty Four Thousand) Equity Shares of Rs.10/- (Rupees Ten Only) each to Rs. 11,23,40,000/- (Rupees Eleven Crore Twenty Three Lakhs Forty Thousand Only) divided into 1,12,34,000 (One Crore Twelve Lakhs Thirty Four Thousand) Equity Shares of Rs.10/- (Rupees Ten Only) each.



Paid-up Share Capital	As at 31 st March 2020		As at 31 st March 2019	
	Shares	Capital	Shares	Capital
Equity Shares of Rs 10/- each	1,12,34,000	11,23,40,000	1,02,84,000	10,28,40,000

19. Auditors

1. Statutory Auditors

M/s. Mahendra N. Shah & Co., Chartered Accountants, the Statutory Auditors of the Company, were appointed at the 01st Annual General Meeting held on 17th September, 2018 to hold office for a period of 5 (Five) years i.e. from the conclusion of 01st (First) Annual General Meeting (AGM) till the conclusion of 06th (Six) Annual General Meeting 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.

In accordance with the Companies Amendment Act, 2017, enforced on 7th May, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting.

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

Pursuant to provisions of Section 148 and all other applicable provisions of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 framed thereunder and the Cost Audit orders issued from time to time, the Board of Directors in their meeting held on 19.08.2019 has appointed M/s. Ashish Bhavsar & Associates, Cost Accountants (FRN: 000387) as a Cost Auditors to conduct the audit of cost records of the Company for the Financial Year 2019-2020. The Company has received consent from M/s. Ashish Bhavsar & Associates, Cost Accountants, to act as the Cost Auditor for conducting audit of the cost records for the Financial Year 2019-2020 along with a certificate confirming their independence and arm's length relationship.

The Ordinary Resolution seeking approval from members for remuneration payable to the said Cost Auditor forms a part of the Notice of this Annual General Meeting.

3. Secretarial Auditor

Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company has appointed M/s. Devesh Khandelwal & Associates, Practicing Company Secretaries, Ahmedabad to conduct Secretarial Audit for the Financial Year 2019-2020. 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. Devesh Khandelwal & Associates, Practicing Company Secretaries, Secretarial Auditor of the Company forms part of this report and is marked as **"Annexure-C"**.

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

The Board, at its meeting held on 29th June, 2020, has re-appointed M/s. Khandelwal Devesh & Associates, Company Secretaries, as Secretarial Auditor, for conducting Secretarial Audit of the Company for FY 2020-21.

20. Personnel

The information required under Section 197 (12) 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-D**". 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.

21. 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-E**" to this report.

22. 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 F**" 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.32,57,63,452/-

23. 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 G**" to this report.

24. 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.

25. Board Evaluation

The Board carried out an annual performance evaluation of its own performance, the performance of the Independent Directors individually as well as the evaluation of the working of the Committees of the Board. The performance evaluation of all the Directors was carried out by the Nomination and Remuneration Committee. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors.

26. Adequacy of Internal Financial Control

The Company has designed and implemented a process driven framework for Internal Financial Controls ('IFC') within the meaning of the explanation to Section 134(5)(e) of the Act. For the year ended March 31, 2020, the Board is of the opinion that the Company has sound IFC commensurate with the nature and size of its business operations and operating effectively and no material weaknesses exist. The Company has a process in place to continuously monitor the same and identify gaps, if any, and implement new and / or improved controls wherever the effect of such gaps would have a material effect on the Company's operations.

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, 2019, 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

The Equity 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 2020-21.

29. Prevention of Sexual Harassment at Workplace

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and rules made thereunder, your Company has constituted Internal Complaints Committee (ICC) which is responsible for redressal of complaints related to sexual harassment.

Your Directors declared and confirm that, during the year under review, there is no case filed under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

30. Vigil Mechanism

The Company believes in the conduct of its affairs in a fair and transparent manner to foster professionalism, honesty, integrity and ethical behaviour in its employees & stakeholders. The Company has adopted a Whistle Blower Policy as a part of vigil mechanism.

Also, the Code of Business Conduct (Code) lays down important corporate ethical practices that shape the Company's value system and business functions and represents cherished values of the Company.

31. Human resources

Your company considers its Human Resources as the key to achieve its objectives. Keeping this in view, your company takes utmost care to attract and retain quality employees. The employees are sufficiently empowered and such work environment propels them to achieve higher levels of performance. The unflinching commitment of the employees is the driving force behind the company's vision. Your company appreciates the spirit of its dedicated employees.

32. 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.

33. Independent Directors' Meeting

The Independent Directors met on February 04, 2020 to discuss the performance evaluation of the Board, Committees, Chairman and the individual Directors.

The Independent Directors reviewed the performance of the non-independent Directors and Board as a whole. The Performance of the Chairman taking into account the views of Executive Directors and non-executive Directors and assessed the quality, quantity and timeline of flow of inform action between Company management and Board.

34. Secretarial Standards

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and General Meetings.

35. Acknowledgement

Your directors take this opportunity to express their sincere appreciation to the shareholders, customers, bankers, suppliers and other business associates for the excellent support and cooperation extended by them.

Your directors gratefully acknowledge the ongoing co-operation and support provided by the Central and State Governments, Stock Exchanges, SEBI, RBI and other Regulatory Bodies.

For and on behalf of the Board of Directors

Date: 24/07/2020

Place: Ahmedabad

Sd/-

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

Annexure- "A"**FORM NO. MGT 9****EXTRACT OF ANNUAL RETURN OF PASHUPATI COTSPIN LIMITED***As on financial year ended on 31.03.2020**Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014***I. REGISTRATION & OTHER DETAILS:**

Sr No.	CIN	L17309GJ2017PLC098117
1	Registration Date	03/07/2017
2	Name of the Company	Pashupati Cotspin Limited
3	Category/Sub-category of the Company	Company Limited by shares Non-Government Company
4	Address of the Registered office & contact details	Survey No.404 At & Post Balasar, Kadi-Detroj Road, Kadi Mahesana-382715, Gujarat. Ph: 02764 – 262200 Email: haresh@srjaexport.com
5	Whether listed company	Yes
6	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Sharex Dynamic (India) Private Ltd Unit-1, Luthra Industrial Premises, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai-400 072. Ph: 2851 5606/5644 Email: support@sharexindia.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

S. No.	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	43.00%
2.	Cotton ginning, cleaning and bailing	01632	57.00%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No	Name & Address of the Company	CIN	Holding/Subsidiary/ Associate	% of Shares held	Applicable Section under Companies Act, 2013
NIL					



IV. SHARE HOLDING PATTERN

Category of Shareholder	No. of Shares held at the beginning of the year [As on 01-04-2019]				No. of Shares held at the end of the year [As on 31-March-2020]				% Change during the year
	Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	6675000	-	6675000	64.91	7207000	-	7207000	64.15	(0.76)
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporation	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	6675000	-	6675000	64.91	7207000	-	7207000	64.15	(0.76)
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) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non—Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	457600	-	457600	4.45	865613	-	865613	7.71	3.26
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-					



i)Individual shareholders holding nominal share capital up to Rs. 1 lakh	339200	-	339200	3.30	342387	-	342387	3.05	(0.25)
ii)Individual shareholders holding nominal share capital in excess of Rs 1 lakh	2437800	-	2437800	23.70	2668600	-	2668600	23.75	0.05
c)Others (specify) HUF	83200	-	83200	0.81	148800	-	148800	1.32	0.51
Non Resident Indians	1600	-	1600	0.02	1600	-	1600	0.01	(0.01)
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	289600	-	289600	2.82	-	-	-	-	(2.82)
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	3609000	-	3609000	35.09	4027000	-	4027000	35.85	0.76
Total Public Shareholding (B)=(B)(1)+(B)(2)	3609000	-	3609000	35.09	4027000	-	4027000	35.85	0.76
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	10284000	-	10284000	100	11234000	-	11234000	100	-

**B) Shareholding of Promoter-**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (01/04/2019)			Shareholding at the end of the year (31/03/2020)			% 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	16.77	-	1725000	15.36	-	(1.41)
2	Falguni Mitesh Parikh	1125000	10.94	-	1125000	10.01	-	(0.93)
3	Hariprabha Aravindbhai Parikh	975000	9.48	-	975000	8.68	-	(0.80)
4	Renukaben Jagdishchandra Parikh	975000	9.48	-	975000	8.68	-	(0.80)
5	Ashish Rameshchandra Trivedi	600000	5.83	-	600000	5.34	-	(0.49)
6	Bhaveshkumar Jayantilal Patel	525000	5.11	-	791000	7.04	-	1.93
7	Dakshesh Jayantilal Patel	525000	5.11	-	525000	4.67	-	(0.44)
8	Tushar Rameshchandra Trivedi	225000	2.19	-	225000	2.00	-	(0.19)
9	Minaben Daksheshbhai Patel	-	-	-	266000	2.37	-	2.37
	Total	6675000	64.91	-	7207000	64.15	-	(0.76)

C) Change in Promoter's Shareholding (please specify, if there is no change)

Sr. No.	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
	At the beginning of the year	6675000	64.91	6675000	64.91
	The Company has issued 532000 Equity Shares to the Promoter & Promoter				



Group upon Conversion of 950000 Equity Warrants into Equity Shares of the Company on 04.02.2020.	532000	4.74	7207000	64.15
At the end of the year	7207000	64.15	7207000	64.15

D) Shareholding Pattern of top ten Shareholders:

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

Sr No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year(01/04/2019)		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	5.83	600000	5.83
	Allotment of Shares upon Conversion of warrants 04.02.2020	304000	2.71	904000	8.05
	At the end of the year	904000	8.05	904000	8.05
2.	TORALBEN URDEEP BRAHMBHATT				
	At the beginning of the year	225000	2.19	225000	2.19
	Allotment of Shares upon Conversion of warrants 04.02.2020	114000	1.01	339000	3.02
	At the end of the year	339000	3.02	339000	3.02
3.	GUJCOT ENTERPRISES LLP				
	At the beginning of the year	225600	2.19	225600	2.19
	Purchase on 31.01.2020	32000	0.31	257600	2.29
	Purchase on 07.02.2020	58200	0.52	315800	2.81
	Purchase on 14.02.2020	21800	0.19	337600	3.01
	At the end of the year	337600	3.01	337600	3.01
4.	PARAK TRADEWING LLP				
	At the beginning of the year	219200	2.13	219200	2.13



	Purchase on 31.01.2020	64000	0.62	283200	2.52
	At the end of the year	283200	2.52	283200	2.52
5.	SILKON TRADES LLP				
	At the beginning of the year	0	0.00	0	0.00
	Purchase on 06.09.2019	129600	1.26	129600	1.26
	Purchase on 27.09.2019	75200	0.73	204800	1.82
	Sell on 04.10.2019	48000	0.47	156800	1.40
	Purchase on 18.10.2019	49600	0.48	206400	1.84
	Purchase on 25.10.2019	9535	0.09	215935	1.92
	Purchase on 15.11.2019	1665	0.02	217600	1.94
	Sell on 29.11.2019	1600	0.02	216000	1.92
	Sell on 06.12.2019	30400	0.30	185600	1.65
	Purchase on 13.12.2019	44800	0.44	230400	2.04
	At the end of the year	230400	2.04	230400	2.04
6.	MIHIR JAGDISH GANDHI				
	At the beginning of the year	139200	1.35	139200	1.35
	Increase/Decrease in Shareholding during the year	NIL			
	At the end of the year	139200	1.24	139200	1.24
7.	JAYESHKUMAR MANILAL PATEL				
	At the beginning of the year	110400	1.07	110400	1.07
	Increase/Decrease in Shareholding during the year	NIL			
	At the end of the year	110400	0.98	110400	0.98
8.	TARUNA KIRTIKUMAR JAIN				
	At the beginning of the year	99200	0.96	99200	0.96
	Increase/Decrease in Shareholding during	NIL			



	the year				
	At the end of the year	99200	0.88	99200	0.88
9.	SANJAY GIJUBHAI AMIN				
	At the beginning of the year	92800	0.90	92800	0.90
	Increase/Decrease in Shareholding during the year	NIL			
	At the end of the year	92800	0.83	92800	0.83
10.	ANS PVT LIMITED				
	At the beginning of the year	289600	2.81	289600	2.81
	Purchase on 24.05.2019	11200	0.11	300800	2.68
	Purchase on 14.06.2019	1600	0.02	302400	2.69
	Sell on 29.06.2019	70400	0.68	232000	2.07
	Sell on 30.08.2019	102400	0.99	129600	0.12
	Sell on 06.09.2019	38400	0.37	91200	0.81
	Purchase on 13.09.2019	1600	0.02	92800	0.83
	Purchase on 20.09.2019	1600	0.02	94400	0.84
	Sell on 27.09.2019	92800	0.90	1600	0.01
	Purchase on 04.10.2019	46400	0.45	48000	0.43
	Purchase on 11.10.2019	41600	0.40	89600	0.80
	Sell on 06.12.2019	43200	0.42	46400	0.41
	Sell on 13.12.2019	44800	0.44	1600	0.01
	Purchase on 31.01.2020	9600	0.09	11200	0.10
	Sell on 07.02.2020	11200	0.10	0	0.00
	At the end of the year	0	0.00	0	0.00



E) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	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
	DIRECTORS				
1	Saurin Jagdish Bhai Parikh				
	At the beginning of the year	1725000	16.77	1725000	16.77
	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	2.19	225000	2.19
	Date wise Increase / Decrease in Shareholding during the year	Nil			
	At the end of the year	225000	2.19	225000	2.19
3	Dakshesh Jayantilal Patel				
	At the beginning of the year	525000	5.11	525000	5.11
	Date wise Increase / Decrease in Shareholding during the year	Nil			
	At the end of the year	525000	5.11	525000	5.11
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	Sheela Kirtankumar Roy	-	-	-	-
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year	-	-	-	-



	At the end of the year	-	-	-	-
	Key Managerial Personnel				
6	Hareshkumar Rameshchandra Shah	-	-	-	-
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
7	Bijal Nareshbhai Thakkar	-	-	-	-
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-

v. INDEBTEDNESS

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

<i>Particulars</i>	<i>Secured Loans excluding deposits</i>	<i>Unsecured Loans</i>	<i>Deposits</i>	<i>Total Indebtedness</i>
Indebtedness at the beginning of the financial year				
i) Principal Amount	1065377193	131532058	-	1196909251
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	1065377193	131532058	-	1196909251
Change in Indebtedness during the financial year				
* Addition	-	-	-	-
* Reduction	207783861	(52008958)	-	(259792819)
Net Change	(207783861)	(52008958)	-	(259792819)
Indebtedness at the end of the financial year				
i) Principal Amount	857593332	79523100	-	937116432
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	857593332	79523100	-	937116432



VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Saurin J. Parikh (MD)	Tushar R. Trivedi (WTD)	
1	Gross salary	-	2,29,193	2,29,193
	(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)	-	2,29,193	2,29,193

B. Remuneration to other directors

Sr No.	Particulars of Remuneration	Name of Directors			Total Amount
		Mr. Sandip A. Parikh	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		
		CFO Mr. Hareshkumar Shah	CS Ms. Bijal Thakkar	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3,00,000	2,64,000	5,64,000
	(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	3,00,000	2,64,000	5,64,000

**VII. 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					

For and on behalf of the Board of Directors

Date: 24/07/2020
Place: Ahmedabad

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

Annexure- "B"**CORPORATE SOCIAL RESPONSIBILITY****1. A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects and programs:**

The Company has adopted a Corporate Social Responsibility ("CSR") Policy in accordance with the applicable provisions of Companies Act, 2013 and allied rules (hereinafter referred as "the Act"). This Policy is a guideline for Company's CSR activities intended to support local communities on a variety of socially desirable activities with a view to enable high impact and ensure measurable outcomes of the funds deployed towards such activities. The Company believes that economic value and social value are interlinked. A firm creates economic value by creating social value.

The CSR policy of the Company is stated in www.pashupaticotspin.com

2. CSR Committee:

The CSR Committee has been entrusted with responsibility of formulating and recommending to the Board, a Corporate Social Responsibility Policy indicating the activities to be undertaken by the Company as specified in Schedule VII to the Companies Act, 2013; recommending to the Board the amount of expenditure to be incurred; monitoring the implementation of framework of CSR Policy and ensuring that implementation of the project and programme is in compliance with the CSR Policy of the Company.

3. Composition of the CSR Committee as on 31st March, 2020:

In accordance with the provisions of section 135 of Companies Act, 2013 read with Rule 5 of Companies (CSR Policy) Rules, 2014, the Company has constituted its CSR Committee, which presently comprises of three Directors.

Name	Category	Position
Mr. Saurin Jagdish Bhai Parikh	Managing Director	Chairman
Mrs. Sheela Kirtankumar Roy	Independent Director	Member
Mr. Tushar Rameshchandra Trivedi	Whole Time Director	Member

4. Average Net Profit of the Company for the last three financial years: Rs.4,40,68,922.08/- ***5. Prescribed CSR Expenditure: Rs.8,81,378.44****6. Details of CSR spent for the financial year:**

- Total amount spent for the financial year: Rs.16,85,000/-
- Amount unspent, if any: Nil*
- Manner in which the amount spent during the financial year is detailed below:

***Average Net profit of the Company includes average amount of last two preceding previous years as the Company is incorporated in 2017-18.**

The CSR activities/projects are implemented in accordance with the provisions of Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014:



S. 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 various parts of State of Gujarat and India.	No	Rs.11,85,000/-	Rs. 11,85,000/-	Through Pashupati Healthcare Foundation (Formerly Known as Human Wellness Foundation)
2.	Healthcare Programme	Promoting Health Care	The Company has carried out Healthcare Awareness Programme	No	Rs.5,00,000/-	Rs.5,00,000/-	Through Sheth Shri Nathalal Narardas Sarvajanik Hospital

For and on behalf of the Board of Directors

Date: 24/07/2020
Place: Ahmedabad

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

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st March, 2020
[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: L17309GJ2017PLC098117) (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, 2020** ('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, 2020** 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, 2018.

- (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, pursuant to 62 (1) (c) read with Section 42 of Companies Act, 2013 and Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, on 04.02.2020 the Company has allotted 950000 Equity Shares of Rs.10/- each at a premium of Rs.49/- per Share on conversion of 950000 warrants issued on 28.01.2019.

I further report that there were no other instances of:

- (i) Public/Rights of Shares/Preferential Issue of Shares/debentures/sweat equity.
- (ii) Redemption/buy-back of securities.
- (iii) Merger/ amalgamation etc.
- (iv) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013
- (v) Foreign technical collaborations.

**For, Khandelwal Devesh & Associates,
Company secretaries,**

**Devesh Khandelwal
Proprietor
FCS: 6897
COP No.:4202
UDIN: F006897B000505923**

**Date: 24/07/2020
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, Khandelwal Devesh & Associates,
Company Secretaries,

Devesh Khandelwal
Proprietor
FCS: 6897
COP No.:4202
UDIN: F006897B000505923

Date: 24/07/2020
Place: Ahmedabad

**Annexure-“D”**

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:

Sr.No.	Requirements	Disclosure	
I.	The ratio of the remuneration of each director to the median remuneration of the employees for the financial year	WTD	9.09 times
II.	The percentage increase in remuneration of each director, CFO, CEO, CS in the financial year	CS	9.30 times
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 31 st March, 2020	714	
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: 24/07/2020
Place: Ahmedabad

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

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE & DEVELOPMENT

The textile industry occupies a unique place in India. One of the earliest to come into existence in India, it accounts for 14% of the total Industrial production, contributes to nearly 30% of the total exports and is the second largest employment generator after agriculture. Textile Industry is providing one of the most basic needs of people and holds importance; maintaining sustained growth for improving quality of life. It has a unique position as a self-reliant industry, from the production of raw materials to the delivery of finished products, with substantial value-addition at each stage of processing; it is a major contribution to the country's economy. Its vast potential for creation of employment opportunities in the agricultural, industrial, organised and decentralised sectors & rural and urban areas, particularly for women and the disadvantaged is noteworthy.

The Company is 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 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.

SWOT ANALYSIS

Strengths

- Well established manufacturing facility
- Well established marketing set-up:

We are engaged in the processing of textiles since incorporation. Over the years we believe that we have established a strong customer base and good marketing setup. Further, our group has sufficient marketing expertise and wide marketing network, which is and would be channelled for our business and future expansion, if any. We have dedicated divisions for marketing different types of products and for different geographical locations. The sales division and export division are responsible for marketing of our products and fabrics. All the divisions have well trained and adequate teams to handle daily activities and are supervised regularly.

- Experienced Promoter & Management Team:

Our Management has adequate and rich experience in the textile business. Our Company is managed by a team of experienced personnel. The team comprises of personnel having operational and business development experience. We believe that our management team's experience and their understanding of the textile industry will enable us to continue to take advantage of both current and future market opportunities. Our Management's experience and knowledge enables us in addressing and mitigating various risks inherent in our business, including competition, reliance on independent contractors, the global economic crisis related effects and fluctuations in the prices.

- Strategic location of the manufacturing facility

**Weaknesses**

- Seasonal availability of raw Cotton
- Dependence on suppliers for products availability
- Volatility in currency
- Low Labour Productivity
- Fluctuation in prices of Cotton

Opportunities

- Large growth potential.
- Increasing demand of the product in international market and domestic market
- Government incentive for the growth of the Textile sector
- Integration of Information Technology:
Supply Chain Management' and 'Information Technology' has a crucial role in textile Manufacturing. Availability of EDI (Electronic Data Interchange), makes communication fast, easy, transparent and reduces duplication.
- India has the opportunity to increase its Unit Value Realization through moving up the technologically superior products.

Threats

- Market Competition
- Frequent changes in market trends
- High cost of labour
- Competition among spinners as the expansion is going on throughout industry

However, we are making all out efforts to cope up with all these challenges by continuous efforts at cost reduction, process improvements, diversification of products and improving efficiencies.

RISK AND CONCERN

Although cotton textile is one of the most important industries of India, it suffers from many problems. Cotton prices are increasing regularly as are other input costs including power and logistics. The present ongoing Covid -19 pandemic is affecting the textile sector in negative terms as it has affected consumption at various levels.

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.

The textile industry in India will face intensified competition in both their export and domestic markets. However, the migration of textile capacity will be influenced by objective competitive factors and will be hampered by the presence of distorting domestic measures and weak domestic infrastructure in several developing and least developed countries.

There are six major challenges for the Indian textile industry. To remain competitive an industry will need to deal with these challenges.

- Goods and Service Tax
- Increase Labour Wages and Worker's Salary



- Access to Latest Technology
- Environmental Challenges
- Lack of Institutional Support

To deal with extensive industrial competition, the textile industry in India needs focus on the following matters:

- Identify a need in the industry and satisfy it with a product or service
- Improve on existing products or services
- Focus on the needs of customers
- Do not underestimate competitors
- Good Marketing Strategies
- Good Industry working culture

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.

GENERAL ECONOMIC AND BUSINESS CONDITIONS

As a Company with its complete operations in India, we are affected by general economic conditions in the country and in particular economic factors that affect Textile Industry in India. India's gross domestic product, or GDP, has been and will continue to be of importance in determining our operating results and future growth.

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. Effect of ongoing Covid-19 pandemic on overall economy and particularly on textile industry in which, we are operating.
3. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
4. Inability to successfully obtain registrations in a timely manner or at all;
5. General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
6. Our ability to effectively manage a variety of business, legal, regulatory, economic, social and political risks associated with our operations;
7. Disruption in supply of Raw Materials at our manufacturing facilities;
8. Recession in the market;



9. Changes in laws and regulations relating to the industries in which we operate;
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. The timely completion of the Company's orders;
16. 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;
17. Occurrence of natural disasters or calamities affecting the areas in which we have operations;
18. Conflicts of interest with affiliated companies, the promoter group and other related parties;
19. The performance of the financial markets in India and globally;
20. Any adverse outcome in the legal proceedings in which we are involved;
21. Our ability to expand our geographical area of operation;
22. 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.

KEY RATIOS

Sr. No.	Particular	Ratio For F.Y.	
		2019-20	2018-19
1.	Debtors Turnover Ratio Formula: Debtors Turnover Ratio= Net Credit Sales/Average Account Receivable Definition: The Debtors Turnover Ratio also called as Receivables Turnover Ratio shows how quickly the credit sales are converted into the cash. This ratio measures the efficiency of a firm in managing and collecting the credit issued to the customers.	4.9972 Times	9.6465 Times



2.	Inventory Turnover Ratio Formula: Inventory Turnover= Sales/Inventory Definition: Inventory turnover is a ratio showing how many times a company has sold and replaced inventory during a given period. A company can then divide the days in the period by the inventory turnover formula to calculate the days it takes to sell the inventory on hand.	8.1206 Times	8.8571 Times
3.	Interest Coverage Ratio Formula: Interest Coverage Ratio= Interest Expense/EBIT Definition: The interest coverage ratio measures how many times a company can cover its current interest payment with its available earnings. The ratio is calculated by dividing a company's earnings before interest and taxes (EBIT) by the company's interest expenses for the same period.	0.8957 Times	0.5988 Times
4.	Current Ratio Formula: Current Ratio=Current assets/ Current liability Definition: The current ratio is a liquidity ratio that measures whether a firm has enough resources to meet its short-term obligations. It compares a firm's current assets to its current liabilities, and is expressed as follows: The current ratio is an indication of a firm's liquidity.	1.2043 Times	1.1686 Times
5.	Debt Equity Ratio Formula: Debt Equity Ratio = Debt/Total Equity Definition: The debt-to-equity ratio is a financial ratio indicating the relative proportion of shareholders' equity and debt used to finance a company's assets. Closely related to leveraging, the ratio is also known as risk, gearing or leverage.	0.4854 Times	0.8691 Times
6.	Operating Profit Margin Ratio Formula: Operating profit margin = *Operating income/ Total revenue *Operating Income excluding Exceptional Item Operating profit margin = **Operating income/ Total revenue **Operating Income including Exceptional Item Definition: In business, operating margin—also known as operating income margin, operating profit margin, EBIT margin and return on sales —is the ratio of operating income	0.0003 Times 0.0087 Times	0.0083 Times 0.0176 Times



	to net sales, usually presented in percent. Net profit measures the profitability of ventures after accounting for all costs.		
7.	Net Profit Margin Ratio Formula: Net Profit Margin= Net Profit/ Sales Definition: The net profit percentage is the ratio of after-tax profits to net sales. It reveals the remaining profit after all costs of production, administration, and financing have been deducted from sales, and income taxes recognized.	0.0088 Times	0.0176 Times
8.	Return on Net Worth Ratio Formula: Net Income/Shareholder's Equity Definition: The return on Net Worth is a measure of the profitability of a business in relation to the equity.	0.0505 Times	0.1121 Times

FINANCIAL AND OPERATIONAL PERFORMANCE

(Standalone) (Amount in lakh.)

Particulars for the year ended	March 31,2020	March 31,2019
Net revenue from Operations (Sales)	39701.11	53782.78
Profit Before Depreciation and Tax	1141.95	2739.87
Less: Depreciation	1335.46	1280.95
Profit Before Extra ordinary Items and Tax	(193.50)	1458.92
Extra Ordinary Items	336.13	369.72
Profit Before Tax	142.63	1089.19
Tax Expense		
-Current Tax	(63.54)	234.78
Less: MAT Credit Receivable	0.00	(76.98)
-Deferred Tax	(141.85)	(14.78)
Profit After Tax	348.01	946.18
EPS (Basic)	3.33	9.20
EPS (Diluted)	2.40	9.20



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: 24/07/2020

Place: Ahmedabad

Sd/-

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, 2020 is given here below and forms part of the Director's 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:

The Company has installed solar roof top plant in the financial year 2018-19.

- 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 year (a)	28,99,249 KWH
Cost per Unit (b)	Rs. 7/-
Cost of Energy Saved (a*b) (c)	Rs.2,02,94,743/-
Recovery Period for Project (d)	6 Years
Cost of Capital Finance per year (e)	Rs.4,30,06,250/-
Total Savings per year ((c)-(e/d)) (f)	Rs.1,31,27,035/-
Total Savings per month (f/12)	Rs.10,93,919/-

Due to installation of 1 Mega Watt (mw) Solar Roof Plant the approx savings of Company is Rs. 10,93,919/- 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 :**

During the year under review, the Company has not carried out any capital investment on energy conservation equipment.

For and on behalf of the Board of Directors

Date: 24/07/2020

Place: Ahmedabad

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

Annexure-“G”

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 Rules 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/ Arrangement s/ Transactions	Duration of The Contracts/ Arrangements/ Transaction s	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 advance s, if any:	Date on which the special resolution was passed 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 Cotton Industries	Sale of Goods	For 5 years	Rs.5,70,97,210/-	Board of Directors on 28/03/2019 and Shareholders in AGM held on 26.09.2019 upto Rs.200 Crore	-
2.	Pashupati Cotyarn LLP (Formerly Known as Pashupati Oil Industries)	Sale of Goods	For 5 years	Rs.77,90,70,112/-	Board of Directors on 28/03/2019 and Shareholders in AGM held on 26.09.2019 upto Rs.200 Crores	-
3.	Pashupati Cotyarn LLP	Purchase of Goods	For 5 years	Rs.4,95,49,368/-	Board of Directors on 28/03/2019 and Shareholders in AGM held on 26.09.2019 upto Rs.200 Crores	-
4.	Pashupati Cotyarn LLP	Machinery Rent	F.Y. 2019-20	Rs.1,39,00,754.24/-	Board of Directors on 18/05/2019	-
5.	R V Enterprises	Purchase of Goods	F.Y. 2019-20	Rs.1,65,41,51,960/-	Board of Directors on 18/05/2019	-
6.	R V Enterprises	Sale of Goods	F.Y. 2019-20	Rs.13,81,01,202/-	Board of Directors on 18/05/2019	-



7.	S Raja Export Pvt Ltd	Sale of Goods	For 5 years	Rs.96,72,56,337/-	Board of Directors on 28/03/2019 and Shareholders in AGM held on 26.09.2019 upto Rs.350 Crores	-
8.	Shree Pashupati Fabric LLP	Purchase of Goods	For 5 years	Rs.13,55,612/-	Board of Directors on 28/03/2019 and Shareholders in AGM held on 26.09.2019 upto Rs.200 Crore	-
9.	Shree Pashupati Fabric LLP	Sale of Goods	For 5 years	Rs.40,68,21,298/-	Board of Directors on 28/03/2019 and Shareholders in AGM held on 26.09.2019 upto Rs.200 Crore	-

For and on behalf of the Board of Directors
Sd/-

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

Date: 24/07/2020
Place: Ahmedabad

INDEPENDENT AUDITORS REPORT

**TO
THE MEMBERS OF
PASHUPATI COTSPIN LIMITED**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **PASHUPATI COTSPIN LIMITED** (the 'Company') which comprise the Balance Sheet as at **March 31, 2020**, and the statement of Profit and Loss and Statement of Cash flows for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under Sec. 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its profit, and its cash flows for the year then ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to note no. 14 of the financial statement, wherein management while concluding no significant impact due to COVID-19 on current year's finance results has considered internal and external source of information relating to economic forecasts and estimates on realisability of various classes of assets and expects to recover the carrying amount of these assets. However the assessment of impact of the COVID-19 is continuing process given the uncertainties associate with its nature and duration. The Company will continue to closely monitor any material changes to future economic conditions. Our opinion is not modified in respect of this matter.



Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KEY AUDIT MATTER	RESPONSE TO KEY AUDIT MATTER
<p><u>Measurement and Recognition of State Subsidy Receivable</u></p> <p>In terms of the Textile Policy of Government of Gujarat (GOG), the Company is eligible for subsidy in the form of refund of state tax (SGST) on sales made from its plant located at Kadi for eligible products.</p> <p>The Government of Gujarat, made certain amendments to modalities for sanction and disbursement of the refund of such taxes under the new GST regime.</p>	<p><u>Principal Audit Procedures</u></p> <p>We have performed the following procedures in relation to the Recognition of State Subsidy Receivable with respect to State Tax (SGST) :</p> <ul style="list-style-type: none"> ➤ Evaluating the design and testing the operating effectiveness of the relevant controls over recognition and assessment of recoverability of the grant recognized under the Textile Policy of Government of Gujarat. ➤ Discussion with company's legal team, management and external legal counsel, as applicable for their assessment of entitlement of benefits under such scheme. ➤ Engaging our internal specialists to assess relevant historical and recent update passed by the relevant authorities to evaluate the appropriateness of the conclusion reached by the management. ➤ Our tests of detail focused on transactions occurring within proximity of the year end in eligible products, obtaining evidence to support the appropriate timing of revenue recognition, based on terms and conditions set out in Textile Policy by Government of Gujarat.

Information other than Financial Statements & Auditors Report thereon.

The Company's Board of Directors is responsible for the Other Information. The Other Information comprises the information included in the Board's Report including Annexures to



Board's Report (but does not include the standalone financial statements, and our auditor's reports thereon).

Our opinion on the standalone financial statements does not cover the Other Information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this Other Information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone 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 Standard and accounting principles generally accepted in India. 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 judgement and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively or ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements:-

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

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



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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 (the "Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 are necessary for the purpose of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement, dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to or separate report in "**Annexure B**".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rule, 2014, in our opinion and to the best of our information and according to the explanations given to us :
 - i. The Company has disclosed the impact of pending litigations on the financial position of its financial statements – Refer Note (1) of Part B to Notes to accounts;



- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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
UDIN: 20045706AAAAEB6977

Place: Ahmedabad
Date: 29/06/2020

ANNEXURE A TO THE INDEPENDENT AUDITORS 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, 2020:

1. In respect of Fixed Assets:

- a) The Company is in the process of maintaining proper records which shows 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) According to the audit process and based on records of the company, the title deeds of immovable properties are held 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 at 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 granted Unsecured Loans to Limited Liability partnerships which are covered in the Register maintained under section 189 of the Act. In this respect
 - a) In our opinion and according to the information given to us, the terms and conditions of the loans given by the Company are not prima facie prejudicial to the interest of the company.
 - b) The schedule of repayment of principal and payment of interest has been stipulated and repayments of principal amounts and/or receipts of interest have been regular as per stipulations.
 - c) There are no overdue amounts as at the year-end in respect of both principal and interest.
4. In our opinion and according to the information and explanations given to us, the company has complied with provisions of 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. According to the information and explanation given to us the central government has prescribed maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013. We are of the opinion, that prima facie, the company has maintained



prescribed accounts and records. However we have not, made a detailed examination of the same.

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, Employees State Insurance, Income-Tax, GST, Duty of Customs, 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, 2020 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, GST and duty of customs which have not been deposited with the appropriate authorities on account of any dispute, except in respect to income tax, the following dues have not been deposited by the company on account of disputes according to information and explanation 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 dues to Financial Institutions or banks or debenture holders.
9. According to the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans during the year. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company.
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 due compliance 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 4 (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 made preferential allotment or private placement of shares by fully convertible share warrants during the year under review. The funds raised have been utilised for the object for which it was raised.

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
UDIN: 20045706AAAAEB6977

Place: Ahmedabad
Date: 29/06/2020

ANNEXURE B TO THE INDEPENDENT AUDITORS REPORT

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, 2020 in conjunction with our audit of the standalone 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 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, to the best of our information and according to explanations given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as on March 31, 2020, 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
UDIN: 20045706AAAAEB6977

Place: Ahmedabad
Date: 29/06/2020

**BALANCESHEET AS AT 31ST MARCH, 2020**

(In Rs.)

PARTICULARS		Note No.	As at 31.03.2020	As at 31.03.2019
A	EQUITY & LIABILITIES			
1	SHARE HOLDERS FUND			
	(a) Share Capital	2(a)	11,23,40,000	102,840,000
	(b) Reserves & Surplus	2(b)	58,78,69,310	512,716,998
	(c) Money Received Against Share Warrants	2(c)	14,38,12,500	73,750,000
2	NON CURRENT LIABILITIES			
	(a) Long Term Borrowings	3	40,97,27,520	599,068,720
	(b) Deferred Tax Liability	4	7,36,03,396	87,788,131
	(c) Other Long Term Liabilities	5	41,13,889	11,39,324
	(c) Long Term Provisions	6	40,37,083	2,236,612
3	CURRENT LIABILITIES			
	(a) Short Term Borrowings	7	52,73,88,912	597,840,531
	(b) Trade Payables	8		
	(i) Total Outstanding dues to Micro, Small & Medium Enterprise		73,660	38,739,526
	(ii) Total Outstanding dues to other than Micro, Small & Medium Enterprise		7,59,50,872	31,649,485
	(c) Other Current Liabilities	9	49,38,72,886	355,634,111
	(d) Short Term Provisions	10	97,69,060	6,918,196
	TOTAL		2,44,25,59,088	2,410,321,634
B	ASSETS			
1	NON CURRENT ASSETS			
	(a) Property Plant & Equipment			
	(i) Tangible Assets	11	1,04,77,49,895	1,094,316,039
	(ii) Capital Work-In-Progress		0.00	43,006,252
	(b) Non Current Investments	12	6,08,94,286	59,089,426
	(c) Long Term Loans and Advances	13	7,21,802	9,319,586
2	CURRENT ASSETS			
	(a) Inventories	14	48,88,93,450	607,229,548
	(b) Trade Receivables	15	51,37,31,025	280,736,220
	(c) Cash and Cash Equivalents	16	1,71,55,599	18,366,991
	(d) Short Term Loans and Advances	17	19,24,21,925	166,320,536
	(e) Other Current Assets	18	12,09,91,106	131,937,036
	TOTAL		2,44,25,59,088	2,410,321,634
	Significant Accounting Policies and Notes to Accounts	1		

As per our attached report of even date

For Mahendra N. Shah & Co.

Chartered Accountants

FRN: 105775W

Chirag M. Shah

Partner

M. No.: F 045706

UDIN: 20045706AAAAEB6977

For Pashupati Cotspin Limited

Saurin Parikh

Chairman & Managing Director

DIN: 02136530

Haresh Shah

Chief Financial Officer

Tushar Trivedi

Whole Time Director

DIN: 06438707

Bijal Thakkar

Company Secretary

Place: Ahmedabad

Date: 29/06/2020

Place: Ahmedabad

Date: 29/06/2020


**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH,
2020**

(In Rs.)

	Note No.	As at 31.03.2020	As at 31.03.2019
INCOME			
1 Revenue from Operations (Gross)	19	3,97,01,11,273	5,378,277,684
Less: Excise Duty		-	-
Revenue from Operations (Net)		3,97,01,11,273	5,378,277,684
2 Other Income	20	1,88,95,614	12,721,182
3 Total Revenue		3,98,90,06,887	5,390,998,866
4 EXPENDITURE			
(a) Cost of Materials Consumed	21.a	3,20,55,57,993	4,331,879,323
(b) Changes in Inventories of Finished Goods	21.b	12,20,83,394	218,038,215
(c) Employee Benefits Expense	22	9,55,29,710	9,55,72,607
(d) Finance Costs	23	12,24,92,405	162,548,113
(e) Depreciation	10	13,35,45,667	128,095,002
(f) Other Expenses	24	32,91,48,002	30,89,74,083
Total Expenses		4,00,83,57,171	5,245,107,343
5 Profit Before Tax & Exceptional Item		(1,93,50,284)	145,891,523
Exceptional Item		3,36,12,815	(36,972,360)
6 Profit Before Tax		1,42,62,531	108,919,163
Tax Expense:			
(a) Current Tax		38,56,000	23,477,542
Less: MAT Credit Receivable		0.00	(7,698,336)
(b) Deferred Tax Asset/(Reversal)		(1,41,84,735)	(1,478,373)
(c) Short/(Excess) Provision Of Tax		(1,02,09,999)	0.00
7 Profit/(Loss) After Tax		3,48,01,265	94,618,330
Earnings per equity share:			
(1) Basic		3.33	9.20
(2) Diluted		2.40	9.20
Significant Accounting Policies and Notes to Accounts	1		

As per our attached report of even date

For Mahendra N. Shah & Co.
Chartered Accountants
FRN: 105775W

Chirag M. Shah
Partner
M. No.: F 045706
UDIN: 20045706AAAAEB6977

Place: Ahmedabad
Date: 29/06/2020

For Pashupati Cotspin Limited

Saurin Parikh
Chairman & Managing Director
DIN: 02136530

Tushar Trivedi
Whole Time Director
DIN: 06438707

Haresh Shah
Chief Financial Officer

Bijal Thakkar
Company Secretary

Place: Ahmedabad
Date: 29/06/2020

**CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020**

Particulars	2019-20		2018-19	
	Rupees	Rupees	Rupees	Rupees
A) Cash Flow From Operating Activities				
Net Profit before tax as per Profit & Loss A/c		14,262,531		108,919,163
Adjustments :				
Depreciation and amortization	133,545,667		128,095,002	
Foreign Exchange Gain	(1,812,074)			
Interest Income	(15,968,204)		(4,600,466)	
Finance Cost	122,492,405	238,257,794	162,548,113	286,042,649
Operating Profit before working capital		252,520,325		394,961,812
Adjusted for :				
i) Trade Receivables, Loans & Advances	(246,338,189)		(89,881,749)	
ii) Stock	118,336,098		31,560,157	
iii) Trade Payable & Liabilities	151,500,195	23,498,104	112,864,857	54,543,265
Cash generated from operations		276,018,428		449,505,078
Extraordinary Income				
Direct Tax Paid		6,353,999		(13,393,910)
Extra Ordinary Item				
Net Cash from Operating Activities (a)		2 82,372,427		436,111,168
B) Cash Flow from Investing Activities :				
Purchase of Property, Plant and Equipment	(43,973,271)		(57,103,683)	
Investment	(1,804,860)			
Loans	8,597,784		(66,025,392)	
Interest Received	15,968,204		4,600,466	
Net Cash used in Investing Activities (b)		(21,212,143)		(118,528,609)
C) Cash Flow from Financing Activities				
Proceeds from/(Repayment) of Long Term Borrowings (Net)	(259,792,819)		(227,183,850)	
Issue Of Share Capital /warrant	126,112,500		73,750,000	
Interest Paid	(122,492,405)		(162,548,113)	
Dividend paid including distribution tax	(6,198,953)			
Net Cash from financing Activities		(262,371,678)		(315,981,963)
Net Increase in cash & cash equivalents (a+b+c)		(1,211,393)		1,600,596
Opening Balance of Cash & Cash equivalents		18,366,991		16,766,395
Closing Balance of Cash & Cash equivalents		17,155,599		18,366,991
Net Increase/(Decrease) in cash & cash equivalents		(1,211,393)		1,600,596

As per our attached report of even date

For Mahendra N. Shah & Co.

Chartered Accountants

FRN: 105775W

Chirag M. Shah

Partner

M. No.: F 045706

UDIN: 20045706AAAAEB6977

Place: Ahmedabad

Date: 29/06/2020

For Pashupati Cotspin Limited

Saurin Parikh

Chairman & Managing Director

DIN: 02136530

Haresh Shah

Chief Financial Officer

Place: Ahmedabad

Date: 29/06/2020

Tushar Trivedi

Wholetime Director

DIN: 06438707

Bijal Thakkar

Company Secretary

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS:-

A) SIGNIFICANT ACCOUNTING POLICIES

1) Information:

PASHUPATI COTSPIN LIMITED 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) Property Plant & Equipments:

Property Plant & Equipments are stated at Cost or at Revalued Amount, net of 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 Property Plant & Equipments.

5) Depreciation:

- I. Depreciation on Property Plant & Equipments 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 Property Plant & Equipments 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 Property Plant & Equipments from outside India are dealt with in the statement of profit and loss. Exchange gain or loss relating to Property Plant & Equipments acquired from outside India is adjusted in the cost of respective Property Plant & Equipments.
- 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 Property Plant & Equipments from outside India, in which case, such profit or loss is adjusted in the cost of Property Plant & Equipments.
- 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, Goods & Service Tax, 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 amount of assets exceeds 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. 54,44,720/-) against which Company has preferred appeals before appropriate authorities.
 - b) Bank guarantees amounting to Rs. 2,96,22,964/- (P.Y. Rs. 3,93,02,964/-) in favour of DGFT & Customs, Rs. 2,93,12,137/- (P.Y. Rs. 2,41,12,137/-) in favour of Uttar Gujarat Vij Company Limited.
 - c) The Company has availed benefit of concessional duty on Machineries imported under Export Promotion Capital Goods Scheme During the year 2013-14 to 2018-19. The Company's obligation for export was fixed of Rs. 135,75,17,995/- out of which Company has fulfilled obligation of Rs. 62,39,12,652/- & Obligation of Rs. 73,36,05,342/- are pending to be fulfilled.
2. In terms of Accounting Standard 28 – Impairment of Assets issued by ICAI the Management has reviewed its Property Plant & Equipments 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 Timing Differences due to the Depreciation Expense and Other Employee Benefit Expense, deferred tax asset is recognized in the books of Rs. 1,41,84,735/-, since the company has certainty that they will be realized in the near future.
 4. Disclosure on Corporate Social Responsibility (CSR) activities u/s 135 of the Companies Act, 2013 is as under:

During the financial year ended 31st March, 2020, the Company incurred CSR expenditure of Rs. 16,85,000/- (Rupees Sixteen Lakhs Eighty Five Thousand Only). The CSR initiative of the Company is mainly under promotion of Healthcare specially relating to cancer awareness.
 5. The following disclosure has been made on the information available with the Company, for suppliers who are registered as micro and small enterprises under 'MSMED' Act

Particulars	As at March 31, 2020	As at March 31, 2019
The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each period: Principal Interest	73,660/-	Nil
The amount of interest paid by the buyer in terms of Section-16 of the MSMED Act, 2006, along with the amounts of the payment made to the suppliers beyond the appointed day during each period	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (Which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED Act, 2006	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of the period.	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding period, until such date when the	Nil	Nil



interest dues as above are actually paid to the small enterprises, for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006		
Total	73,660/-	Nil

There are no Micro, Small & Medium Enterprises to whom the company owes dues, which are outstanding for more than 45 days as at March 31, 2020. This information is disclosed under the Micro, Small & Medium Enterprises Development Act, 2006 which has been determined to the extent such parties have been identified on the basis of the information available with the Company.

6. Earnings Per Share:

Particular	2019-20	2020-21
Net profit attributable to Shareholders	3,48,01,265	9,46,18,330
Weighted average number of equity shares	1,12,34,000	1,02,84,000
Basic earnings per share of Rs.10/- each (in Rs)	3.33	9.20

7. Related Party Disclosure:

A. LIST OF RELATED PARTIES AND RELATIONSHIP:

Saurin Jagdish Bhai Parikh	Managing Director
Tushar Rameshchandra Trivedi	Whole time Director
Hareshkumar Rameshchandra Shah	Chief Financial Officer (CFO)
Bijal Nareshbhai Thakkar	Company Secretary & Compliance Officer
Bhaveshkumar Jayantilal Patel	Relative of Directors
Ashish Rameshchandra Trivedi	Relative of Directors
Hariprabha Aravindbhai Parikh	Relative of Directors
Renukaben Jagdishchandra Parikh	Relative of Directors
Falguni Mitesh Parikh	Relative of Directors
Minaben Daksheshbhai Patel	Relative of Directors
Miteshbhai JagdishBhai Parikh	Relative of Directors
M/s S. Raja Export Private Limited	Mr. Saurin Parikh Managing Director of the Company is also Director and Share holder in the Company.
M/s Pashupati Cotyarn LLP (converted from Pashupati Oil Industries to Pashupati Cotyarn LLP on 21/06/2018)	Mr. Saurin Parikh, Managing Director and Mr. Dakshesh Patel Director of Company are also Partners in the LLP.



M/s Madhav Oil Industries	Mr. Saurin Parikh, Managing Director and Mr. Dakshesh Patel Director of Company are Partners in the firm.
M/s Pashupati Cotton Industry	Mr. Saurin Parikh Managing Director and Mr. Dakshesh Patel Director of Company are Partners in the firm.
M/s Shree Pashupati Fabric LLP	Mr. Saurin Parikh Managing Director, Mr. Tushar Trivedi Whole time Director and Mr. Dakshesh Patel Director alongwith their relatives are partners of the LLP.
M/s Pashupati Solar Private Limited	Mr. Saurin Parikh Managing Director of the Company is also Director and Share holder in the Company.
M/s Pashupati Healthcare Foundation	Mr. Saurin Parikh Managing Director of the Company is also Director and Share holder in the Company.
M/s Global Park Developer LLP	Mr. Saurin Parikh Managing Director of the Company is also Director and Share holder in the Company.
M/s Pashupati Fashion LLP	Mr. Saurin Parikh Managing Director, Mr. Tushar Trivedi Whole time Director and Mr. Dakshesh Patel Director alongwith their relatives are partners of the LLP.
M/s Universal Industrial Park LLP	Mr. Saurin Parikh Managing Director and Mr. Dakshesh Patel Director are partners of the LLP.
M/s Pashupati Agro Green Industries	Mr. Saurin Jagdish Bhai Parikh Managing Director is a partner in the firm.
M/s R V Enterprise	Mr. Saurin Parikh, Managing Director is a relative of Proprietor.

B. RELATED PARTIES TRANSACTIONS (Rs.):

Transactions	Associates/Related Party	Enterprises owned or Significantly influenced by Key Managerial Personnel	Key Managerial Personnel
Purchase of Goods	1,705,056,940 (1,22,06,11,486)	NIL	NIL
Sale of Goods	2,348,346,159 (2,46,12,67,754)	NIL	NIL



For Various Expenses	13,900,754.24 (1,35,35,910)	NIL	NIL
Interest Income	5,533,942 (4,84,224)	NIL	NIL
Loan Received	0 (10,14,25,000)	NIL	0 (51,97,000)
Loan Repaid	7,39,80,328 (10,30,05,000)	NIL	0 (1,95,72,000)
Interest Expenses	10,742,020 (1,36,43,221)	NIL	24,80,250 (32,93,843)
Remuneration	NIL	NIL	7,93,193 (7,56,000)
Investment-FIXED CAPITAL	00 (37,50,000)	NIL	NIL
Investment-CURRENT CAPITAL	20,918 (5,15,89,426)	NIL	NIL

Figures in brackets relates to previous year ended on 31st March 2019

8. 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: 01/04/2019 To: 31/03/2020	From: 01/04/2018 To: 31/03/2019
Present value of the obligation at the beginning of the period	26,61,575	35,78,539
Interest cost	1,86,310	2,50,498
Current service cost	15,37,538	8,44,173
Past Service Cost	0	0
Benefits paid (if any)	0	0
Actuarial (gain)/loss	6,52,920	(20,11,635)
Present value of the obligation at the end of the period	50,38,343	26,61,575

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

Period	As on: 31/03/2020	As on: 31/03/2019
Present value of the obligation at the end of the period	50,38,343	26,61,575
Fair value of plan assets at end of period	0	0
Net liability/(asset) recognized in Balance Sheet and related analysis	50,38,343	26,61,575
Funded Status	(50,38,343)	(26,61,575)

**Expense recognized in the statement of Profit and Loss:**

Period	From: 01/04/2019 To: 31/03/2020	From: 01/04/2018 To: 31/03/2019
Interest cost	1,86,310	2,50,498
Current service cost	15,37,538	8,44,173
Past Service Cost	0	0
Expected return on plan asset	(0)	(0)
Net actuarial (gain)/loss recognized in the period	6,52,920	(20,11,635)
Expenses to be recognized in P&L	23,76,768	(9,16,964)

Experience adjustment:

Period	From: 01/04/2018 To: 31/03/2019	From: 01/04/2019 To: 31/03/2020
Experience Adjustment (Gain)/loss for Plan liabilities	6,52,920	(20,11,635)
Experience Adjustment Gain/(loss) for Plan assets	0	0

The assumptions employed for the calculations are tabulated:

Discount rate	7.00 % per annum	7.00% per annum
Salary Growth Rate	5.00 % per annum	5.00 % per annum
Mortality	IALM 2012-14	IALM 2006-08 Ultimate
Expected rate of return	0	0
Withdrawal rate (Per Annum)	30.00% p.a.	30.00% 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	2000000.00

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

Period	As on: 31/03/2020	As on: 31/03/2019
Current Liability (Short Term)*	10,01,260	4,24,963
Non Current Liability (Long Term)	40,37,083	22,36,612
Total Liability	50,38,343	26,61,575

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: 31/03/2020
Defined Benefit Obligation (Base)	50,38,343 @ Salary Increase Rate : 5%, and discount rate :7%
Liability with x% increase in Discount Rate	48,97,746; x=1.00% [Change (3)%]
Liability with x% decrease in Discount Rate	51,87,248; x=1.00% [Change 3%]
Liability with x% increase in Salary Growth Rate	51,88,692; x=1.00% [Change 3%]
Liability with x% decrease in Salary Growth Rate	48,93,708; x=1.00% [Change (3)%]
Liability with x% increase in withdrawal Rate	49,73,617; x=1.00% [Change (1)%]
Liability with x% decrease in withdrawal Rate	51,04,408; x=1.00% [Change 1%]

Reconciliation of liability in balance sheet

Period	From: 01-04-2019 To: 31-03-2020	From: 01-04-2018 To: 31-03-2019
Opening gross defined benefit liability/ (asset)	26,61,575	35,78,539
Expenses to be recognized in P&L	23,76,768	(9,16,964)
Benefits paid (if any)	0	0
Closing gross defined benefit liability/ (asset)	50,38,343	26,61,575

		2019-20	2018-19
9.	<u>AUDITORS' REMUNERATION:-</u>		
	1. Audit Fees (Including Service Tax)	3,00,000	3,00,000
	2. Tax Audit	0	0
	3. Traveling expenses	0	0
	TOTAL	3,00,000	3,00,000
10.	<u>DETAILS OF GOODS IMPORTED:-</u>		
	1. CIF value of goods imported:		
	(a) Cotton	28,61,05,849	0
	(b) Machineries, Spares and Stores	0	5,00,576
	(c) Plant and Machinery	3,96,57,603	0
	TOTAL	32,57,63,452	5,00,576
	2. CONSUMPTION:-		
	(a.) <u>Raw Materials:</u>		
	(i) Imported goods	28,61,05,849	0
	(ii) <u>Indigenous goods:</u>		
	Cotton	2,91,94,52,144	4,33,18,79,323
	Cotton yarn	0	0
	TOTAL	3,20,55,57,993	4,33,18,79,323
	Imported	9%	0



			Indigenous	91%	100%
		(b.)	Machinery Spares and Stores:		
		(i)	Imported goods	0	5,00,576
		(ii)	Indigenous goods	4,66,03,920	2,70,25,377
			TOTAL	4,66,03,920	2,75,25,953
			Imported	0%	1.82%
			Indigenous	100%	98.18%
11.			<u>Export Sales :</u>		
			Exports: Direct(FOB Value)	0	0
			Through Merchant Exporters	1,00,56,48,071	1,29,29,35,727
				1,00,56,48,071	1,29,29,35,727
12.			<u>Expenditure in Foreign Currency:</u>		
			Purchase of Plant and Machinery, Stores, Spares and Cotton	0	0
			Travelling and Others	0	0
			Interest on Foreign Currency Loan	0	0
			Freight	0	0
			Commission	0	0
			TOTAL	NIL	NIL
	3.		Remittances of Dividend in Foreign Currency	NIL	NIL

13. Long Term Borrowing:**Nature of Security :**

- Term loan from Oriental Bank of Commerce Ltd. is secured by hypothecation of movable Current Assets and also secured way of mortgage of immovable properties (excluding cost of land) and hypothecation of Movable Properties and Collateral Security of Directors and their relatives.
- Term loan from Yes Bank Ltd. is secured by exclusive hypothecation of Solar Power Project assets created out of Bank Term Loans and Personal Guarantee of Directors.
- Term loan from HDFC Bank Ltd. is secured by exclusive hypothecation of Car.

Term of Repayment:

Particulars	Amount outstanding as on 31st March, 2020	Financial year 2020-21	Financial year 2021-22	Financial year 2022-23	Financial year 2023-24	Financial year 2024-25	Financial year 2025-26 & Onwards
Total Amount Outstanding	50,85,43,092	17,83,38,672	9,92,77,756	7,62,99,666	6,97,96,149	6,78,06,662	1,70,24,185

- 14.** In view of the unprecedented COVID-19 pandemic, the management has made a detailed assessment of its liquidity position for the next one year and recoverability of Property, Plant and Equipment, Investments, Trade Receivables and Inventories as at the balance sheet date. In assessing the recoverability, the Company has considered internal and

external information up to the date of approval of these financial results and has concluded that there is no material impact on the operations and the financial position of the Company. However, the impact of the global health pandemic may be different from that estimated at the date of approval of these financial results and the Company will continue to closely monitor any material changes to future economic conditions.

As per our Attached Report of even date

For Mahendra N. Shah & Co.
Chartered Accountants
FRN : 105775W

Chirag M. Shah
Partner
M.No. F 045706
UDIN : 20045706AAAAEB6977

For, PashupatiCotspin Limited

Saurin Parikh
Chairman & Managing Director
DIN : 02136530

Haresh Shah
Chief Financial Officer

Tushar Trivedi
Whole Time Director
DIN : 06438707

Bijal Thakkar
Company Secretary

Date : 29/06/2020
Place : Ahmedabad

Date : 29/06/2020
Place : Ahmedabad

**Note No. 2(a)**

Share Capital	As at 31 March 2020		As at 31 March 2019	
	Number	Rs	Number	Rs
<u>Authorised Share Capital</u>				
Equity Shares of Rs 10/- each	1,55,00,000	15,50,00,000	1,55,00,000	15,50,00,000
<u>Issued</u>				
Equity Shares of Rs 10/- each	11,234,000	112,340,000	1,02,84,000	102,840,000
<u>Subscribed & Paid up</u>				
Equity Shares of Rs. 10/- each fully paid	11,234,000	112,340,000	1,02,84,000	102,840,000
Total	11,234,000	112,340,000	1,02,84,000	102,840,000

Note No. 2.1

Equity Shares outstanding at the beginning of the year	1,02,84,000	102,840,000	1,02,84,000	102,840,000
Shares Issued during the year	9,50,000	9,50,00,000	0	0
Shares bought back during the year	0	0	0	0
Shares outstanding at the end of the year	11,234,000	112,340,000	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 2020		As at 31 March 2019	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Ashishbhai Rameshchandra Trivedi	600000	5.34	600000	5.83
Bhaveshbhai Jayantibhai Patel	791000	7.04	525000	5.11
Daksheshbhai Jayantibhai Patel	525000	4.67	525000	5.11
Falguniben Miteshbhai Parikh	1125000	10.01	1125000	10.94
Hariprabhaben Arvindbhai Parikh	975000	8.68	975000	9.48
Mukeshbhai Vithalbhai Patel	904000	8.05	600000	5.83
Renukaben Jagdishbhai Parikh	975000	8.68	975000	9.48
Saurinbhai Jagdishbhai Parikh	1725000	15.36	1725000	16.77

Note No. 2.3

There are no unpaid calls from Directors or officers.

Note No. 2.4

Equity shares rank pari pasu & subject to right, preference and restrictions under the Companies Act, 2013.

Note No. 2.5

Addition in Equity Shares of 9,50,000 are from the result of the conversion of 9,50,000 Share Warrants as on February 4, 2020.



Note No. 2B

	Reserves & Surplus	As at 31 March 2020	As at 31 March 2019
(i) Share Securities Premium			
	Opening Balance	18,09,60,000	18,09,60,000
(+)	Additions during the year	46,550,000	-
	Closing Balance (a)	227,510,000	18,09,60,000
(ii) Surplus in Statement of Profit & Loss			
	Opening balance	331,756,998	2,37,138,667
(+)	Net Profit For the current year	34,801,265	94,618,331
(-)	Dividend Paid	(6,198,953)	-
	Corporate Dividend Tax	-	-
	Depreciation of Earlier years	-	-
	Transfer to Reserves	-	-
	Closing Balance (b)	360,359,310	331,756,998
	Total (a+b)	5 87,869,310	512,716,998

Note No. 2C

	Money Received Against Share Warrants		
	Opening Balance	73,750,000	-
(+)	Additions during the year (Warrant Application Money)	126,112,500	73,750,000
(-)	Utilised during the year (Conversion into equity shares)	(56,050,000)	-
	Closing Balance	143,812,500	73,750,000

The Company has allotted 50,00,000 (fifty lakhs) share warrants at Rs. 59/- per warrant convertible into Equity shares of Rs. 10/- each at a premium of Rs. 49/- per share to the Promoter(s)/Promoter Group and to Non-Promoters of the Company on the preferential basis.

The Company has received the upfront payment of 25% of the total consideration as per the terms of the issue on these 50,00,000 share warrants and the balance 75% will be received within a period of 18 months from the date of issue. The upfront amount of 25% would stand forfeited if the option to acquire the Equity Shares is not exercised by the Equity Warrant holder(s) within a period of 18 months from the date of issue.

Note 3: Long Term Borrowings

(In Rs)

	As at 31.03.2020	As at 31.03.2019
A. Secured Loan *		
From Banks	508,543,092	635,736,150
Less: Current Maturities of long term debt	(178,338,672)	(168,199,488)
Total	330,204,420	467,536,662
B. Unsecured Loan		
From Members ##	79,523,100	131,532,058
Total	409,727,520	599,068,720

**Notes:**

*Refer note no.13 of Notes to Accounts for information regarding terms of repayment and security.

The Company has taken unsecured loan from the Directors and Members to meet the conditions stipulated by the banker of the bank.

Note 4: Deferred Tax Liability

	(In Rs)	
	As at 31.03.2020	As at 31.03.2019
Deferred Tax Liability	87,788,131	89,266,504
Less : Reversal of Deferred Tax Liability	(14,184,735)	(1,478,373)
Total	73,603,396	87,788,131

Note 4.1: Components of Deferred Tax Liability (Net)

	(In Rs)	
Particulars	As at 31.03.2020	As at 31.03.2019
Depreciation	78,073,615	101,872,784
Employee benefits	(4,470,219)	(930,061)
Other Timing Differences	-	(13,154,593)
Total	73,603,396	87,788,131

Note 5: Other Long Term Liabilities

	(In Rs)	
	As at 31.03.2020	As at 31.03.2019
Staff Deposit	1,221,964	1,139,324
Warehouse Deposit	2,891,925	-
Total	4,113,889	1,139,324

Note 6: Long Term Provisions

	(In Rs)	
	As at 31.03.2020	As at 31.03.2019
Provision- From Employment Benefit	-	-
Gratuity	4,037,083	2,236,612
Total	4,037,083	2,236,612

Note 7: Short Term Borrowings

	(In Rs)	
	As at 31.03.2020	As at 31.03.2019
Working Capital Loan From Bank(Secured)	5 27,388,912	597,840,531
Total	5 27,388,912	597,840,531

Note 7.1:

Primary secured by way of hypothecation of stocks of raw material, work in progress, finishes goods, stores, spares & receivables & further secured way of mortgage of immovable properties (excluding cost of land) and hypothecation of Movable Properties and Collateral Security of Directors and Their Relatives.

**Note 8: Trade Payables****(In Rs)**

	As at 31.03.2020	As at 31.03.2019
Trade Payables		
Total Outstanding dues to Micro, Small & Medium Enterprise	73,660	38,739,526
Total Outstanding dues to other than Micro, Small & Medium Enterprise	75,950,872	31,649,485
Total	76,024,532	70,389,011

Refer Note No -6 of Part B of Notes to accounts for MSMED Disclosure

Note 9: Other Current Liabilities**(In Rs)**

	As at 31.03.2020	As at 31.03.2019
(ii) Current Maturities of Long Term Borrowings	178,338,672	168,199,488
(i) Statutory Remittances	2,605,083	17,982,513
(iii) Other Payables	31,221,280	22,304,672
(iv) Advance from Customer	281,707,852	147,147,439
Total	493,872,887	355,634,112

Note 10: Short Term Provisions**(In Rs)**

	As at 31.03.2020	As at 31.03.2019
Provision for Employee Benefit		
Provision for Gratuity	1,001,260	424,963
Provision for Bonus	8,767,800	6,493,233
Total	9,769,060	69,18,196

Note: 11 Property Plant & Equipment

	<u>GROSS BLOCK AT COST</u>				<u>DEPRECIATION</u>				<u>NET BLOCK</u>	
Particulars	Opening Balance as on April 1st, 2019	Additions During the Year	Adjustment \Deductions \Reclassifications During the year	Closing Balance as on March 31st, 2020	Opening Balance as on April 1st, 2019	Depreciation Provided During the year	Adjustment \Deductions During the year	Closing Balance as on March 31st, 2020	Closing Balance as on March 31st, 2020	Closing Balance as on March 31st, 2019
Tangible Assets										
Bridges, culverts, bunders, etc.	9,78,675	-	-	9,78,675	1,59,418	31,045	-	1,90,463	7,88,212	8,19,257
Computer software	7,55,751	-	-	7,55,751	2,68,241	1,19,256	-	3,87,498	3,68,253	4,87,510
Computer	11,72,265	22,500	-	11,94,765	6,83,795	2,25,873	-	9,09,668	2,85,097	4,88,470
Electrical Installation	2,76,95,833	-	-	2,76,95,833	1,40,52,695	24,19,597	-	1,64,72,293	1,12,23,540	1,36,43,138
Factory Building	29,41,38,368	-	-	29,41,38,368	3,16,68,845	97,84,433	-	4,14,53,279	25,26,85,090	26,24,69,523
Office Equipments	13,16,191	-	-	13,16,191	4,82,669	1,96,263	-	6,78,931	6,37,260	8,33,522
Plant & Machinery	1,20,53,72,090	8,62,61,523	-	1,29,16,33,613	42,01,70,294	11,88,06,055	-	53,89,76,349	75,26,57,265	78,52,01,796
Tubewell	6,30,670	-	-	6,30,670	5,99,137	-	-	5,99,137	31,534	31,534
Vehicle	1,62,51,809	5,47,000	-	1,67,98,809	52,97,847	19,53,102	-	72,50,949	95,47,860	1,09,53,962
Land	1,93,87,328	-	-	1,93,87,328	-	-	-	-	1,93,87,328	1,93,87,328
Furniture	-	1,48,500	-	1,48,500	-	10,042	-	10,042	1,38,458	-
Total	1,56,76,98,980	8,69,79,523	-	1,65,46,78,503	47,33,82,941	13,35,45,667	-	60,69,28,608	1,04,77,49,895	1,09,43,16,039
Previous Year (Rs.)	1,55,36,01,549	1,40,97,431	-	1,56,76,98,980	34,52,87,939	12,80,95,002	-	47,33,82,941	1,09,43,16,039	1,20,83,13,609

**Note 12: Non Current Investment****(In Rs)**

Particulars	As at 31.03.2020	As at 31.03.2019
Other Investment		
Investment in Other Corporate Entities **#	60,894,286	59,089,426
Total	60,894,286	59,089,426

** It includes Share of profit for the current year

These includes amount invested and deposited in LLP in which Company is Partner.

(In Rs)

Name of the Company	As at 31.03.2020	As at 31.03.2019
Pashupati Cotyarn LLP	60,894,286	59,089,426

Note 13: Long Term Loans & Advances**(In Rs)**

	As at 31.03.2020	As at 31.03.2019
Unsecured, Considered Good		
Deposits others	422,559	422,559
Capital Advances	299,243	8,897,027
Total	721,802	9,319,586

Note 14: Inventories**(At Lower of Cost or Net Realizable Value)****(In Rs)**

	As at 31.03.2020	As at 31.03.2019
Raw Materials	196,003,504	192,256,208
Finished Goods	245,862,965	367,545,594
WIP	30,142,550	27,741,530
Stores , Spares & Packing Material	16,884,431	19,686,216
Total	488,893,450	607,229,548

Note 15: Trade Receivables**(In Rs)**

	As at 31.03.2020	As at 31.03.2019
Unsecured, Considered Good		
Trade receivables outstanding for a period less than six months from the date they are due for payment	424,625,018	219,859,397
Trade receivables outstanding for a period exceeding six months from the date they are due for payment	89,106,007	60,876,824
Total	513,731,025	280,736,220

There is Trade Receivable due from Directors, Officers Or Company in which Directors are Director.



	(In Rs)	
Name of the Company	As at 31.03.2020	As at 31.03.2019
Pashupati Cotyarn LLP	-	3,249,625
Shree Pashupati Fabric LLP	66,180,171	64,327,573
Pashupati Cotton Industries	59,952,071	-

Note 16: Cash and Cash Equivalents

	(In Rs)	
	As at 31.03.2020	As at 31.03.2019
1. Cash and Cash equivalents shall be classified as:		
(a) Balances with Banks		
In Current Accounts	170,593	976,320
(b) Cash on Hand	40,917	1,566,530
2. Fixed Deposits Under Lien #		
(i) Against Borrowings & Guarantees	16,944,089	15,824,141
Total	17,155,599	18,366,991

Fixed Deposit with Maturity of more than 12 Months.

Note 17: Short Term Loans and Advances

	(In Rs)	
	As at 31.03.2020	As at 31.03.2019
Unsecured, Considered Good		
(a) Loans and Advances		
(i) Advance to Suppliers	57,395,475	28,611,740
(ii) Others	41,383,631	64,943,663
(iii) Advance to Staff	2,179,922	5,000,000
(b) Prepaid Expenses	2,005,570	1,366,741
(c) Balances with Government Authorities	89,457,327	66,398,393
Total	192,421,925	166,320,536

There is Advance due from LLP in which Director of Company is Partner.

	(In Rs)	
Name of the Company	As at 31.03.2020	As at 31.03.2019
Global Park Developers LLP	3,565,090	26,661,075

Note 18: Other Current Assets

	(In Rs)	
	As at 31.03.2020	As at 31.03.2019
Textile Benefit Receivable	120,991,106	131,937,036

**Note 19: Revenue from Operations**

(In Rs)

	For the year 2019-20	For the year 2018-19
Sale of Product*		
Yarn Sales	2,046,504,368	2,081,908,544
Cotton Sales	1,846,031,510	3,128,416,807
Total	3,892,535,879	5,210,325,351
Sale of Services		
Other Operating Revenues	77,575,394	167,952,333
Total	3,970,111,273	5,378,277,684

*Sale of Product includes Yarn Waste Net off Goods returned.

Note 20: Other Income

(In Rs)

		For the year 2019-20	For the year 2018-19
1	Interest Income	15,968,204	4,600,466
2	Other Income	1,094,418	8,003,208
3	Foreign Exchange Gain	1,812,074	-
4	Share of Profit from Pashupati Cotyarn LLP	20,918	117508
	Total	18,895,614	12,721,182

Note 21.a: Cost of Materials Consumed

(In Rs)

	For the year 2019-20	For the year 2018-19
Opening Stock	192,256,208	5,778,150
Add: Purchases	3,209,305,289	4,518,357,381
Less: Closing Stock	(196,003,504)	(192,256,208)
Total	3,205,557,993	4,331,879,323

Note 21.b: Changes in Inventories of Finished Goods

(In Rs)

	For the year 2019-20	For the year 2018-19
<u>Inventories at the End of the Year:</u>		
Finished Goods	245,862,965	367,545,594
Stores, Spares & Packing Material	16,884,431	19,686,216
Work in process	30,142,550	27,741,530
	292,889,946	414,973,340
<u>Inventories at the Beginning of the Year:</u>		
Finished Goods	367,545,593	574,686,557
Stores, Spares & Packing Material	19,686,217	24,317,842
Work in process	27,741,530	34,007,156
	414,973,340	633,011,555
Total	122,083,394	218,038,215

**Note 22: Employee Benefits Expense****(In Rs)**

	For the year 2019-20	For the year 2018-19
Salaries and Wages	84,917,645	77,140,493
Bonus	4,229,351	14,047,341
Gratuity Expenses	2,376,768	-
Leave Encashment	237,547	-
Contributions to Provident and Other Funds	610,146	484,046
Staff Welfare Expenses	3,158,253	3,900,727
Total	95,529,710	95,572,607

Note 23: Finance Cost**(In Rs)**

	For the year 2019-20	For the year 2018-19
Bank Interest Exp.	108,472,784	141,662,418
Other Borrowing Cost	797,351	1,778,197
Interest on Unsecured Loan	13,222,270	19,107,498
Total	122,492,405	162,548,113

Note 24: Other Expenses**(In Rs)**

	For the year 2019-20	For the year 2018-19
Transportation Expenses	1,52,65,212	53,84,523
Brokerage & Commission Expenses	35,41,980	49,01,894
Machinery Rent	1,39,00,754	1,28,91,343
Legal & Consultancy Charges	31,75,945	34,97,417
Power and Fuel	20,82,92,104	20,99,75,254
Donation	16,81,950	1,56,579
<u>Repairing & Maintenance :-</u>		
Machinery (including spares)	4,83,49,896	3,00,75,208
Building	1,68,299	18,99,388
Others	18,84,668	39,70,236
Labour Expenses	28,56,762	20,99,538
CSR Expenses	16,85,000	9,82,449
Insurance	29,75,524	27,65,132
Travelling Expenses	2,56,513	1,82,865
Loading & Unloading Expenses	78,74,153	96,02,070
Quality Claim & Weight Shortage Claims	2,96,892	27,21,531



Rent,Rates & Taxes	1,49,300	3,67,128
Auditors Remuneration (Refer Note Below)	3,00,000	3,00,000
Stationery, Printing, Postage & Telephone	3,91,895	8,54,985
General Expenses	1,61,01,155	1,63,46,542
Total	32,91,48,002	30,89,74,083

Note: 24.1**(In Rs)**

	For the year 2019-20	For the year 2018-19
Payments to the Auditors comprises :		
As Auditors - Statutory Audit	300,000	300,000
Total	300,000	300,000

As per our Attached Report of even date**For Mahendra N. Shah & Co.**
Chartered Accountants
FRN : 105775W**Chirag M. Shah**
Partner
M.No. F 045706
UDIN : 20045706AAAAEB6977**For, PashupatiCotspin Limited****Saurin Parikh**
Chairman & Managing Director
DIN : 02136530**Haresh Shah**
Chief Financial Officer**Tushar Trivedi**
Whole Time Director
DIN : 06438707**Bijal Thakkar**
Company Secretary**Date : 29/06/2020**
Place : Ahmedabad**Date : 29/06/2020**
Place : Ahmedabad



PASHUPATI COTSPIN LIMITED

CIN: L17309GJ2017PLC098117

Reg. Office: Survey No.404 At & Post Balasar, Kadi-Detroj Road, Kadi Mahesana-382715
