

ANNUAL REPORT 2023-24

A B COTSPIN INDIA LIMITED



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INFO@ABCOTSPIN.IN



WWW.ABCOTSPIN.CO.IN

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Deepak Garg
(Chairman & managing Director)
Mr. Manohar Lal
(Whole-time Director)

NON-EXECUTIVE DIRECTOR

Mr. Ramesh Kumar

INDEPENDENT DIRECTORS

Mr. Puneet Bhandari
Ms. Preet Bhatia

CHIEF FINANCIAL OFFICER

Mr. Rajender Prashad Garg

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Kannu Sharma

REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Private Limited

C 101, 247 Park, L B S Marg, Vikhroli West,
Mumbai 400 083
Telephone: 022 49186000
Fax: +91 22 4918 6060
Email: rnt.helpdesk@linkintime.co.in
Website: www.linkintime.co.in

BANKERS

HDFC Bank Limited
Axis Bank
Yes Bank

STATUTORY AUDITORS

P L Mittal & Company

21368 (Old No. 3050), Power
House Road, Bathinda-151001

SECRETARIAL AUDITORS

M/s DR Associates

607, 6th Floor, Rattan Jyoti
Building, Rajendra Place,
New Delhi- 110008

COST AUDITORS

4430/2 Arya Pura Subzi Mandi
New Delhi-110 007

REGISTERED OFFICE

NH-54, Goniana Road, Near lake-3,
Bathinda, Punjab-151001

MANUFACTURING UNIT

Bathinda Road, Jaito, Dist: Faridkot,
Punjab-151202

BRANCH OFFICE

Unit No. 14, Plot No. 31, LG floor, Road No.
44, Vikas Tower Building, Rani Bagh, New
Delhi-110034

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Twenty-Seventh (27th) Annual General Meeting of the Members of A B Cotspin India Limited will be held on **Thursday, the 26th day of September, 2024 at 12:30 P.M.** IST through Video Conferencing ("VC")/ Other Audio- Visual Means ("OAVM") (hereinafter referred to as electronic mode) to transact the following businesses:

ORDINARY BUSINESS:

- 1) To consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2024 together with the reports of the board of directors and auditor's thereon and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:**

"RESOLVED THAT the audited financial statements of the Company comprising of the balance sheet as at March 31, 2024, the statement of profit and loss, cash flow statement and statement of equity, for the financial year ended on March 31, 2024, together with notes thereto, and the reports of board of directors and auditors thereon, as circulated to the members and laid before the meeting, be and are hereby approved and adopted."

- 2) To re-appoint Mr. Ramesh Kumar (DIN: 07684009) Non-Executive Director, who retires by rotation and being eligible, offers himself for re-appointment, and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of Companies Act, 2013 and the Rules thereunder (including any statutory modification(s) and /or re- enactment(s) thereof for the time being in force) read with the Article of Association of the Company, Mr. Ramesh Kumar (DIN: 07684009), Non- Executive Director, who retires by rotation at this Annual General Meeting of the Company, and being eligible for re-appointment, be and is hereby re-appointed as Non- Executive Director, liable to retire by rotation."

SPECIAL BUSINESS:

- 3) Ratification of remuneration payable to M/s Jain Sharma & Associates, Cost Auditors, for the financial year 2024-25 and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution, as Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to the recommendation of the Audit Committee and approval of the Board of Directors of the Company, remuneration of **Rs. 30,000/-** plus taxes as applicable and reimbursement of reasonable out-of-pocket expenses, to be paid to **M/s Jain Sharma & Associates (Firm Registration No.: 000270)**, Cost Accountants, appointed by the Board of Directors of the Company as the Cost Auditor for conducting the Audit of the Cost records of the Company for the financial year 2024-25, be and is hereby ratified;

RESOLVED FURTHER THAT any Director and Company Secretary of the Company be and are hereby authorized to do all acts, deeds, matters and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

- 4) To approve waiver of recovery of excess managerial remuneration paid to Mr. Ramesh Kumar, Non-Executive Director of the Company for the financial year ended March 31, 2023, and in this regard, to consider and, if thought fit, to pass the following resolution as an Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 197 of the Companies Act, 2013, and other applicable provisions, if any, of the Companies Act, 2013, (the "Act"), and the Companies (Appointment and Remuneration of Managerial Personnel),

Rules 2014, (the “Rules”), including any statutory modification (s) or re-enactment (s) thereof for the time being in the force, applicable regulations, if any, and pursuant to the recommendation of the Nomination and Remuneration Committee, audit committee and Board of Directors, the approval of the Members of the Company be and is hereby accorded to approve the waiver of recovery of excess remuneration amounting to Rs. 1.94 lakhs paid to Mr. Ramesh Kumar, Non-Executive Director, for the financial year 2022-23;

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, any Director and Company Secretary of the Company be authorised to do all acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or and to sign and execute all necessary document(s), application(s), returns and writings as may be necessary, proper, desirable or expedient.”

5) To approve overall increase in remuneration payable to Non-Executive Non-Independent Directors of the Company, and in this regard, to consider and if thought fit, to pass, the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, Schedule V and other applicable provisions of the Companies Act, 2013 (“Act”) read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s), or re-enactment(s) thereof, for the time being in force), and other applicable provisions, if any and pursuant to the recommendations of the Nomination and Remuneration Committee, Audit Committee and the Board of Directors of the Company, the approval of the Members of the Company be and is hereby accorded for the payment of remuneration to all the Non-Executive Non-Independent Directors of the Company, in excess of prescribed limit of **1%** of total net profit of the Company computed in accordance with the provision of Section 198 of the Companies Act, 2013 but shall not exceed **INR 20,00,000/- per annum** and the said remuneration is in addition to sitting fees and reimbursement of expenses for attending the meetings of the Board of Directors or Committees thereof and the said remuneration be paid in such amount, proportion and manner as may be decided by the Board of Directors of the Company from time to time;

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, any Director or the Company Secretary of the Company be authorized to do all acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and to sign and execute all necessary document(s), application(s), return(s), form(s) and writings as may be necessary, proper, desirable or expedient.”

**By order of the Board of Directors
For A B Cotspin India Limited**

Sd/-

Kannu Sharma

Membership No.: A64063

Company Secretary & Compliance Officer

Date: 23 August, 2024

Place: Bathinda, Punjab

Registered Office

NH-54, Goniana Road, Near lake-3, Bathinda, Punjab-151001

Email: cs@abcotspin.in

Website: www.abcotspin.co.in

Tel: +1635232670

NOTES:

1. Pursuant to the General Circulars No.14/2020, 17/2020, 20/2020, 2/2021, 19/2021, 21/2021, 2/2022 and 10/2022 and 09/2023 dated April 08, 2020, April 13, 2020, May 05, 2020, January 13, 2021, December 08, 2021, December 14, 2021, May 05, 2022, December 8, 2022 and September 25, 2023 respectively (collectively referred to as "MCA Circulars") allowing, inter-alia, to conduct Annual General Meeting ("AGM") through Video Conferencing/ Other Audio-Visual Means ("VC/ OAVM") facility. In compliance with these Circulars, provisions of the Companies Act, 2013 ("the Act") and the Securities and Exchange Board of India ("SEBI") vide its circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/167 dated October 07, 2023 read with Circular Dated January 05, 2023, May 13, 2022, January 15, 2021 and May 12, 2020 ("SEBI Circulars"), the 27th Annual General Meeting ('AGM'/ 'the meeting') AGM of the Company is being conducted through VC/ OAVM facility, which does not require physical presence of Members at a common venue. The deemed venue for the 27th AGM shall be the Registered Office of the Company.
2. Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. Since this AGM is being held through VC / OAVM pursuant to the aforementioned Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed hereto. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
3. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, setting out the material facts and reasons for the resolutions in respect of the special businesses set out above is annexed hereto.
4. The relevant details as required under Regulation 36(3) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and Secretarial Standard on General Meetings ('SS-2'), issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/reappointment at this Annual General Meeting is also annexed as Annexure-A.
5. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.
6. The Company is pleased to provide two-way VC facility through VC / OAVM.
7. 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 Listing Regulations (as amended), and MCA Circulars the Company is providing facility of remote e voting to its Members in respect of the businesses to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e voting as well as the e-voting system during the AGM will be provided by CDSL.
8. The Members can join the AGM in the VC/OAVM mode 30 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 the 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.

9. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
10. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
11. The Voting rights of Members shall be in proportion to their shares of the paid-up Equity Share Capital of the Company as on Cut-off Date of **19th September, 2024**.
12. Institutional/Corporate members (i.e., other than individuals/HUF, NRI etc.) are required to send a scanned copy (PDF/ JPEG format) of its Board or Governing Body resolution/authorization etc. authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting pursuant to section 113 of the Act. The said resolution/authorization shall be sent to the Company via email through its registered email address at cs@abcotspin.in with a copy to office@drassociate.org.

DISPATCH OF ANNUAL REPORT THROUGH ELECTRONIC MODE

13. In compliance with the Circulars, the Notice of the AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Any member seeking hard copy of the same may write to us at cs@abcotspin.in.
14. In line with the Circulars, the Notice calling the AGM has been uploaded on the website of the Company at www.abcotspin.co.in. The Notice can also be accessed from the websites of the Stock Exchange i.e., NSE Limited at www.nseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e., www.evotingindia.com.
15. Member(s) may also note that the Notice of the Meeting and the Annual Report for FY 2023-24 will also be available on the Company's website www.abcotspin.co.in.
16. For receiving all communication (including Annual Report) from the Company electronically:
 - a) Members holding shares in physical mode and who have not registered / updated their email address with the Company are requested to register / update the same by sending signed request letter mentioning your name, email-id, folio number, number of shares held, certificate number, distinctive number and Complete Address along with self-attested copy of PAN card to the Company's Registrar and Share Transfer Agent i.e. Link Intime India Private Limited on rnt.helpdesk@linkintime.co.in.
 - b) Members holding shares in dematerialised mode are requested to register / update their email addresses with the relevant Depository Participant.

17. INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:

- (i) The voting period begins on 23rd September, 2024 at 9.00 A.M. and ends on 25th September, 2024 at 5.00 P.M. During this period shareholders of the Company, as on the cut-off date (**record date**) of **19th September, 2024** 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 venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Listing Regulations, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders'

resolutions. However, it has been observed that the participation by the public non institutional shareholders/ retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by the Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual shareholders holding securities in Demat mode with CDSL	<p>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi.</p> <p>After successful login the Easi / Easiest user will be able to see the e- Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e., CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</p> <p>If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders Holding securities in demat mode with NSDL	<p>If you are already registered for NSDL IDeAS facility, please visit the e- Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new</p>

	<p>screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</p> <p>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e., your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</p>
<p>Individual shareholders (holding securities in demat mode) login through their Depository Participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

[Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e., CDSL and NSDL](#)

Login Type	Helpdesk Details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

(v) Login method for e-Voting for Physical shareholders and shareholders other than individual holding in Demat form.

The shareholders should log on to the e-voting website www.evotingindia.com.

Click on “Shareholders” module.

Now enter your User ID

For CDSL: 16 digits beneficiary ID,

For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

a. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

1) Next enter the Image Verification as displayed and Click on Login.

2) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

3) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. 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.

(vi) After entering these details appropriately, click on “SUBMIT” tab.

(vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.

(viii) Click on the EVSN A B COTSPIN INDIA LIMITED on which you choose to vote.

(ix) 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.

(x) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

(xi) 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.

(xii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

(xiii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.

- (xiv) 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.
- (xv) **Facility for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e., other than Individuals, HUF, and NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - 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 favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively, Non-Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; cs@abcotspin.in, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

- a) **For Demat Shareholders** - please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to Company’s Registrar and Share Transfer Agent (Link Intime India Private Limited) at rnt.helpdesk@linkintime.co.in.
- b) **For Individual Demat shareholders** - Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting through Depository.

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:

18. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
19. Shareholders 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.
20. Only those shareholders, who are 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 during the AGM.

21. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
22. Members who have not registered their email address with the Depository or any person who acquires shares of the Company and becomes a Member of the Company after the Notice has been sent electronically by the Company, and holds shares as on the cut-off date, i.e., 19th September, 2024 he/she may write to the CDSL on the E-mail ID: helpdesk.evoting@cdslindia.com. However, if a member is already registered with CDSL for e-voting then existing User ID and password can be used for casting vote.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

23. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
24. Shareholders are encouraged to join the Meeting through Laptops / iPad for better experience.
25. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
26. 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.

PROCEDURE TO RAISE QUESTIONS / SEEK CLARIFICATIONS

27. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at cs@abcotspin.in. Speakers are requested to submit their questions at the time of registration, to enable the Company to respond appropriately.
28. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
29. The Company reserves the right to restrict the number of questions and number of speakers, depending upon availability of time as appropriate for smooth conduct of the AGM.
30. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at cs@abcotspin.in. These queries will be replied to by the company suitably by email.

GENERAL INFORMATION FOR SHAREHOLDERS

31. 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 022-23058738 and 022-23058542/43.
32. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 26th 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.

33. The Board of Directors of the Company has appointed Mr. Deepak Gupta (Membership No. F5339; COP No. 4629) Partner at DR Associate, Practicing Company Secretaries as Scrutinizer to scrutinize the remote e-voting process and voting during the AGM in a fair and transparent manner and they have communicated their willingness to be appointed and will be available for the said purpose.
34. The voting results will be declared within 2 working days from the conclusion of the AGM and shall along with the report of the scrutinizer be placed on the Company's website and communicated to the Stock exchange immediately after the declaration of result by the Chairman or a person authorized by him in writing.
35. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the members in respect of the shares held by them. Member(s) holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's Registrar and Transfer Agent, Link Intime India Private Limited (RTA). In respect of shares held in dematerialized form, the nomination form may be filed with the respective Depository Participant.
36. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts and arrangements in which directors are interested maintained under Section 189 of the Companies Act, 2013 and the relevant documents referred to in the Notice, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to cs@abcotspin.in.
37. Members holding shares in dematerialised mode are requested to intimate all changes pertaining to their bank details/NECS/mandates, nominations, power of attorney, change of address/name, e-mail address, Permanent Account Number ('PAN') details, etc. to their Depository Participant only and not to the Company's RTA. Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and its RTA to provide efficient and better service to the members.
38. Non-Resident Indian Members are requested to inform the Company's Registrar & Transfer Agent (RTA) immediately:
 - a) The particulars of the Bank Account maintained in India with complete name, branch, account-type, account number and address of the Bank, if not furnished earlier.
 - b) Any change in their residential status on return to India for permanent settlement.
39. The Securities and Exchange Board of India ('SEBI') has mandated the submission of Permanent Account Number ('PAN') by every participant in securities market. Members holding shares in electronic mode are, therefore, requested to submit their PAN to their Depository Participant with whom they are maintaining their demat accounts.
40. In all correspondence with the Company and/or the RTA, members are requested to quote their DP ID and Client ID number for easy reference and speedy disposal thereof.

Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013

The following Statement sets out all the material facts relating to the Special Businesses mentioned in the accompanying Notice:

Item No. 3

Pursuant to section 148 of the Companies Act, 2013 (“Act”) read with the Companies (Cost Records & Audit) Rules, 2014 (“Rules”), the Company is required to have its cost records audited by a cost accountant in practice. Accordingly, the board of directors (“Board”) of the Company, on the recommendation of audit committee, at its meeting held on August 23, 2024, approved the appointment of M/s Jain Sharma & Associates (Firm Registration No.: 000270), as the cost auditors to conduct the audit of cost records maintained by the Company for the financial year ending March 31, 2025 at a remuneration of Rs.30,000/- (Rupees Thirty Thousand Only) plus applicable taxes, if any. The proposed remuneration of cost auditors for the financial year 2024-25 is in line with the guidelines issued by the Institute of Cost Accountants of India on remuneration of Cost Auditors.

Further, in accordance with the provisions of section 148(3) of the Act read with Rules, the remuneration payable to the cost auditor needs to be ratified by the members of the Company at a general meeting. Accordingly, consent of the members is being sought for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2025.

The Board recommends the resolution as set out at Item no. 03 for ratification by the members of the Company by way of an ordinary resolution.

None of the directors and key managerial personnel of the Company and/or their respective relatives are in any way, concerned or interested, financially or otherwise, in the said resolution.

Item No. 4

Mr. Ramesh Kumar (**DIN: 07684009**) was appointed as Non-Executive Director of the Company by the Board of Directors in its meeting held on 02.03.2020 and subsequently regularised by the members of the Company in their 23rd Annual General Meeting held on 31.12.2020.

In Financial year 2022-23, upon completion of audit and approval of the annual audited financials, the remuneration paid during the financial year 2022-23, turned out to be in excess of the limits envisaged under the provisions of Section 197 read with schedule V of the Companies Act, 2013 (“Act”).

Accordingly, a part of the remuneration paid to him during the financial year 2022-23 amounting to Rs. 1.94 lakhs, over and above the limits mentioned in Section 197 of the Act, being treated as excess remuneration.

Pursuant to Section 197(10) of the Act, the members of the Company have been empowered to waive the recovery of excess remuneration by passing a special resolution.

The management of the Company believes that the remuneration paid to Mr. Ramesh Kumar was very modest and in line with the consistent policies of the Company over years and less than the industry standards and therefore it is just that the excess remuneration be waived off.

The Company has not defaulted in payment of dues to any bank or public financial institution or non-convertible debenture holders or other secured creditor, if any.

The Nomination & Remuneration Committee, Audit Committee and the Board have at their respective meeting(s) held on August 23, 2024, subject to the approval of the members of the Company, accorded their approvals for waiver of the recovery of excess remuneration paid by the Company to Mr. Ramesh Kumar, in the interest of the Company and have recommended the aforesaid resolution as set out in this Notice for approval of the Members.

The Board of Directors recommend passing of the Special Resolution as set out in Item No. 4 of this Notice. Accordingly, it is proposed that approval of the members of the Company by way of a Special Resolution be obtained for the waiver of recovery of the excess remuneration paid to Mr. Ramesh Kumar.

Save and except Mr. Ramesh Kumar and his relatives to the extent of their respective shareholding interest, if any, in the Company for Item no. 4, none of the other Directors / Key Managerial Personnel and their relatives are in any way, concerned or interested, financially or otherwise, in the resolution set out in Item no. 4.

Item No. 5

The competitive business environment in which the Company operates has grown more demanding. Stringent and rigorous corporate governance norms have become the norm, adding to the complexity of the directors' roles. This complexity is coupled with an increased focus on risk management and the need for robust oversight. The role and responsibilities assigned to directors have undergone a substantial transformation in recent times due to various factors. The Company's operations have expanded significantly, necessitating a higher level of oversight and strategic inputs from directors. This expansion in activities is further complicated by the rapid evolution of legal and regulatory provisions and requirements, which have placed additional demands on the directors to ensure compliance and ethical governance.

Recognizing these evolving dynamics and the resultant responsibilities placed on directors, the Board in its meeting held on August 23, 2024, on the recommendation of nomination & remuneration committee and the audit committee, has proposed to increase in remuneration payable to Non-Executive Non-Independent Directors of the Company in excess of 1% of total net profit of the Company computed in accordance with the provision of Section 198 of the Companies Act, 2013 but shall not exceed INR 20,00,000/- per annum, effective from the financial year 2024-25. The payment of such remuneration shall be in addition to the sitting fees for attending Board/Committee meetings and reimbursement of the expenses for attending meetings of the Board and its committee thereof, as permissible under the Companies Act, 2013 and/ or the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Accordingly, the Board recommends the resolution as set out at item no. 5 for the approval of the members of the Company as Special Resolution.

Save and except Non-Executive Non-Independent Director of the Company and their relatives to the extent of their respective shareholding interest, if any, in the Company for Item no. 5, none of the other Directors / Key Managerial Personnel and their relatives are in any way, concerned or interested, financially or otherwise, in the resolution set out in Item no. 5.

**By order of the Board of Directors
For A B Cotspin India Limited**

Sd/-

Kannu Sharma

Membership No.: A64063

Company Secretary & Compliance Officer

Date: 23 August, 2024

Place: Bathinda, Punjab

Registered Office

NH-54, Goniana Road, Near lake-3, Bathinda, Punjab-151001

Email: cs@abcotspin.in

Website: www.abcotspin.co.in

Tel: +1635232670

Details of the Director retiring by rotation and seeking re-appointment at the Annual General Meeting
[Pursuant to Regulations 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings]

Name	Ramesh Kumar
Directors Identification Number (DIN)	07684009
Date of Birth	May 07, 1964
Age	60
Nationality	Indian
Qualifications	He has experience of about 40 years in the Cotton industry.
Terms and conditions of appointment and re-appointment	In terms of Section 152(6) of the Act, he is a non-executive director, liable to retire by rotation.
Expertise in Specific Area	He is engaged in providing guidance to the management in respect of Cotton Industry.
Date of first appointment on the Board of the Company	19-12-2016
Directorship in other companies (excluding A B Cotspin India Limited)	Nil
Relationship with other Directors and Key Managerial Personnel	None
Membership/Chairmanship of committee of the Company	Audit Committee- Member Stake Holder Relationship Committee- Chairman Nomination and Remuneration Committee- Member Corporate Social Responsibility Committee- Member Preferential Issue Committee- Member
Membership/Chairmanship of committee of Directors of other companies	None
No. of Share held as on 31-03-2024	Nil
Number of Meetings of the Board attended during the financial year 2023-24	08 (Eight)
Remuneration last drawn (FY 2023-24) (including sitting fees, if any)	Rs. 4,68,000/-
Details of remuneration sought to be paid	As per existing approved terms and conditions
Listed entities from which the person has resigned in the past three years	None

**By order of the Board of Directors
For A B Cotspin India Limited**

Sd/-

Kannu Sharma

Membership No.: A64063

Company Secretary & Compliance Officer

Date: 23 August, 2024

Place: Bathinda, Punjab

Registered Office

NH-54, Goniana Road, Near lake-3, Bathinda, Punjab-151001

Email: cs@abcotspin.in

Website: www.abcotspin.co.in

Tel: +1635232670

BOARD'S REPORT

The Members,
A B COTSPIN INDIA LIMITED

Your directors are pleased to present their **27th Annual Report** on the business and operations of the Company together with the audited financial statements for the financial year ended on 31st March, 2024.

FINANCIAL RESULTS

The financial performance of the Company for the year ended 31st March, 2024 is summarized as under:

PARTICULARS	Financial Year 2023-24 (Amount in ₹) Lacs	Financial Year 2022-23 (Amount in ₹) Lacs
Revenue from operations (net)	25,576.55	16910.01
Add: Other Income	120.23	55.75
Total Income	25,696.78	16965.76
Profit/(Loss) before Depreciation & Amortisation, Exceptional items & Tax expense	2763.68	1099.46
Less: Finance Cost	934.12	349.94
Less: Depreciation and Amortisation Expense	984.79	492.23
Profit before exceptional items & tax Expense	844.77	257.29
Less: Exceptional items	-	-
Profit/(Loss) before Tax Expense	844.77	257.29
Less: Taxation Expense	174.93	63.99
Profit/(Loss) for the year	669.84	193.30
Other Comprehensive Income/(Loss)	(110.61)	187.78
Total Comprehensive Income/(Loss) for the year	559.23	381.08
Earnings per Share (₹)		
- Basic	6.51	1.88

- Diluted	4.80	1.88
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STATE OF COMPANY'S AFFAIRS

The Revenue from its business and operations for the financial year ended 31st March, 2024 is ₹ 25,576.55/- Lacs as against ₹ 16910.01 /- Lacs in the previous financial year.

The Company has earned other income during the financial year of ₹ 120.23/- Lacs as against ₹ 55.75/- Lacs in the previous financial year and the Company has earned profit after tax of ₹ 669.84/-Lacs as compared to profit after tax of ₹ 193.30/- Lacs in the previous financial year.

The management of the Company is contemplating various business plans and also making strategies to develop the business of the Company.

DIVIDEND

With a view to conserve the profits, the Board of Directors decided not to recommend any dividend for the financial year 2023-24.

RESERVES

The Board of Directors of the Company has not proposed to transfer any amount to the Reserves for the year under review.

Total reserve and Surplus of the Company has been increased to ₹ 3703.3 Lacs on March 31, 2024 from ₹ 2995.91 Lacs on March 31, 2023.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

No unpaid/unclaimed dividend or any other amount was required to be transferred to the Investor Education and Protection Fund during the year under review.

ANNUAL RETURN

Pursuant to sub-section 3(a) of section 134 and sub-section (3) of section 92 of the Companies Act, 2013, read with rule 12 of the Companies (Management and Administration) Rules, 2014, as amended vide MCA notification dated August 28, 2020, a copy of the Annual Return is available on the link <https://abcotspin.co.in/annual-return/>.

LISTING OF SHARES

The Equity Shares in the Company are continued to be listed with NSE EMERGE Platform and in dematerialized form. The ISIN No. of the Company is INE08PH01015.

SHARE CAPITAL OF THE COMPANY

During the period under review:

- ✚ Authorised Share Capital increased from Rs. 11,40,00,000 (Rupees Eleven Crores Forty Lakhs) divided into 1,10,00,000 (One Crore Ten Lakh) Equity Share of ₹ 10/- each and 4,00,000 (Four Lakh) Preference Share of ₹ 10/- each to ₹ 24,40,00,000 (Rupees Twenty-Four Crore Forty Lakhs Only) divided into 2,40,00,000 (Two Crore Forty Lakh) Equity Share of ₹ 10/- each

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and 4,00,000 (Four Lakh) Preference Share of ₹ 10/- each by creation of additional 1,30,00,000 (One Crore Thirty Lakh Only) Equity Shares of Rs. 10/- each ranking pari passu with the existing Equity Shares of the Company in all respects.

- ✚ The paid-up Equity Share Capital as on March 31, 2024 was 10,29,22,000/- (Rupees Ten Crore Twenty-Nine Lakh Twenty-Two Thousand Only) and in earlier years, the Company has forfeited the 3,92,000 (Three Lakh Ninety-Two Thousand) Equity Shares of ₹ 5 /- which was not yet issued.

Preferential Issue of Warrants: During the FY 2023-24, the Company had issued and allotted 1,20,28,562 Share Warrants each convertible into or exchangeable for one fully paid up equity share of ₹ 10 each of the Company on preferential basis pursuant to approval of shareholders at their Annual General Meeting (AGM) held on September 25, 2023 in accordance with the applicable provisions of the Act read with rules made thereunder, and applicable provisions of the Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

Further, the amounts so raised have been utilized by the Company for the purposes for which these funds were raised and there is no deviation/variation in use of funds raised.

NUMBERS AND DATE OF MEETINGS

Regular meetings of the Board and its Committees are held to discuss and decide on various business policies, strategies, financial matters and other businesses. Due to business exigencies, the Board has also been approving several proposals through resolution by circulation from time to time.

During the year under review, **eight (08)** Board Meetings were held on May 30, 2023, August 08, 2023, August 25, 2023, October 30, 2023, November 10, 2023, December 22, 2023, January 06, 2024 and February 07, 2024. The provisions of Companies Act, 2013 were adhered while considering the time gap between two such meetings.

The details of composition of the Board and the attendance record of the Directors at the Board Meetings and AGM held during the financial year ended on March 31, 2024 is as under:

Name	Designation	No. of meetings entitled to attend	No. of meetings attended	Last attended	AGM
Deepak Garg	Chairman & Managing Director	8	8	Yes	
Manohar Lal	Whole-Time Director	8	8	Yes	
Ramesh Kumar	Director	8	8	Yes	
Puneet Bhandari	Director	8	8	Yes	
Preet Bhatia	Director	8	8	Yes	

GENERAL MEETINGS

Type of Meeting	Date of Meeting	Number of Directors Attended the Meeting
Annual General Meeting	25 th September, 2023	5

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

DIRECTORS:

a) Composition of Board of Directors

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As on March 31, 2024, the Board of Directors of the Company comprised of Five Directors, with Two Executive and Three Non-Executive Directors, which includes two Independent Directors.

The composition of the Board of Directors is as below:

S. No.	Name of Directors	Designation	Date of Appointment
1.	Deepak Garg	Chairman and Managing Director	26/08/2014
2.	Manohar Lal	Whole-time Director	01/08/2018
3.	Ramesh Kumar	Non-Executive Director	02/03/2020
4.	Puneet Bhandari	Independent Director	09/03/2021
5.	Preet Bhatia	Independent Director	09/03/2021

- b) **Retire by Rotation:** In accordance with the provisions of Section 152 of the Act and Articles of Association of the Company, Mr. Ramesh Kumar (DIN: 07684009) Non-Executive Director of the Company, retires by rotation at the conclusion of the forthcoming Annual General Meeting and being eligible, offers himself for reappointment. The Board recommends his appointment for the consideration of the members of the Company at the ensuing Annual General Meeting.

A brief profile, expertise of Director and other details as required under the Act, Secretarial Standard-2 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") relating to the director proposed to be re-appointed is annexed to the notice convening the AGM.

- c) **Declaration given by Independent Director:** Your Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence provided in Section 149(6) of the Act and there has been no change in the circumstances which may affect their status as Independent Director during the year under review.

The terms and conditions of appointment of Independent Directors are as per Schedule IV of the Act.

In terms of Section 150 of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, Independent Directors of the Company have confirmed that they have registered themselves with the databank maintained by the Indian Institute of Corporate Affairs, Manesar ('IICA').

In the opinion of the Board, the independent directors possess the requisite integrity, experience, skills, expertise and proficiency required under all applicable laws and the policies of the Bank.

KEY MANAGERIAL PERSONNEL:

In accordance with the provisions of Section 203 of the Act, the following are the Key Managerial Personnel ("KMP") of the Company:

S. No.	Name	Designation
1.	Deepak Garg	Managing Director
2.	Manohar Lal	Whole-Time Director
3.	Rajinder Prashad Garg	Chief Financial Officer
4.	Kannu Sharma	Company Secretary

BOARD COMMITTEES

The Committees of the Board of Directors of the Company plays vital role in the governance and focus on specific areas and make informed decisions within the delegated authority. Each Committee is governed by their respective terms of reference

which exhibit their composition, scope, powers, duties and responsibilities. The Board of Directors has the following Committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholder Relationship Committee
4. Corporate Social Responsibility Committee
5. *Preferential Issue Committee

**Constituted on 25.08.2023*

The details of the Committees of the Board along with their composition, number of meetings and attendance at the meetings are given below. Further during the period under review, all recommendations made by the various committees have been accepted by the Board.

AUDIT COMMITTEE

The Audit Committee ('AC') of the Company had been constituted and functions in accordance with provisions of Section 177 of the Act. The Audit Committee comprises of non-executive Directors including Independent Directors as its Member. The Chairman of the committee is Independent Director. The Company Secretary is acting as the Secretary to the Audit Committee. All the recommendations made by the Audit Committee were accepted and implemented by the Board of Directors of the Company.

During the period under review **four (4)** meetings were held on May 30, 2023, August 25, 2023, November 10, 2023 and February 07, 2024.

The details of composition of the Committee and the attendance record of the Directors at the AC Meetings held during the financial year ended on March 31, 2024 is as under:

Name of the Director	Designation in Committee	Category	No. of Meeting held during the year	No. of Meetings Attended
Puneet Bhandari	Chairman	Independent Director	4	4
Ramesh Kumar	Member	Non-Executive Director	4	4
Preet Bhatia	Member	Independent Director	4	4

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee ('NRC') of the Company had been constituted and functions in accordance with provisions of Section 178 of the Act. The Nomination and Remuneration Committee comprises of non-executive Directors including Independent Director as its members. The Company Secretary is acting as the Secretary to the Nomination and Remuneration Committee.

During the period under review **two (2)** meetings were held on May 30, 2023 and August 25, 2023.

The details of composition of the Committee and the attendance record of the Directors at the NRC Meetings held during the financial year ended on March 31, 2024 is as under:

Name of the Director	Designation in Committee	Category	No. of Meeting held during the year	No. of Meetings Attended
Puneet Bhandari	Chairman	Independent Director	2	2
Ramesh Kumar	Member	Non-Executive Director	2	2
Preet Bhatia	Member	Independent Director	2	2

- **Company's policy relating to Director's appointment, Payment of remuneration and Discharge of their duties:**

The provisions of Section 178 of the Companies Act, 2013 relating to the Nomination and Remuneration Committee are applicable to our Company and hence the NRC Committee of the Company has devised policy relating to appointment of directors, payment of managerial remuneration, directors' contribution, positive attributes, Independence of Directors and other related matters as provided under section 178(3) of the Companies Act, 2013.

The salient features of the Policy are outlined as follows:

- Provides guidelines for the appointment and re-appointment of directors.
- Establishes criteria for determining the qualifications, positive attributes, and independence required for the appointment of directors.
- Specifies the parameters for remuneration of Independent Directors and Non-Executive Directors, including sitting fees and other forms of compensation.
- Defines the framework for remuneration of Whole-time Directors, Key Managerial Personnel (KMPs), and other employees, encompassing fixed salary, benefits, perquisites, performance-linked incentives, commission, and retirement benefits.

During the period under review, there were no substantive changes in the Policy. The Policy may be accessed on the Company's website at the web link: <https://abcotspin.co.in/policies-and-code-of-conduct/>.

STAKEHOLDER RELATIONSHIP COMMITTEE

In compliance of provisions of Section 178 of Companies Act, 2013, the Board has constituted Stakeholders' Relationship Committee. The Stakeholders Relationship Committee is, inter-alia, entrusted with the responsibility of addressing the shareholders'/ investors' complaints with respect to share transfers, non-receipt of annual reports, dividend payments, issue of duplicate share certificates, transmission of shares and other shareholder related queries, complaints etc.

The Secretarial Department of the Company and the Registrar and Share Transfer Agent, Link Intime India Private Limited attends to all grievances of the shareholders received directly or through SEBI, Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies, etc.

Continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the investors. Shareholders are requested to furnish their updated telephone numbers and e-mail addresses to facilitate prompt action.

During the period under review only **One (1)** meeting was held on May 30, 2023.

The details of composition of the Committee and the attendance record of the Directors at the SRC Meetings held during the financial year ended on March 31, 2024 is as under:

Name of the Director	Designation in Committee	Category	No. of Meeting held during the year	No. of Meetings Attended
Deepak Garg	Chairman	Managing Director	1	1
Ramesh Kumar	Member	Non-Executive Director	1	1
Puneet Bhandari	Member	Independent Director	1	1

CORPORATE SOCIAL RESPONSIBILITY

The Company continues to believe in operating and growing its business in a socially responsible way. This belief forms the core of the CSR policy of the Company that drives it to focus on holistic development of its host community and immediate social and environmental surroundings qualitatively. The Company's CSR policy provides guidelines to conduct CSR activities of the Company. The salient features of the Policy forms part of the Annual Report on CSR activities and annexed herewith as **Annexure - A** forming integral part of this report.

During the year under review, there were no changes in the CSR Policy and the same is available on the Company's website at <https://abcotspin.co.in/policies-and-code-of-conduct/>.

PERFORMANCE EVALUATION OF BOARD

In terms of the provisions of the Section 178(2) of the Act, the Board has adopted a formal mechanism for evaluating its performance as well as that of its Committees and individual directors, including the Chairman of the Board. A structured questionnaire was prepared and circulated to the Directors for each of the evaluation.

Performance of the Board was evaluated by each Director on the parameters such as Structure and Composition of Board, Meetings of the Board, Functions of the Board, Board & Management etc.

Board Committees were evaluated on the parameters such as Mandate and Composition of Committee, Effectiveness of the Committee, Structure of the Committee and meetings, Independence of the Committee from the Board, Contribution to decisions of the Board etc.

Performance of the Chairman was evaluated by Independent Directors taking into account the views of executive Directors and non-executive Directors, on the parameters such as Knowledge and Competency, Fulfilment of Functions, Ability to function as a team, Initiative, Availability and attendance, Commitment, Contribution, Integrity, Impartiality, Commitment, Ability to keep shareholders' interests in mind etc.

Directors were also evaluated individually by all other Directors (except the Director himself) on the parameters such as Knowledge and Competency, Fulfilment of Functions, Ability to function as a team, Initiative, Availability and attendance, Commitment, Contribution, Integrity etc.

The performance evaluation of the Directors was completed during the year under review. The Independent Directors of the Company have held one meeting during the year on March 30, 2024, without the presence of Non-Independent Directors and members of the management to review the performance of Non-Independent Directors and the Board of Directors as a whole. They also assessed the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

Outcome of the evaluation was submitted to the Chairman of the Company. The Directors discussed and expressed their satisfaction with the entire evaluation process.

AUDITORS AND AUDITOR'S REPORT

A. STATUTORY AUDITOR

M/s P L Mittal & Co., Chartered Accountants, (FRN: 002697N), were appointed as Statutory Auditors of the Company to hold office for a term of 5 years from the conclusion of the 25th Annual General meeting (AGM) held on September 26, 2022 until the conclusion of the 30th AGM of the Company.

RESERVATION AND QUALIFICATION ON AUDITOR'S REMARKS

The Auditors Report read together with Annexures referred to in the Auditor's Report as provided by the auditors are self-explanatory and does not contain any qualification reservation, adverse remark or disclaimers, etc.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITOR

There are no frauds reported for the period under review by the Auditor's under section 143(12) of the Companies Act, 2013 and hence, the said disclosure requirements are not applicable.

B. SECRETARIAL AUDITOR

In terms of Sections 179 and 204 of the Companies Act, 2013 and Rules made thereunder, M/s DR Associates, Company Secretaries were appointed as Secretarial Auditors for the financial year 2023-24.

The Secretarial Audit Report for the financial year ended on March 31, 2024 received from M/s DR Associates, Company Secretaries, Secretarial Auditor of the Company is annexed herewith marked as **Annexure B** to this Report.

The said report is self-explanatory and does not contain any qualification, reservation, adverse remark or disclaimers, etc.

C. COST AUDITOR

M/s Jain Sharma & Associates, Cost Accountants (FRN: 000270), on recommendation of the Audit Committee, were appointed as Cost Auditor of the Company by the Board of Directors in its meeting held on August 25, 2023 for the financial year 2023-24 as per provision of Section 148 of the Companies Act, 2013.

The cost audit report for the financial year 2023-24 is self-explanatory and does not contain any qualification, reservation, adverse remark or disclaimers.

Further, the Board of Directors, based on the recommendation of the Audit Committee and pursuant to the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, has re-appointed **M/s Jain Sharma & Associates, Cost Accountants (FRN: 000270)**, as the Cost Auditors of your Company for the financial year 2024-25. The Cost Auditor conducts the Cost audit of the functions and operations of the Company and reports to the Audit Committee and Board.

The remuneration payable to the Cost Auditors is required to be placed before the members in the general meeting for their ratification. Accordingly, a resolution seeking members' ratification for the remuneration payable to **M/s Jain Sharma & Associates, Cost Accountants (FRN: 000270)** for the financial year 2024-25, is included at Item No.3 of the Notice of the ensuing Annual General Meeting.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report on the operations of the Company, as required under the Listing Regulations is provided in a separate section and forms an integral part of the Annual Report.

PARTICULARS OF LOANS, GUARANTEE OR INVESTMENTS UNDER SECTION 186 OF COMPANIES ACT, 2013

During the year under review, your Company has made Loans, given guarantees and made investments in compliance to the provisions of Section 186 of the Companies Act, 2013 and details of which along with the purpose of utilisation of loan given, guarantee provided, are given in the **Note no. 7** and **17** to the financial statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the financial year, all contracts, arrangements, and transactions entered into by the Company with related parties were conducted in compliance with the relevant provisions of the Companies Act and SEBI Listing Regulations. The Company obtained the necessary approvals from the Audit Committee and the Board, as required, for all Related Party Transactions. For transactions that were foreseeable and of a repetitive nature, prior omnibus approval from the Audit Committee and the Board was secured.

Additionally, the Company did not engage in any related party transactions that could be deemed material under SEBI Listing Regulations or the Companies Act. The Policy on Related Party Transactions, as approved by the Board of Directors, is available on the Company's website at <https://abcotspin.co.in/policies-and-code-of-conduct/>

There are no transactions falling under sub-section (1) of Section 188 of the Companies Act that need to be reported in Form AOC-2, and thus this form is not included in this report. However, details of related party transactions and the names of related parties are disclosed in the Notes to the financial statements as per Indian Accounting Standards 18.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to provision of Section 134(5) of the Companies Act, 2013, the Board, confirms:

- a) that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) that they have selected such accounting policies as mentioned in the Notes to the financial statements have been applied consistently and judgments and estimates that are reasonable and prudent have been made 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 of the Company for that period;
- c) that proper and sufficient care has been taken for the 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 fraud and other irregularities;
- d) that the annual accounts have been prepared on a going concern basis;
- e) that proper internal financial controls were followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) that proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

INDUSTRIAL RELATIONS

During the year under review, the Company enjoyed cordial relations with workers, employees, Bankers, Shareholders and all stakeholders at all levels.

COMPLIANCE WITH SECRETARIAL STANDARDS

Pursuant to the provisions of Section 118 of the Companies Act, 2013, the Company has complied with the applicable provisions of the Secretarial Standards issued by the Institute of Companies Secretaries of India.

CORPORATE GOVERNANCE

As our Company has been listed on SME Emerge Platform of National Stock exchange Limited (NSE), by virtue of Regulation 15 of the Listing Regulations the compliance with the Corporate Governance provisions as specified in regulation 17 to 27 and Clause (b) to (i) of sub regulation (2) of Regulation 46 and Para C, D and E of Schedule V are not applicable to the Company.

Hence, Corporate Governance Report does not form a part of this Board Report.

MAINTENANCE OF COST RECORDS

The Company has maintained cost records as specified by the Central Government under section 148(1) of the Companies Act, 2013.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Disclosures pertaining to remuneration and other details as 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 are set out in prescribed format and annexed herewith as **Annexure-C** to this Report.

The statement containing particulars of employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this Annual Report. Further, the Report is being sent to the members excluding the aforesaid annexure. In terms of Section 136 of the Act, any shareholder interested in obtaining a copy thereof may write to the Company Secretary of the Company at cs@abcotspin.in.

INTERNAL FINANCIAL CONTROLS

A well-established, independent, multi-disciplinary Internal Audit team operates in line with governance best practices. It reviews and reports to management and the Audit Committee about compliance with internal controls and the efficiency and effectiveness of operations as well as the key process risks.

The Company has in place adequate internal financial controls with reference to Financial Statements and such controls were operating effectively as at March 31, 2024. These controls have been designed to provide a reasonable assurance with regard to maintaining of proper accounting controls for ensuring reliability of financial reporting, monitoring of operations. During the year, such controls were tested and no reportable weaknesses in the design or operations were observed.

RISK MANAGEMENT

Your Company has a Risk Management Policy which identifies and evaluates business risks and opportunities which in the opinion of the Board may threaten the existence of the Company. The Company recognize that these risks need to be managed and mitigated to protect the interest of the stakeholders and to achieve business objectives. The risk management framework is aimed at effectively mitigating the Company's various business and operational risks, through strategic actions. The Risk Management policy may be accessed on the Company's website at the Weblink: <https://abcotspin.co.in/policies-and-code-of-conduct/>.

DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

During the period under review, there is no Company which have become or ceased to be its joint venture or associate company during the year.

At present, your Company has incorporated a wholly owned Subsidiary Company with the name of KKML Welfare Foundation on April 02, 2024 and it has not commenced its operation yet. Further, no company has ceased to be a subsidiary of the Company during the year under review.

CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION, ADAPTATION INNOVATION AND FOREIGN EXCHANGE EARNINGS & OUTGO

The information in accordance with the provisions of Section 134(3) (m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014, regarding conservation of energy, technology absorption and foreign exchange earnings and outgo are under:

Sr. No.	Particulars	Comments	
Conservation of Energy:			
	the steps taken or impact on conservation of energy;	Solar Power Plant of 2.5 MW has been installed in the Unit which produces an average of 8700 units per day	
	the steps taken by the Company for utilizing alternate sources of energy;	Solar Power Plant of 2.5 MW has been installed in the Unit which produces an average of 8700 units per day	
	the capital investment on energy conservation equipment	Rs. 12.00 Cr. approx	
Technology Absorption:			
	the efforts made towards technology absorption	Nil	
	the benefits derived like product improvement, cost reduction, product development or import substitution;	Nil	
	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year: The details of technology imported The year of import Whether the technology been fully absorbed If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	NA	
	the expenditure incurred on Research and Development	Nil	
FOREIGN EXCHANGE EARNINGS AND OUTGO:		2023-24 (In ₹)	2022-23 (In ₹)
	Foreign Exchange earnings	NIL	NIL
	Foreign Exchange outgo	NIL	930.35

DISCLOSURES UNDER SEXUAL HARRASMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The Company has guidelines and requisite policy in place for prevention & redressal of complaints on sexual harassment of women at workplace, in line with the requirements of the Sexual Harassment of Women at the workplace (Prevention, Prohibition & Redressal) Act, 2013 (“POSH”).

The Company has duly constituted the Internal Complaints Committee under the POSH to redress the complaints received regarding sexual harassment.

During the financial year ended 31st March, 2024, no case of sexual harassment and discriminatory employment complaints were reported.

DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

During the period under review, there were no applications made or proceedings pending in the name of the Company under the Insolvency and Bankruptcy Code, 2016.

DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS

During the period under review, there has been no one time settlement of Loan taken from Banks and Financial Institutions.

VIGIL MECHANISM

Your Company has adopted a Vigil Mechanism with a view to provide its employees an avenue to raise any sensitive concerns regarding any unethical behaviour or wrongful conduct and to provide adequate safeguard for protection from any victimization.

In accordance with the provision of Section 177(9) of the Act, every Listed Company shall establish a vigil mechanism for directors and employees to report genuine concerns of unethical behaviour, actual or suspected fraud or violation of the codes of conduct.

Accordingly, the Company has framed the policy to align the same with the provisions of Section 177(9) of the Act read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and may be accessed on the Company’s website at the weblink: <https://abcotspin.co.in/policies-and-code-of-conduct/>. This Policy inter-alia provides a direct access to the Chairman of the Audit Committee and affirms that no Director/employee have been denied access to the Chairman of the Audit Committee and that no complaints were received during the year.

ENVIRONMENT, HEALTH AND SAFETY

The Company is conscious of the importance of environmentally clean and safe operations. The Company’s policy requires conduct of operations in such a manner so as to ensure safety of all concerned, compliances of environmental regulations and preservation of natural resources.

OTHER STATUTORY DISCLOSURES

During the year under review:

1. No significant and material orders were passed by the Regulators/ Courts/ Tribunals which impact the going concern status and Company’s operations in future.
2. No equity shares were issued with differential rights as to dividend, voting or otherwise.

3. No Sweat Equity shares were issued.
4. Neither the Managing Director nor the Whole time Director of your Company received any remuneration or commission from any of its subsidiaries, as your Company doesn't have any subsidiary Company as on March 31, 2024.
5. No deposits have been accepted by the Company from the public. The Company had no outstanding, unpaid or unclaimed public deposits at the beginning and end of FY 2023-24.
6. No Change in nature of Business of Company.
7. Apart from the opening of a new branch office and as disclosed in this 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 to which the financial statements relate and the date of this report.

CAUTIONARY STATEMENT

Statements in this Directors' Report and Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make difference to the Company's operations include raw material availability and its prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, Tax regimes, economic developments within India and the countries in which the Company conducts business and other ancillary factor.

ACKNOWLEDGMENT

The Board of Directors places on record its sincere appreciation for the dedicated services rendered by the employees of the Company at all levels and the constructive cooperation extended by them. Your directors would like to express their grateful appreciation for the assistance and support by all Shareholders, Government Authorities, and Auditors, financial institutions, Customers, employees, suppliers, other business associates and various other stakeholder.

For and on behalf of the Board

Deepak Garg

Chairman and Managing Director

DIN: 00843929

Bathinda, Punjab

23 August, 2024

Annexure – A Annual Report on CSR Activity

1. A brief outline of the company's CSR policy, including overview of projects or programs to be undertaken:

The CSR Policy of the Company is aimed to improving the quality of the life of the communities we serve through long term stakeholder value creation. Accordingly, the CSR activities/programs were undertaken in line with and as specified in Schedule VII of the Act to serve and to be seen to serve society and community and create significant and sustained impact in their lives and provide opportunities for employees to contribute to these efforts through volunteering.

2. Composition of CSR Committee:

S. No.	Name of the Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Deepak Garg	Chairman	3	3
2.	Ramesh Kumar	Member	3	3
3.	Puneet Bhandari	Member	3	3

3. Web-link where Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company: www.abcotspin.co.in

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable: Not Applicable

5. a) Average net Profit of the Company as per Section 135(5)- ₹ 569.73 /-
 b) 2% of the average net profit of the Company as per Section 135(5) – ₹ 11.39/-
 c) Surplus arising out of the CSR projects or programs or activities of the previous financial years: Nil
 d) Amount required to be set off for the financial year, if any: Nil
 e) Total CSR obligation for the financial year (b+c-d) - ₹ 11.39/-

6. a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) – ₹ 11.39/-
 b) Amount spent in administrative overheads – Not Applicable
 c) Amount spent on Impact Assessment, if applicable. – Not Applicable
 d) Total amount spent for the Financial Year [(a)+(b)+(c)]. – ₹ 11.39/-
 e) CSR Amount spent or unspent for Financial Year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per section 135(6)			Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)	
	Amount.	Date of transfer	Name of the Fund	Amount.	Date of transfer
12.00	N.A.			N.A.	

f) Excess amount for set off, if any: Nil

Sl. No.	Particular	Amount (in INR)
(i)	Two percent of average net profit of the company as per section 135(5)	11.39/-

(ii)	Total amount spent for the Financial Year ended as on 31 March 2024	12.00
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.61
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0.00
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.00

7. Details of Unspent CSR amount for the preceding three financial years: Not Applicable

1.	2.	3.	4.	5.	6.		7.	8.
Sl. No.	Preceding Financial years	Amount transferred to Unspent CSR Account under 135 (6) (in INR)	Balance Amount in Unspent CSR Account under 135(6) (in INR)	Amount Spent in the Financial Year (in INR)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to section 135(5), if any		Amount remaining to be spent in succeeding Financial Years (in Rs)	Deficiency , if any
					Amount (in INR)	Date of Transfer		
1.	FY-1	Not Applicable						
2.	FY-2							
3.	FY-3							

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

9. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per section 135(5) – Not Applicable

**For and on behalf of the Board of Directors
A B Cotspin India Limited**

Deepak Garg

Chairman and Managing Director

(Chairman of CSR Committee)

DIN: 00843929

Place: Punjab

Date: 23 August, 2024

Form No. MR-3

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

SECRETARIAL AUDIT REPORT

For the Financial Year ended 31st March 2024

The Members,

AB Cotspin India Limited
NH-54, Goniana Road, Near Lake-3,

Bathinda, Punjab- 151001

We have conducted the Secretarial Audit of compliances, applicable statutory provisions and the adherence to good corporate practices by AB Cotspin India Limited (hereinafter called "the Company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, statutory registers, 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, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2024, 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:

We 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 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder.
- (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 Borrowings; **Not applicable to the Company during the audit period**
- (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 and Sweat Equity) Regulations, 2021; **Not applicable to the Company during the audit period**

- e) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **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, 2021; **Not applicable to the Company during the audit period**
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not applicable to the Company during the audit period**
- i) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- j) Secretarial Standards issued by the Institute of Company Secretaries of India.
- k) As informed by the management, there aren't any law, which were specifically applicable to the Company.

Our report is to be read along with the noting as mentioned here-in-under:

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We 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, we believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of the financial records and books of accounts of the Company.
4. Where ever required, we have obtained the management representation about the Compliances of the laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of the corporate and other applicable laws, rules and regulations, standards is the responsibility of the Management; our examination was limited to the verification of the procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

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

We further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.
2. Adequate notices are given to all directors for the Board Meetings and accordingly, agenda were sent to all directors, 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.
3. As per the minutes of the meetings, majority decisions of the Board were unanimous and no dissenting views were found as part of the minutes.
4. 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.

We further report that during the audit period the company has generally complied with the requirements of various Act, Rules and Regulations, guidelines and standards as are applicable to the Company.

We further report that during the audit period:

- 1) The Company has issued 1,20,28,562 fully convertible warrants on preferential basis carrying a right exercisable by the warrant holder to subscribe to 1 equity share per warrant.
- 2) The Company has incorporated a wholly owned subsidiary KKML Welfare Foundation, a Section 8 Company on 2nd April 2024.

Place: New Delhi
Date: 23rd August 2024

For DR Associates
Company Secretaries
Firm Regn.: P2007DE003300

CP No.: 4629
Deepak Gupta
Partner
UDIN: F005339F001043332

Annexure C

Details 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**A. The ratio of the remuneration of each Director to the median remuneration of the employees and the performance of the Company for the year 2023-24:**

S. No.	Name of the Director	Designation	Ratio
1.	Deepak Garg	Chairman and Managing Director	66.6:1
2.	Manohar Lal	Whole-time Director	50:1
3.	Ramesh Kumar	Non-Executive Director	26:1
4.	Puneet Bhandari	Independent Director	-
5.	Preet Bhatia	Independent Director	-

B. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary in the financial year:

S. No.	Name	Designation	Percentage
1.	Deepak Garg	Chairman and Managing Director	-
2.	Manohar Lal	Whole-time Director	-
3.	Ramesh Kumar	Non-Executive Director	9.2%
4.	Puneet Bhandari	Independent Director	-
5.	Preet Bhatia	Independent Director	-
6.	Kannu Sharma	Company Secretary	25%
7.	Rajinder Prashad Garg	Chief Financial Officer	20%

C. The percentage increase in the median remuneration of employees in the financial year: During FY 2023-24, the percentage increase in the median remuneration of employees as compared to previous year was approximately 5.55%.**D. The numbers of permanent employees on the rolls of company:** There were 396 employees as on March 31, 2024.**E. Average percentile increases 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:** The average increase in the salaries of the employees other than managerial personnel in the last financial year was -0.625%. The average increase in managerial remuneration in the last financial year was 11.25%.**F. If remuneration is as per the Remuneration Policy of the Company:** It is affirmed that the remuneration paid is as per the Nomination & Remuneration Policy of the Company.**Note:**

- Apprentices are excluded from the total No. of Permanent Employees on the rolls of the Company.
- Figures have been rounded off wherever necessary.

For and on behalf of the Board**Deepak Garg**

Chairman and Managing Director

DIN: 00843929

Bathinda, Punjab

23 August, 2024

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

We are primarily engaged in manufacturing of cotton yarn, knitted fabric, cottonseed oil and oilcakes. Our Company commenced its business in 1997 with a cotton ginning plant with cotton bales and cotton seeds being our initial products. Thereafter in the year 2000, we installed a crushing unit to extract oil from cotton and mustard seeds and expanded our product basket with the addition of cotton seed oil, mustard oil and oil cake. In the year 2011, we ventured in manufacturing cotton yarn by setting up a spinning plant. In the year 2014 we installed a knitting machine and thus forayed into manufacturing of knitted fabric. With our expansion over the years under the guidance of our management, we have been able to generate revenue from operations of Rs. 25,576.55 lakhs during the financial year 2023-24.

INDUSTRY STRUCTURE AND DEVELOPMENTS

The textile industry in India occupies a unique and pivotal position within the nation's economy. As one of the earliest industries to take root in the country, it stands as the second-largest employer, surpassed only by agriculture. By addressing a fundamental human need, the textile industry plays a crucial role in improving quality of life through its sustained development.

What distinguishes this sector is its comprehensive self-sufficiency, encompassing the entire production chain—from raw materials to finished products—with significant value added at each stage. This self-reliance not only strengthens economic resilience but also guarantees a consistent supply of textiles, vital for satisfying domestic demands and exploring export opportunities, thereby making a substantial contribution to the national economy.

Additionally, the textile industry has tremendous potential to generate employment across various domains, including agriculture, manufacturing, organized, and decentralized sectors, reaching both rural and urban areas. It particularly creates opportunities for women and marginalized groups, offering pathways to livelihood and advancement.

Beyond its economic impact, the textile industry is instrumental in preserving and celebrating India's rich cultural heritage. The diverse range of traditional textiles and crafts reflects the country's vibrant history and artistic legacy. By supporting these age-old crafts, the industry helps conserve traditional knowledge and skills, ensuring they are passed down to future generations.

Moreover, the sector's growing focus on sustainability and innovation has led to the adoption of environmentally friendly manufacturing processes and the promotion of eco-conscious consumerism. As global awareness of environmental issues increases, India's dedication to sustainable textiles positions it as a responsible and forward-thinking player in the global market.

In essence, India's textile industry not only plays a critical role in the economy but also serves as a custodian of cultural heritage, a proponent of sustainable practices, and a catalyst for social progress by providing diverse employment opportunities. Its ongoing growth and development are poised to enhance India's prosperity and global reputation in the years ahead.

GLOBAL ECONOMY

The global economy demonstrated strong resilience in 2023, gradually navigating through an uncertain environment. The global economy recovered from the after-effects of the pandemic, the Russia-Ukraine war, and a global energy crisis. Inflation began to stabilise after a period of disruptions, moving closer to target levels across the world in 2023.

Central banks raised interest rates to curb inflation during the year, however, the positive supply trends kept the global economy on a growth path. The global headline inflation, which stood at 6.8% in 2023, is expected to decline to 5.9% in 2024, and then to 4.5% in 2025.

According to the International Monetary Fund (IMF), the global economy grew at a growth rate of 3.2% in 2023, with similar figures projected for 2024 and 2025. Geopolitical issues like the Red Sea crisis and Israel-Palestine tensions disrupted supply chains across the globe in 2023. Despite challenges like reduced productivity, higher borrowing costs, and reduced fiscal support, the global economy has shown remarkable ability to withstand such challenges and is poised for steady growth in the upcoming years. Advanced economies played a pivotal role in sustaining global resilience during the year. Despite considerable monetary Management Discussion and Analysis tightening, they continued to benefit from steady employment growth and a revival in consumer confidence during 2023. Such trend provided crucial support to the global economy and increased the overall growth momentum. In the United States, growth exceeded pre-pandemic levels, indicating robust demand and robust economic fundamentals. The Euro Area is projected to grow steadily in 2024, even while dealing with ongoing tight monetary policies and high energy costs.

In 2023, despite geopolitical tensions, high public debt, and unstable inflation rates, emerging market and developing economies (EMDE) found new avenues for economic growth. The EMDEs capitalised on shifts in global supply chains and increased trade flows, which contributed to the future adaptability and growth. The EMDEs are expected to maintain steady growth in future, with an estimated rate of 4.3% for 2023 and 4.2% for both 2024 and 2025.

The outlook for the global economy has remained cautiously optimistic, with steady growth anticipated in the coming period as markets adapt and businesses embrace innovation and enhance flexibility. The countries around the world are expected to focus on medium-term fiscal consolidation and promote multilateral cooperation over the coming period. Such a strategy would aid in overcoming the current challenges and build a strong foundation for sustained economic growth and development.

INDIAN ECONOMY

In recent years, the Indian economy has weathered global headwinds and emerged as a beacon of resilience. The country's enhanced physical infrastructure, digital and payment technologies advancements, improved ease of doing business, higher labour force participation, and better quality of fiscal spending have all contributed to India's impressive growth potential during FY 2023-24. The National Statistics Organisation's (NSO) second advanced estimates reveal a robust 7.6% growth for the Indian economy in FY 2023-24, surpassing the 7.0% growth recorded in the previous financial year, a testament to the economy's resilience.

This growth momentum has been bolstered by positive macroeconomic indicators, improved labour market conditions, heightened urban demand, and increased government focus on capital expenditure in FY 2023-24. Notably, the Reserve Bank of India's (RBI) Monetary Policy Committee (MPC) has been a rock of stability, maintaining a steady policy repo rate of 6.5% throughout FY 2023-24. This steadfast commitment to a stable economic environment from the RBI's MPC instils confidence in the economy. The RBI remains steadfast in keeping headline inflation at 4% and has estimated an inflation rate of 5.4% for FY 2023-24.

An increase in private capital expenditure has driven this positive sentiment for economic growth in the country. An increase in private capital expenditure, enhanced business sentiments, and the solid financial standing of banks and corporations have driven this positive sentiment for economic growth in the country. The RBI has also projected a GDP growth rate of 7% for FY 2024-25. The global trade landscape has shown signs of improvement, and the increased integration into global supply chains is also expected to boost net external demand in India. However, potential challenges loom ahead, including geopolitical tensions, fluctuations in international financial markets, and geoeconomic fragmentation, which could threaten the overall economic outlook. Despite encountering challenges such as high-interest rates, fluctuations in commodity prices, and trade-restrictive measures, global trade has avenues for growth and adaptability.

OPPORTUNITIES AND THREATS

OPPORTUNITIES-

The textile industry is currently presented with diverse and promising opportunities. Rising global demand driven by a growing population and middle-class, coupled with increasing consumer awareness of sustainability, opens avenues for eco-friendly and innovative textiles. Technological advancements in smart fabrics and online retailing offer new market segments, while a shift towards circular economy practices and collaborations with fashion brands cater to environmentally conscious consumers. Embracing Industry 4.0 technologies and exploring technical textiles can enhance efficiency and tap into higher-value applications. The industry's adaptability and focus on research and development provide a fertile ground for expansion and innovation in the current period.

THREATS:

The textile industry faces several threats in the current period. Fluctuating raw material prices and supply chain disruptions pose challenges to cost management and production stability. Intense competition in pricing and customer base can erode profitability. Moreover, changing consumer preferences and demands require constant innovation and adaptation. Compliance with evolving environmental regulations and geopolitical uncertainties further add to the industry's complexities.

However, we are making all our efforts to mitigate these risks and concerns, and proactively develop risk management strategies, invest in research and development, stay adaptable to market changes, foster a culture of innovation, and prioritize sustainability practices throughout the operations.

SEGMENT WISE OR PRODUCT WISE PERFORMANCE

The Company has one segment of activity namely "Cotton Ginning". Hence, Accounting Standard on Segment Reporting (AS - 17) issued by the Institute of Chartered Accountant of India does not apply.

RISK AND CONCERNS

The company is subject to various business risks, both internal and external, as the growth of our industries is closely tied to the overall economic conditions. The primary risk that the business encounters is the potential impact of adverse changes in the economy. Additionally, the company faces significant competition in terms of pricing and attracting and retaining customers.

OUTLOOK

Our firm conviction lies in leveraging our strengths to establish a prominent position in the global textile industry, providing us with a competitive advantage. Over the years, we have cultivated enduring relationships with our clients, and our proven track record of delivering high-quality products throughout the textile industry further reinforces these bonds, leading to an upsurge in repeat business from our existing clientele.

Moreover, our customer base is spread across numerous countries and regions, which strategically reduces our dependence on any particular country or region. This diversification in clientele enhances our resilience and positions us to adapt more effectively to market fluctuations and changes in demand.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has an adequate and efficient internal control system, which provide protection to all its assets against loss from unauthorized use and for correct reporting of transactions. The Company has put in place proper controls, which are

reviewed at regular intervals to ensure that transactions are properly authorized and correctly reported and assets are safeguarded. The Audit Committee of the Board addresses issue raised by Auditor. The internal control systems are implemented to safeguard the company's assets from loss and damages. To keep constant check on cost structure and to provide adequate financial and accounting controls and implement accounting standards. In addition to above, the Company has formulated a vigil Mechanism (Whistle Blower Policy) for its Directors and Employees of the Company for reporting genuine concern about unethical practices and suspected malpractices.

HUMAN RESOURCE MANAGEMENT

At our company, human capital is highly valued and regarded as a crucial asset integral to our overall success. We firmly believe that our employees are the cornerstone of our market achievements. To nurture a culture of excellence, we continuously invest in creating a work environment that enables individuals to reach their full potential and consistently exceed expectations.

We are committed to ensuring a safe, secure, and healthy working atmosphere for all employees. Our pursuit of excellence drives us to not only meet but surpass industry standards and our internal benchmarks for staff productivity and performance.

Employees and teams at all levels align their professional goals with the company's broader objectives, fostering a unified sense of purpose and direction. We aspire to be recognized as one of the leading employers in our industry.

Our industrial relations are marked by a harmonious and mutually respectful relationship between the company and its workforce. We deeply value the dedication, sincerity, and hard work of our employees and take pride in their contributions. Providing stable, long-term employment is a fundamental objective of our company.

As of March 31, 2024, the Company had 396 permanent employees on its payroll, reflecting our commitment to nurturing a skilled and dedicated workforce to drive our continued growth and success.

DISCUSSION ON FINANCIAL PERFORMANCE

1. The Summary of the Operating performance is given below:

Particulars	F.Y. 2023-24	F.Y. 2022-23	% of Change
Revenue from Operation	25,576.55	16910.01	51.25%
Operating Profit (EBITDA)	2763.68	1099.66	151.32%
Finance Cost	934.12	349.94	166.94%
Depreciation Cost	984.79	492.43	99.99%
Profit Before Tax	844.77	257.29	228.33%
Profit After Tax	669.84	193.30	246.53%

Your Company's Total Income (Revenue) during the year under review was Rs. 25,576.55 Lakhs as compared to Rs. 16910.01 Lakhs in the previous year. Profit before Tax for the year 2023-24 was Rs. 844.77 Lakhs as against Rs. 257.29 Lakhs in the previous year. Profit after Tax for the year 2023-24 stood at Rs. 669.84 Lakhs as against Rs. 193.30 Lakhs in the previous year. The Financial Results for the year ended March 31, 2024, have been prepared in accordance with Ind AS prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India. Previous periods figures have been restated as per Ind AS to make them comparable.

2. KEY FINANCIAL RATIOS OF THE COMPANY SHOWING FINANCIAL PERFORMANCE ARE AS UNDER:

Ratios	F.Y. 2023-24	F.Y. 2022-23	DIFF	% of Change
Debtors Turnover Ratio	9.91	15.64	-5.73	-37%
Creditors Turnover Ratio	189.66	221.95	-32.29	-14.55%

Inventory Turnover	4.72	5.48	-0.76	-13.87%
Interest Coverage Ratio	1.72	1.55	0.17	10.97%
Current Ratio	1.45	1.29	0.16	11.94%
Debt Equity Ratio	1.89	2.51	-1.98	-78.88%
Operating Profit Margin (%)	2.99%	1.52%	1.47%	96.71%
Net Profit Margin (%)	2.62%	1.14%	1.48%	130.00%
Return on Net worth (%)	11.22%	4.32%	6.90%	160.00%

CAUTIONARY STATEMENT

Statements made herein describing the Company's expectations are "forward looking statement." The actual results may differ from those expected or predicted since the Company's operations are influenced by many external factors which are beyond the control of your Company. These include climatic and economic conditions affecting demand and supply, government regulations, taxation, and natural calamities over which the Company does not have any direct control.

INDEPENDENT AUDITOR'S REPORT

TO
THE MEMBERS
M/S A B COTSPIN INDIA LIMITED
BATHINDA

Report on the Audit of Financial Statements

Opinion

We have audited the Ind AS Financial Statements of **M/S A B COTSPIN INDIA LIMITED, BATHINDA** ("the Company"), which comprise the Balance Sheet as at 31st March 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2024 and its profit and comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of 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 the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Our report does not include any key audit matter, as there was no matter of most significance which came to our notice during the Audit.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report 2023-24 but does not include the financial statements and auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained during the course of our 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.

Responsibilities of Management for the 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 financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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 the Board of Directors 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 Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- a) Identify and assess the risks of material misstatement of the 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.
- b) Obtain an understanding of internal 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 with reference to financial statements in place and the operating effectiveness of such controls.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d) 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 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.
- e) Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 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 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

1. As required by the Companies (Auditor's Report) Order, 2020 ("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 statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, and we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

b) In our opinion, proper books of account as required by law 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 including Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flow dealt with by this Report are in agreement with the books of account;

d) In our opinion, the aforesaid Financial Statements comply with the Ind AS specified U/s 133 of the Act;

e) On the basis of the written representations received from the directors as on 31st March 2024, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2024, from being appointed as a director in terms of sub section (2) of section 164 of the Companies Act, 2013.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.

g) With respect to 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 by the Company to its directors during the year is in accordance with provision of section 197 of this 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) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

- 1) The Company does not have any pending litigations which would impact on its financial position.
- 2) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- 3) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

- 4)
- i. The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - ii. The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - iii. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- 5) No Dividend is declared or paid by the Company during the Year. Hence there is no noncompliance of Section 123 of the Companies Act 2013.
- 6) Based on our examination, which included test checks, the Company has used accounting software’s for maintaining its books of account for the financial year ended March 31, 2024, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software’s. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.
- 7) As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2024, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

Place: Bathinda
Date: 28/05/2024

For P L Mittal & Co
Chartered Accountant
FRN No.: 002697N

(Sourabh Goyal)
Partner

M. No.: 529363
UDIN:24529363BKEPEM9757

ANNEXURE A REFERRED TO IN PARA 1 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' IN OUR INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE COMPANY ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024.

Statement on Matters specified in paragraphs 3 & 4 of the Companies (Auditor's Report) Order, 2020:

- i. (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(b) All Property, Plant and Equipment have been physically verified by the management during the year at regular intervals, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed, which may require adjustments in the books of accounts of the company.

(c) The title deeds of immovable properties (i.e., Land & Building) are held in the name of the company.

(d) The Company has not revalued any of its Property, Plant and Equipment (including right of use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) Physical verification of inventory has been conducted at reasonable intervals by the management. No material discrepancies were noticed on such verification which may require adjustments in the books of accounts of the company.

(b) According to the information and explanation given to us and on the basis of our examination of records of the company, the Company has been sanctioned working capital limits in excess of ₹ 5 Crore, in aggregate from banks or financial institutions on the basis of security of current assets. In our opinion, the drawing power of the Credit Facility available to the Company as per Books of Accounts exceeds the Credit Facility utilized by the Company, hence there is no contravention in this regard.
- iii. According to the information and explanation given to us and on the basis of our examination of the records, the Company has not made investments in, provided any guarantee or security, or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships, or any other parties. Hence Para (a), (b), (c), (d), (e), (f) of this clause are not applicable.
- iv. According to the information and explanation given to us and on the basis of our examination of the records, the company has given any loans, or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 and the Company has not provided guarantee or security as specified under Section 186 of the Companies Act, 2013. Further the Company has complied with the provision of the Section 186 of the Companies Act, 2013 in relations to loan given and investment made.
- v. In our opinion and according to the information and explanation given to us, the company has not accepted any deposits in contravention of the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under, where applicable,

have been complied with. No order has been passed by the Company Law Board or National Company Law Tribunal or RBI or any court or any other tribunal.

- vi. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (cost Records and audit) Rules, 2014, as amended prescribed by the Central government under sub section (1) of section 148 of the Companies Act, 2013, are of opinion that, prime facie, the prescribed cost records have been made and maintained. We have, however, not conducted an examination of the cost records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and the records examined by us, the company is regular in depositing undisputed statutory dues including good and services tax, provident fund, employees state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, Cess, and any other statutory dues to the appropriate authorities. There are no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.

(b) According to information and explanation given to us, there are no dues on account good and services tax, provident fund, employees state insurance tax, income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or Cess, which have not been deposited on account of any dispute.
- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961(43 of 1961).
- ix. (a) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not defaulted in repayment of borrowings to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or government or government authority.

(c) According to the information and explanations given to us by the management, the company has obtained term loans during the year and the same was applied for the purpose for which loans were obtained.

(d) According to the information and explanations given to us and on overall examination of the balance sheet of the Company, we report that no funds which have been raised on a short- term basis by the Company have been used for long-term purposes.

(e) According to the information and explanations given to us and on overall examination of the financial statements of the Company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(e) of the Order is not applicable.

- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.
- x. (a) No Fresh funds have been raised by way of initial public offer during the year. Accordingly, this clause of the Order is not applicable.
- (b) During the year, the Company has made preferential allotment of convertible warrants. In our opinion and according to the information and explanations given to us, the Company has complied with the requirements of section 42 and section 62 of the Act and the Rules framed thereunder with respect to the same. Further, the amounts so raised have been utilized by the Company for the purposes for which these funds were raised. During the year, the Company did not make preferential allotment/private placement of fully/partly or optionally convertible debentures
- xi. (a) During the course of our examination of the books of account and records of the Company, and according to the information and explanation given to us and representations made by the Management, no material fraud by or on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) We have taken into consideration the whistleblower complaints (if any) received by the Company during the year (and up to the date of this report), while determining the nature, timing, and extent of our audit procedures.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and nature of its business.
- (b) We have considered, the audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, time and extent of our audit procedures
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its Directors and hence provisions of Section 192 of the Act are not applicable.

- xvi.
- (a) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934, hence the provisions of paragraph 3(xvi)(a) of the Order are not applicable.
 - (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
 - (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
 - (d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There is no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. (a) As the CSR Provisions are applicable to the Company, **there is no unspent amount towards Corporate Social Responsibility (CSR)** other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act.
- (b) As the CSR Provisions are applicable to the Company for Financial Year 2023-24, however there is no Ongoing Project for which amount needs to be transferred to the Special Account. accordingly, reporting under clause 3(xx)(b) of the Order is not applicable for the year.

For P L Mittal & Co
Chartered Accountant
FRN No.: 002697N

(Sourabh Goyal)
Partner

M. No.: 529363

UDIN: 24529363BKEPEM9757

Place: Bathinda
Date: 28/05/2024

ANNEXURE – B TO THE INDEPENDENT AUDITOR’S REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of M/S A B COTSPIN INDIA LIMITED, BATHINDA (“the Company”) as of 31st March 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). 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 Companies Act, 2013.

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 Companies Act, 2013, 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 system 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 with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that,

in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2024, 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.

Place: Bathinda
Date: 28/05/2024

For P L Mittal & Co
Chartered Accountant
FRN No.: 002697N

(Sourabh Goyal)
Partner

M. No.: 529363
UDIN: 24529363BKEPEM9757

ANNUAL REPORT 2023-24

Standalone Financial Statements

Balance Sheet as on 31.03.2024

Rs. in Lacs (Unless stated otherwise)

Particulars	Note No	As at 31 March 2024	As at 31 March 2023
ASSETS			
Property, Plant and Equipment	3	7208.11	7733.92
Capital work-in-progress	4	-	-
Investment Property		-	-
Goodwill		-	-
Other Intangible assets	5	-	-
Intangible assets under development	6	-	-
Financial Assets			
Investments	7	96.19	439.21
Trade receivables		-	-
Loans	8	-	-
Other financial assets	9	623.76	123.76
Deferred tax assets net	10	0	0
Other non-current assets	11	8.26	13.07
Total Non-current Assets		7936.32	8309.96
Current assets			
Inventories	12	6483.29	4356.06
Financial Assets			
Investments	13	0	0
Trade receivables	14	3816.2	1346.11
Cash and cash equivalents	15	2.33	10.3
Bank balances	16	2.93	58.4
Loans	17	865.73	0
Other financial assets	18	0	0
Other current assets	19	697.98	862.86
Total Current Assets		11868.46	6633.73
Total Assets		19804.78	14943.69
EQUITY and LIABILITIES			
Equity Share Capital	20	1048.82	1048.82
Other Equity	21	5797.55	3209.02
Total Equity		6846.37	4257.84
Non-current liabilities			
Financial Liabilities			
Borrowings	22	4499.81	5294.76
Lease liabilities		0	0
Trade Payables			

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total outstanding dues of micro enterprises and small enterprises		0	0
total outstanding dues of others		0	0
Other financial liabilities		0	0
Provisions	23	36.51	19.98
Deferred tax liabilities net	24	210.37	233.27
Other non-current liabilities		0	0
Total Non-current liabilities		4746.69	5548.01
Current liabilities			
Financial Liabilities			
Borrowings	25	7666.94	4514.56
Lease liabilities	26	0	0
Trade Payables	27		
total outstanding dues of micro enterprises and small enterprises		25.36	0
total outstanding dues of others		55.26	142.63
Other financial liabilities	28	28.24	30.12
Other current liabilities	29	435.52	450.26
Provisions	30	0.4	0.27
Current Tax Liabilities (Net)	31	0	0
Total Current liabilities		8211.72	5137.84
Total liabilities		12958.41	10685.85
Total Equity and Liabilities		19804.78	14943.69

For & on behalf of
P L Mittal & Co.
Chartered Accountants
FRN:002697N

Sourabh Goyal
Partner
Membership No.: 529363
UDIN: 24529363BKPEM9757

Place: Bathinda
Date: 28/05/2024

For and on behalf of the Board of Directors of
A B COTSPIN INDIA LIMITED

Deepak Garg
(Managing Director)
(DIN 00843929)

Manohar Lal
(Whole Time Director)
(DIN 02406686)

Rajinder Prashad Garg
(Chief Financial Officer)
(PAN: ABXPG1267D)

Kannu Sharma
(Company Secretary)
(M. No. A64063)

Standalone Profit & Loss for the period ended on 31-03-2024

Rs. in Lacs (Unless stated otherwise)

Particulars	Note No	Rs. in Lacs (Unless stated otherwise)	
		For Year ended 31 March 2024	For Year ended 31 March 2023
Income			
Revenue From Operations	32	25,576.55	16,910.01
Other Income	33	120.23	55.75
Total Income		25,696.78	16,965.76
Expenses			
Cost of materials consumed	34	18,628.22	14,364.06
Purchases of Stock-in-Trade	35	1,412.37	-
Changes in inventories of finished goods, Stock in Trade and work in progress	36	-499.36	-639.66
Employee benefits expense	37	1,030.60	743.86
Finance costs	38	934.12	349.94
Depreciation and amortization expense	39	984.79	492.43
CSR expenses		12.00	10.60
Other expenses	40	2,349.27	1,387.24
Total Expenses		24,852.01	16,708.47
Profit/(loss) before exceptional items and tax		844.77	257.29
Exceptional Items		-	-
Profit/(loss) before tax		844.77	257.29
Tax expense	41		
Current tax		186.19	5.63
Deferred tax		-11.26	51.22
Prior period tax		-	7.14
Total Tax expense		174.93	63.99
Profit/(loss) after tax for the period		669.84	193.30
Other Comprehensive Income			
OCI that will not be reclassified to P&L	42	-122.25	250.94
OCI Income tax of items that will not be reclassified to P&L		11.64	-63.16
OCI that will be reclassified to P&L	43	-	-
OCI Income tax of items that will be reclassified to P&L		-	-
Total Other Comprehensive Income		-110.61	187.78
Total Comprehensive Income for the period		559.23	381.08
Earnings per equity share			
Basic	44	6.51	1.88
Diluted		4.80	1.88

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For & on behalf of
P L Mittal & Co.
Chartered Accountants
FRN:002697N

Sourabh Goyal
Partner
Membership No.: 529363
UDIN: 24529363BKEPEM9757

Place: Bathinda
Date: 28/05/2024

For and on behalf of the Board of Directors of
A B COTSPIN INDIA LIMITED

Deepak Garg
(Managing Director)
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(Chief Financial Officer)
(PAN: ABXPG1267D)

Kannu Sharma
(Company Secretary)
(M. No. A64063)

Statement of change in Equity for the year ended on 31-03-2024

A Equity Share Capital

Current reporting period

Rs. in Lacs (Unless stated otherwise)

Particulars	Amount
As at 1 April 2023	1048.82
Changes in Equity Share Capital due to Prior Period Errors	0
Restated Balance as at	1048.82
Changes in Equity Share Capital during the year	0
As at 31 March 2024	1048.82

Previous reporting period

Rs. in Lacs (Unless stated otherwise)

Particulars	Amount
As at 1 April 2022	1048.82
Changes in Equity Share Capital due to Prior Period Errors	0
Restated Balance as at	1048.82
Changes in Equity Share Capital during the year	0
As at 31 March 2023	1048.82

B. Other Equity

Current reporting period

Rs. in Lacs (Unless stated otherwise)

Particulars	Reserves & Surplus			Other Comprehensive Income	Money received against share warrants	Total
	Capital Reserve	Securities premium	Retained Earnings	FVDBO & Equity instruments through other comprehensive income		
Balance as at 1 April 2023	76.80	1,132.45	1,786.67	213.10	-	3,209.02
Changes in Accounting Policy or Prior Period Errors	-	-	-	-	-	-
Restated balance as at 1 April 2023	76.80	1,132.45	1,786.67	213.10	-	3,209.02
Add: Profit/(Loss) during the year	-	-	669.84	-	-	669.84
Less: Deletion	-	-	-	113.31	-	113.31
Total Comprehensive Income/(Expense)	76.80	1,132.45	2,456.51	99.79	-	3,765.55
Add: Application money received	-	-	-	-	2,105.00	2,105.00

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(Add)/Less: Other Comprehensive Income	-	-	-	110.61	-	110.61
Prior Period Errors	-	-	-	-	-	-
(Add)/Less: Other Comprehensive Income	-	-	-37.62	-	-	-37.62
Balance as at 31 March 2024	76.80	1,132.45	2,494.13	-10.82	2,105.00	5,797.55

Other Equity

Previous reporting period

Rs. in Lacs (Unless stated otherwise)

Particulars	Reserves & Surplus			Other Comprehensive Income	Money received against share warrants	Total
	Capital Reserve	Securities premium	Retained Earnings			
				FVDBO & Equity instruments through other comprehensive income		
Balance as at 1 April 2022	76.80	1,132.45	1,599.05	25.32	-	2,833.63
Changes in Accounting Policy or Prior Period Errors	-	-	-	-	-	-
Restated balance as at 1 April 2022	76.80	1,132.45	1,599.05	25.32	-	2,833.63
Net profit/(loss) during the year	-	-	193.30	-	-	193.30
Less: Deletion	-	-	-	-	-	-
Total Comprehensive Income/(Expense)	76.80	1,132.45	1,792.35	25.32	-	3,026.93
Add: Application money received	-	-	-	-	-	-
(Add)/Less: Other Comprehensive Income	-	-	-	-187.78	-	-187.78
Prior Period Errors	-	-	5.69	-	-	5.69
(Add)/Less: Other Comprehensive Income	-	-	-	-	-	-
Balance as at 31 March 2023	76.80	1,132.45	1,786.67	213.10	-	3,209.02

(i) Capital Reserve: Capital Reserves include Capital Subsidy received by the Company in earlier year.

(ii) Securities Premium Reserve: Securities premium is used to record the premium received on issue of shares. This reserve can be utilised in accordance with the provisions of the Companies Act 2013.

(iii) Retained Earnings: Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

(iv) Equity Instruments & FVDBO through OCI: Any changes in the Asset i.e. Investments due to change in Market Price of Investments and Changes in liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in 'Other comprehensive income' and subsequently not reclassified to the Statement of Profit and Loss.

**For & on behalf of
P L Mittal & Co.**

Chartered Accountants
FRN:002697N

Sourabh Goyal

Partner
Membership No.: 529363
UDIN: 24529363BKEPEM9757

Place: Bathinda
Date: 28/05/2024

For and on behalf of the Board of Directors of
A B COTSPIN INDIA LIMITED

Deepak Garg
(Managing Director)
(DIN 00843929)

Rajinder Prashad Garg
(Chief Financial Officer)
(PAN: ABXPG1267D)

Manohar Lal
(Whole Time Director)
(DIN 02406686)

Kannu Sharma
(Company Secretary)
(M. No. A64063)

Standalone Cash Flow Statement for the period ended on 31-03-2024

Particulars	Rs. in Lacs (Unless stated otherwise)	
	For Year ended 31 March 2024	For Year ended 31 March 2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Profit Before Tax	844.77	257.29
Adjustments for:		
Effect of prior period errors	-	-5.69
Depreciation and amortisation	984.79	492.43
Provision for Gratuity	20.51	14.39
Finance Cost	934.12	349.94
Reclassification of Assets from Non- Current to Current Asset	-	-
Loss (Profit) on sale of Fixed Assets/ Long Term Investments	-	-
Operating profit before working capital changes	2,784.20	1,108.37
Movements in working capital:-		
(Increase)/ Decrease in Inventories	-2,127.24	-2,514.52
(Increase)/ Decrease in Trade Receivables	-2,470.09	-542.11
(Increase)/ Decrease in Other than Cash Bank Balances	55.47	694.56
(Increase)/ Decrease in Other Current Assets	120.37	-426.40
(Increase)/ Decrease in Loans	-865.73	-
Increase/ (Decrease) in Trade Payables	-62.02	-88.84
Increase/ (Decrease) in Other Current Liabilities	-14.74	-483.03
Operating (loss)/profit after Working Capital Changes	-2,579.77	-2,251.97
(Increase)/ Decrease in Non- Current/Security Deposits	-500.00	-21.55
(Increase)/ Decrease in Non- Current Prepaid Expenses	2.99	-7.02
(Increase)/ Decrease in Non- Current Term Deposits	-1.57	-
(Increase)/ Decrease in Non- Current Earmarked Deposits with Bank	1.65	-0.61
Cash generated from operations	-3,076.70	-2,281.14
Refund/(Payment) of Taxes (including TDS)	-141.69	-89.10
Net cash generated by operating activities	-3,218.38	-2,370.24
CASH FLOWS FROM INVESTING ACTIVITIES		
Sale of Property, Plant and Equipment	-	-
Sale of Long-Term Investments	143.31	-
Less:		
Amount spent on Capital WIP	-	-
Purchase of Long-Term Investments	-2.09	-211.66
Capital Advances against Purchase of Fixed Assets	-	-
Purchase of property, plant and equipment (Net of Capital Advance)	-457.24	-3,903.77

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Net cash (used in) / generated by investing activities	-316.02	-4,115.43
CASH FLOWS FROM FINANCING ACTIVITIES	-	-
Add: Allotment of Shares Warrants (Part Payment in Bank)	2,105.00	-
Increase/(Decrease) of Long-Term loan and borrowings	-794.94	3,039.44
Increase/(Decrease) of Short-Term loan and borrowings	3,152.39	3,714.50
Less: Interest Paid	-936.01	-323.91
Net cash used in financing activities	3,526.43	6,430.03
Net increase / (decrease) in cash and cash equivalents	-7.97	-55.64
Cash and cash equivalents at the beginning of the year	10.30	65.94
Exchange gain loss on Cash and cash equivalents	-	-
Cash and cash equivalents at the end of the year	2.33	10.30

Particulars	For Year ended 31 March 2024	For Year ended 31 March 2023
Reconciliation of Cash and Cash Equivalents with Balance Sheet:		
Cash and cash equivalents includes		
Cash on hand	2.09	6.59
Balances with Banks	0.24	3.71

For & on behalf of
P L Mittal & Co.
Chartered Accountants
FRN:002697N

Sourabh Goyal
Partner
Membership No.: 529363
UDIN: 24529363BKEPEM9757

Place: Bathinda
Date: 28/05/2024

For and on behalf of the Board of Directors of
A B COTSPIN INDIA LIMITED

Deepak Garg
(Managing Director)
(DIN 00843929)

Manohar Lal
(Whole Time Director)
(DIN 02406686)

Rajinder Prashad Garg
(Chief Financial Officer)
(PAN: ABXPG1267D)

Kannu Sharma
(Company Secretary)
(M. No. A64063)

Notes forming part of the Standalone Financial Statements

1. COMPANY INFORMATION

AB COTSPIN INDIA LIMITED (“Company”) is a Public Limited Company and was incorporated in 1997 with an objective of carrying on the business of Manufacturing and Trading of Yarns and other allied products. The Registered and Corporate Office of the Company is situated in Bathinda. The Company is a public limited company listed on the SME Exchange of NSE.

2. STATEMENT OF COMPLIANCE

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as “Ind AS”) as prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

3. SIGNIFICANT ACCOUNTING POLICIES

3.01 Basis of Preparation

"These Financial Statements ('Financial Statements') of the Company have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs ('MCA') under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except where compliance with other statutory promulgation requires a different treatment.

The Ind AS Financial Statements comprise of the Balance Sheet as at year ended 31st March 2024, the Statement of profit and loss (including Other Comprehensive Income) for the year ended 31st March 2024, statement of cash flows for the year ended 31st March 2024 and Statement of changes in equity for the year ended on that date, and accounting policies and other explanatory information.

The Financial Statements were approved by the Company's Board of Directors and authorized for issue on 28th MAY 2024.

As required by Division II issued under Schedule III of the act, the company has presented the assets and liabilities in the Balance Sheet in the order of liquidity."

3.02 Basis of Measurement

"The Financial Statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India to comply with Indian Accounting Standards (Ind AS) prescribed in Companies Act.

Certain accounting policies and disclosures of the Company require the measurement of fair values, for both financial and non-financial assets and liabilities. These statements are prepared under historical cost convention on accrual basis and also certain financial assets and financial liabilities which are measured at fair values at the end of each reporting period as mentioned in the relevant notes to accounts. The Company has an established control framework with respect to the measurement of fair values. The valuation team regularly reviews significant unobservable inputs and valuation adjustments.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on this basis.

Fair value measurements under Ind AS are categorized as below based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at measurement date.
- Level 2 inputs are inputs, other than quoted prices included in level 1, that are observable for the asset or liability, either directly or indirectly: and
- Level 3 inputs are unobservable inputs for the valuation of assets/liabilities.

"When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Further information about the assumptions made in measuring fair values is included in the following notes:

Note - investment property.

Note - share-based payment; and

Note - financial instruments.

The Balance Sheet and Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 ("the Act"). The Statement of cash flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the Financial Statements along with the other notes required to be disclosed under the notified Accounting Standards.

Amounts in the Financial statements are presented in Indian Rupees rounded off in Lacs to two decimal places as permitted by Schedule III to the Companies Act, 2013 except otherwise stated. Per share data are presented in Indian Rupees to two decimal places.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle. Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents. The operating Cycle has been taken to be 12 months. Deferred tax assets and deferred tax liabilities are classified as non-current assets and non-current liabilities, as the case may be.

3.03 Use of Key Accounting Estimates and Judgements

The preparation of the Financial Statements in conformity with Ind AS requires the Management to make estimates, judgement and assumptions that affect the application of accounting policies and the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities. The principal accounting estimates have been

described under the relevant income /expense and / or assets / liability item in the Financial Statements. The Management believes that the estimates used in the preparation of these Financial Statements are prudent and reasonable. Actual results could differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only the period of the revision and future periods if the revision affects both current and future periods. Revisions to accounting estimates are recognized prospectively.

"Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in the following notes:

- Measurement of defined benefit obligations - Note
- Measurement and likelihood of occurrence of provisions and contingencies - Note
- Recognition of deferred tax assets - Note
- Key assumptions used in discounted cash flow projections – Note
- Measurement of consideration and assets acquired as part of business combination - Note
- Impairment of Intangibles - Note "

3.04 Recent Accounting Developments

A. Application of newly amended Standards

On March 31, 2023, the Ministry of Corporate Affairs (MCA) notified Companies (Indian Accounting Standards) Amendment Rules, 2023 to further amend the Companies (Indian Accounting Standards) Rules, 2015 by making amendments to Ind AS 101 - First-time Adoption of Indian Accounting Standards, Ind AS 102 - Share-based Payment, Ind AS 103 - Business Combinations, Ind AS 107 – Financial Instruments:

Disclosures, Ind AS 109 – Financial Instruments, Ind AS 115 - Revenue from Contracts with Customers, Ind AS 1 - Presentation of Financial Statements, Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors, Ind AS 12 - Income Taxes and Ind AS 34 - Interim Financial Reporting; effective from 1 April 2023. Key amendments are as follows: -

1. Amendments to Ind AS 1 – Presentation of Financial Statements:

- A. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.
- B. The amendments have had an impact on the Group's disclosures of accounting policies, but not on the measurement, recognition, or presentation of any items in the Group's financial statements.

2. Amendments to Ind AS 12 – Income Taxes:

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.

The Group previously recognized for deferred tax on leases on a net basis. As a result of these amendments, the Group has recognized a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-

of-use assets. Since, these balances qualify for offset as per the requirements of paragraph 74 of Ind AS 12, there is no impact in the balance sheet. There was also no impact on the opening retained earnings as at 1 April 2022.

Amendments to Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors: The amendments clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates. The amendments had no impact on the Group's consolidated financial statements."

B. Standards notified but not yet effective.

There are no amendments issued after the reporting date which are not yet effective up to the reporting date. The Company has not adopted any amendments that have been notified earlier but are not yet effective."

3.05 Property, Plant and Equipment

- The Company has elected to continue with carrying value of all its property, plant, and equipment as recognized in the Financial Statements as at date of transition to Ind AS and use the same as its deemed cost as at the date of transition.

- Property, plant, and equipment are stated at their cost of acquisition less accumulated depreciation and impairment (if any). The cost comprises the purchase price, borrowing cost and attributable cost of bringing the asset to its working condition for its intended use.

- The land used for the office buildings is stated at cost.

- Gains or losses arising on retirement or disposal of property, plant and equipment are recognized in the statement of Profit and Loss.

- The residual values, useful lives, and method of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

- Property, plant, and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress."

3.06 Depreciation and Useful Life

- Depreciation on Property, Plant and Equipment is provided on Written Down Value and computed on the basis of the useful life prescribed in Schedule II to the Companies Act, 2013 (Act) from the date the asset is ready to put to use.

- Depreciation on office building and investment properties is provided on Written Down value Method and computed on the basis of the useful life prescribed in Schedule II to the Act from the date the asset is ready to put to use.

- The residual value of 5% of Original Cost/Deemed Cost is considered for the Purpose of Calculating Depreciation rates. The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

- Depreciation is provided on a pro-rata basis in the year in which the assets are put to use.

- The Company has used rates to provide depreciation which coincide with the rates indicated in schedule II of the Companies Act 2013 on its fixed assets.

3.07 Capital Work in Progress and Intangible Assets under Development

- Property, Plant and Equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital Work-in-Progress."
- Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date are classified as capital advances under other non-current assets."

3.08 Intangible Assets

- Intangible assets (Software) are stated at their cost of acquisition less amortization. The cost comprises of purchase price, borrowing cost, if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. These are amortized on Straight Line Method (SLM) over the useful life not exceeding 5 years from the date; the assets are available for use.

a. Impairment of Non-Financial Assets

"Assessment for impairment is done at each Balance Sheet date as to whether there is any indication that a non-financial asset may be impaired. Indefinite life intangibles are subject to a review for impairment annually or more frequently if events or circumstances indicate that it is necessary. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets is considered as a cash generating unit. Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

If any indication of impairment exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made. Asset/cash generating unit whose carrying value exceeds their recoverable amount are written down to the recoverable amount by recognizing the impairment loss as an expense in the Statement of Profit and Loss. The impairment loss is allocated first to reduce the carrying amount of any goodwill (if any) allocated to the cash generating unit and then to the other assets of the unit, pro rata based on the carrying amount of each asset in the unit. The recoverable amount is higher of an assets or cash generating unit's fair value less costs of disposal 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 an asset or cash generating unit and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased, basis the assessment a reversal of an impairment loss for an asset other than goodwill is recognized in the Statement of Profit and Loss account."

b. Investment Properties

- Investment properties are properties held to earn rentals or for capital appreciation, or both. Investment properties are measured initially at their cost of acquisition less accumulated depreciation and impairment, if any. The cost comprises of purchase price, borrowing cost, if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.
- Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognized in the Statement of Profit or Loss as incurred.

- An investment property is derecognized on disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de-recognition of property is recognized in the statement of Profit and Loss in the same period.

- Investment properties are subsequently measured at cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation on investment properties is provided on the Written Down Value method, computed on the basis of useful lives prescribed in Schedule II to the Act: The residual value, useful life and method of depreciation are reviewed at the end of the financial year.

3.11 Inventories

Inventories are valued at cost or net realizable value, whichever is lower. The cost in respect of the various items of inventory is computed as under:

- In the case of raw materials which are not ordinarily interchangeable at Standard Cost on Specific Identification of cost basis, in case of raw materials which are ordinarily interchangeable at FIFO method of cost i.e., Cost plus direct expenses. The cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

- In the case of stores and spares at Standard Cost on a weighted average cost basis i.e., Cost plus direct expenses. The cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

- In the case of work in progress at raw material cost plus conversion costs depending upon the stage of completion.

- In the case of finished goods at raw material cost plus conversion costs, packing cost, non-recoverable indirect taxes (if applicable) and other overheads incurred to bring the goods to their present location and condition.

- In the case of by-products at estimated realizable value Net realizable value is the estimated selling price in ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

3.12 Assets Held for Sale

Non-current assets or disposal groups comprising of assets and liabilities are classified as 'held for sale' when all of the following criteria's are met:

- (i) decision has been made to sell.
- (ii) The assets are available for immediate sale in their present condition.
- (iii) the assets are being actively marketed and
- (iv) Sales have been agreed or are expected to be concluded within 12 months of the Balance Sheet date.

Subsequently, such non-current assets and disposal groups classified as held for sale are measured at the lower of it carrying value and fair value less costs of disposal. Non-current assets held for sale are not depreciated or amortized."

3.13 Investments in Subsidiaries & Joint Ventures

Investments in subsidiaries and joint ventures are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and joint venture, the difference between net disposal

proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

3.14 Revenue Recognition

Revenue is recognized based on the nature of activity when consideration can be reasonably measured and recovered with reasonable certainty. The Company applies revenue recognition criteria to each nature of revenue transaction as set out below:

a) Revenue from Contracts with Customers:

Pursuant to the application of Ind AS 115 – 'Revenue from Contracts with Customers' effective from 1 April 2018, the Company has applied following accounting policy for revenue recognition:

Revenue is measured at the fair value of the consideration received /receivable, taking into account contractually defined terms of payment, and excluding taxes or duties collected on behalf of the government and is net of rebates and discounts. The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in all of its revenue arrangements.

Revenue is recognized in the income statement to the extent that it is probable that the economic benefits will flow to the Company and the revenue and costs, if applicable, can be measured reliably.

The Company has applied five step models as per Ind AS 115 'Revenue from contracts with customers' to recognize revenue in the Financial Statements. The Company satisfies a performance obligation and recognizes revenue over time, if one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company perform: or

- The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced: or

- The Company's performance does not create an asset with an alternative use to the Company and the entity has an enforceable right to payments for performance completed to date.

Revenue is recognized either at a point of time or over a period of time based on various conditions included in the contracts with customers.

b) Sale of goods:

Revenue from sales of goods is recognized as and when the Company satisfies performance obligations by transferring control of the promised goods to its customers.

c) Rendering of services

Revenue from a contract to provide services is recognized by reference to the stage of completion of the contract.

d) Dividend and interest income

- Dividend income from investments is recognized when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

- Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

e) Other Income

Other income is accounted for in accordance with IND AS 115 as and when the right to receive such income arises and it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably."

3.15 Government Grants

Capital Grants

- In the case of depreciable assets, the cost of the assets is shown at gross value and grant / contribution thereon is treated as Capital Grants.
- Government grants shall be recognized in Profit or Loss on a systematic basis over the periods of the useful life of the related asset.

Revenue Grants

-Government grants are recognized where there is reasonable assurance that the grant will be received, and all attached conditions will be compiled with. Government grants are recognized in profit or loss on a systematic basis over the periods in which the entire recognizes as expenses the related costs for which the grants are intended to compensate.

3.16 Employee Benefits

- Employee benefits include salaries, wages, provident fund, gratuity, leave encashment towards un-availed leave, compensated absences. Short-term employee benefits are recognized at their undiscounted amount in the accounting period in which they are incurred.

- Employees benefit under defined Contribution Plan comprises Employee Provident Fund under the provisions of Employees' Provident Fund and Miscellaneous Provisions Act, 1952, for which the Company contributes to the plan under the provisions of the said Act.

- Gratuity is a post-employment benefit and is in the nature of a defined benefit plan. The liability recognized in the balance sheet in respect of gratuity is the present value of the defined benefit/obligation at the balance sheet date, together with adjustments for unrecognized actuarial gains or losses and past service costs. The defined benefit/obligation is calculated at or near the balance sheet date by an independent actuary using the projected unit credit method. This is based on standard rates of inflation, salary growth rate and mortality. Discount factors are determined close to each year-end by reference to market yields on government bonds that have terms to maturity approximating the terms of the related liability. Service costs on the Company's defined benefit plan are included in employee benefits expense. Actuarial gains/losses resulting from re-measurements of the liability are included in other comprehensive income.

- Liability in respect of leave encashment i.e., compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognized on the basis of discounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method. Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to the Statement of Profit and Loss in the year in which such gains or losses are determined."

3.17 Borrowing Cost

Borrowing costs that are attributable to the acquisition and/or construction of qualifying assets are capitalized as part of the cost of such assets during the period of time that is necessary to complete and prepare the assets for its intended use or sale. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss.

3.18 Earnings Per Share

- Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted-average number of equities shares outstanding during the period. The weighted-average number of equities shares outstanding during the period is adjusted for events including A bonus issue.

- for the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted-average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

3.19 Accounting for Taxes on Income

- Tax expense for the year comprises of current tax, earlier year tax and deferred tax. It is recognized in the Statement of Profit and Loss except to the extent it relates to an item which is recognized directly in equity or in other comprehensive income.

- Current tax is the expected tax payable/receivable on the taxable income/ loss for the year using applicable tax rates at the Balance Sheet date, and any adjustment to taxes in respect of previous years.

- Deferred tax is recognized in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax assets are recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realized.

- Minimum Alternate Tax credit is recognized as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such an asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

- Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

- Transactions or events which are recognized outside profit or loss, either in other comprehensive income or in equity, are recorded along with the tax as applicable.

- Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority."

3.20 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

Provision for onerous contracts. i.e. contracts where the expected unavoidable cost of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognized when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event based on a reliable estimate of such obligation.

3.21 Lease

The Company's lease asset classes consist of leases for Land and Buildings, Plant & Equipment, Furniture and Fixtures & Office Equipment's. The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

- To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:
- The contract involves the use of an identified asset.
- The Company has substantially all of the economic benefits from use of the asset through the period of the lease and,
- The Company has the right to direct the use of the asset.

As a lessee

- At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases of low value assets. Financial Statements recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

- The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

- The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability and reducing the carrying amount to reflect the lease payments made.

- A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

3.22 Offsetting of Assets and Liabilities

The financial assets and financial liabilities are offset and presented on net basis in the Balance Sheet when there is a current legally enforceable right to set-off the recognized amounts and it is intended to either settle on net basis or to realize the asset and settle the liability simultaneously.

3.23 Cash and Cash Equivalents

Cash and cash equivalents comprise of cash in hand, demand deposits and short-term highly liquid investments that are readily convertible into a known amount of cash and which are subject to an insignificant risk of changes in value.

All financial liabilities are recognised initially at fair value and, in the case of amortised cost, net of directly attributable transaction costs.

3.24 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit after tax is adjusted for the effects of transactions of a non-cash nature, any deferrals, or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows are segregated into operating, investing, and financing activities.

3.25 Financial Instruments

- A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

- Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. These statements are prepared under historical cost convention on accrual basis. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Transaction costs that are directly attributable to the acquisition or issue of financial instruments (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss. Subsequently, financial instruments are measured according to the category in which they are classified.

3.26 Financial Assets

All recognized financial assets are subsequently measured in their entirety at either amortized cost using the effective interest method or fair value, depending on the classification of the financial assets.

Classification of financial assets

Classification of financial assets depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. The Company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and those measured at amortized cost.

- The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

- A financial asset that meets the following two conditions is measured at amortized cost unless the asset is designated at fair value through profit or loss under the fair value option:

- Business model test: the objective of the Company's business model is to hold the financial asset to collect the contractual cash flows.

- Cash flow characteristic test: the contractual term of the financial asset gives rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

- A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option:

- Business model test: the financial asset is held within a business model whose objective is achieved by both collecting cash flows and selling financial assets."

Cash flow characteristic test: the contractual term of the financial asset gives rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

- All other financial assets are measured at fair value through profit or loss."

3.27 Trade Receivables and Loans

Trade receivables that do not contain a significant financing component are measured at transaction price as per Ind AS 115.

Subsequently, these assets are held at amortized cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument."

3.28 Debt Instruments

Debt instruments are initially measured at amortized cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till derecognition on the basis of (i) the entity's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

Measured at amortized cost: Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortized cost using the effective interest rate ('EIR') method less impairment, if any. The amortization of EIR and loss arising from impairment, if any is recognized in the Statement of Profit and Loss.

Measured at fair value through other comprehensive income: Financial assets that are held within a business model whose objective is achieved by both, selling financial assets, and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income is measured using the EIR method and impairment losses, if any, are recognized in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognized in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

Measured at fair value through profit or loss: A financial asset not classified as either amortized cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and

dividend income if any, recognized as 'other income' in the Statement of Profit and Loss."

3.29 Investments in Equity Instruments

All investments in equity instruments classified under financial assets are initially measured at fair value, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL.

The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument are recognized as other income in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognized in OCI. Amounts recognized in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognized as 'other income' in the Statement of Profit and Loss."

3.30 Derivatives Financial Instruments

The Company uses derivative financial instruments to hedge its foreign currency and commodity risks. Derivatives are measured at fair value. The treatment of changes in the value of derivative depends on their use as explained below:

a) Cash Flow Hedges

Derivatives are held to hedge the uncertainty in timing or amount of future forecast cash flows. Such derivatives are classified as being part of cash flow hedge relationships. For an effective hedge, gains, and losses from changes in the fair value of derivatives are recognized in other comprehensive income. Any ineffective elements of the hedge are recognized in the statement of profit and loss.

If the hedged cash flow relates to a non-financial asset, the amount accumulated in equity is subsequently included within the carrying value of that asset. For other cash flow hedges, amounts accumulated in other comprehensive income are taken to the statement of profit and loss at the same time as the related cash flow.

When a derivative no longer qualifies for hedge accounting, any cumulative gain or loss remains in equity until the related cash flow occurs. When the cash flow takes place, the cumulative gain or loss is taken to the statement of profit and loss. If the hedged cash flow is no longer expected to occur, the cumulative gain or loss is taken to the statement of profit and loss immediately."

b) Derivatives for which hedge accounting is not applied.

Derivative financial instruments for which hedge accounting is not applied are initially recognized at fair value on the date on which a derivative contract is entered and are subsequently measured at FVTPL.

c) Offsetting Financial Instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet, if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle them on a net basis or to realize the assets and settle the liabilities simultaneously.

d) Derecognition

Revenue is measured at the amount of consideration which the Company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government).

Consideration is generally due upon satisfaction of performance obligations and a receivable is recognised when it becomes unconditional.

e) Impairment of Financial Assets

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financial assets in FVTPL category.

For financial assets other than trade receivables, as per Ind AS 109, the Company recognizes 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. The Company's trade receivables do not contain a significant financing component and the loss allowance on trade receivables is measured at an amount equal to lifetime expected losses i.e., expected cash shortfall.

The impairment losses and reversals are recognized in the Statement of Profit and Loss.

3.31 Financial Liabilities

a) Initial recognition and measurement +

Financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortized cost unless at initial recognition, they are classified as fair value through profit and loss. In the case of trade payables, they are initially recognized at fair value and subsequently, these liabilities are held at amortized cost, using the effective interest method.

b) Subsequent Measurement

Financial liabilities are subsequently measured at amortized cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognized in the Statement of Profit and Loss.

c) Derecognition

Financial liability is derecognized when the obligation specified in the contract is discharged, cancelled, or expires.

3.32 Foreign Currency Transactions

- The financial statements are presented in Indian Rupees ('INR'), which is also the Company's functional currency. All amounts have been rounded off to the nearest rupee.
- Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction.
- Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets which are capitalized as cost of assets.

3.33 Segment Reporting

An Operating Segment is the level at which discrete financial information is available. Business segments are identified considering:

- a) the nature of products and services
- b) the differing risks and returns
- c) the internal organization and management structure, and
- d) the internal financial reporting systems.

Revenue and expenses directly attributable to segments are reported under each reportable segment. Exceptional items and other expenses which are not attributable or allocable to segments are disclosed separately. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as un-allocable assets and liabilities."

3.34 Business Combination

Business combinations are accounted for using the acquisition accounting method as at the date of the acquisition, which is the date at which control is transferred to the Company. The consideration transferred in the acquisition and the identifiable assets acquired and liabilities assumed are recognized at fair values on their acquisition date. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. The Company recognizes any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. Consideration transferred does not include amounts related to settlement of pre-existing relationships. Such amounts are recognized in the Statement of Profit and Loss.

Transaction costs are expensed as incurred, other than those incurred in relation to the issue of debt or equity securities. Any contingent consideration payable is measured at fair value at the acquisition date. Subsequent changes in the fair value of contingent consideration are recognized in the Statement of Profit and Loss."

**For & on behalf of
P L Mittal & Co.**

Chartered Accountants
FRN:002697N

Sourabh Goyal

Partner
Membership No.: 529363
UDIN: 24529363BKEPEM9757

Place: Bathinda
Date: 28/05/2024

For and on behalf of the Board of Directors of
A B COTSPIN INDIA LIMITED

Deepak Garg
(Managing Director)
(DIN 00843929)

Manohar Lal
(Whole Time Director)
(DIN 02406686)

Rajinder Prashad Garg
(Chief Financial Officer)
(PAN: ABXPG1267D)

Kannu Sharma
(Company Secretary)
(M. No. A64063)

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3 Property, Plant and Equipment

Rs. in Lacs

Name of Assets	Gross Block				Depreciation and Amortization				Net Block
	As on 1 April 2023	Addition	Deduction	As on 31 March 2024	As on 1 April 2023	for the year	Deduction	As on 31 March 2024	As on 31 March 2024
(i) Property, Plant and Equipment									
Land	237.16	-	-	237.16	-	-	-	-	237.16
Buildings	1,273.32	-	-	1,273.32	174.40	103.82	-	278.21	995.11
Plant and Equipment	7,011.45	445.11	-	7,456.57	1,014.94	764.89	-	1,779.83	5,676.73
Furniture and Fixtures	3.35	1.80	-	5.14	1.91	0.46	-	2.38	2.77
Vehicles	329.16	5.09	-	334.25	155.15	54.74	-	209.89	124.36
Office equipment	243.67	4.38	-	248.05	19.68	58.74	-	78.42	169.63
Computers	6.49	2.60	-	9.10	4.60	2.14	-	6.74	2.35
Total	9,104.61	458.98	-	9,563.59	1,370.68	984.79	-	2,355.48	7,208.11

Name of Assets	Gross Block				Depreciation and Amortization				Net Block
	As on 1 April 2022	Addition	Deduction	As on 31 March 2023	As on 01-Apr-22	for the year	Deduction	As on 31-Mar-23	As on 31-Mar-23
(i) Property, Plant and Equipment									
Land	235.14	2.02	-	237.16	-	-	-	-	237.16
Buildings	469.03	804.29	-	1,273.32	119.99	54.40	-	174.40	1,098.93
Plant and Equipment	2,227.72	4,783.73	-	7,011.45	665.72	349.22	-	1,014.94	5,996.51
Furniture and Fixtures	2.99	0.36	-	3.35	1.65	0.27	-	1.91	1.44
Vehicles	203.72	125.44	-	329.16	86.61	68.53	-	155.15	174.01
Office equipment	3.87	239.81	-	243.67	2.03	17.65	-	19.68	223.99
Computers	6.18	0.31	-	6.49	2.25	2.36	-	4.60	1.89
Total	3,148.64	5,955.96	-	9,104.61	878.25	492.43	-	1,370.68	7,733.92

4 Capital work in progress

Rs. in Lacs

Particulars	As at 31 March 2024	As at 31 March 2023
Opening Balance	-	1,894.29
Add: Addition during the year	-	3,933.89
Less: Capitalised during the year	-	5,828.19
Closing Balance	-	-

4.1 Capital Work-in-Progress Ageing Schedule

Current reporting period	Amount in CWIP for a period of				Total
Particulars	Less than 1 year	1 -2 Years	2-3 Years	More than 3 Years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

Previous reporting period	Amount in CWIP for a period of				Total
Particulars	Less than 1 year	1 -2 Years	2-3 Years	More than 3 Years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

Disclosure for Project Overdue or exceeded its budgeted cost

Current reporting period	To be Completed				
Particulars	Project Status	Less than 1 year	1 -2 Years	2-3 Years	More than 3 Years
Nil	Nil	0	0	0	0

Previous reporting period	To be Completed				
Particulars	Project Status	Less than 1 year	1 -2 Years	2-3 Years	More than 3 Years
Nil	Nil	0	0	0	0

The aforesaid CWIP includes installation period interest & Other Borrowing Cost charged on specific borrowings from bank, capitalised during the year amounting to CY - Rs.Nil, PY- Rs. 1,52,16,738 /-

5 Other intangible Assets

Rs. in Lacs

Particulars	Software	Goodwill	Others	Total
Cost as at 1 April 2023	-	-	-	-
Addition	-	-	-	-
Disposals	-	-	-	-
Adjustment	-	-	-	-

Cost as at 31 March 2024	-	-	-	-
Accumulated ammortisation as at 1 April 2023	-	-	-	-
Ammortization charge for the year	-	-	-	-
Reversal on Disposal of assets	-	-	-	-
Accumulated ammortisation as at 31 March 2024	-	-	-	-
Net Carrying Amount as at 31 March 2024	-	-	-	-
Previous Year	Rs. in Lacs			
Particulars	Software	Goodwill	Others	Total
Cost as at 1 April 2022	-	-	-	-
Addition	-	-	-	-
Disposals	-	-	-	-
Adjustment	-	-	-	-
Cost as at 31 March 2023	-	-	-	-
Accumulated ammortisation as at 1 April 2022	-	-	-	-
Ammortization charge for the year	-	-	-	-
Reversal on Disposal of assets	-	-	-	-
Accumulated ammortisation as at 31 March 2023	-	-	-	-
Net Carrying Amount as at 31 March 2023	-	-	-	-

There are no Intangible Assets held by the Company.

6 Intangible assets under development

Rs. in Lacs

Particulars	As at 31 March 2024	As at 31 March 2023
Opening Balance	-	-
Add: Addition during the year	-	-
Less: Capitalised during the year	-	-
Closing Balance	-	-

6.1 Intangible assets under development ageing Schedule

Current reporting period	CWIP Amount in CWIP for a period of				Rs. in Lacs
Particulars	Less than 1 year				Total
	1 -2 Years	2-3 Years	More than 3 Years		
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Previous reporting period	CWIP Amount in CWIP for a period of				Rs. in Lacs
Particulars	Less than 1 year				Total
	1 -2 Years	2-3 Years	More than 3 Years		
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

6.2 Disclosure for Project Overdue or exceeded its budgeted cost

Current reporting period		Rs. in Lacs			
Particulars	Project Status	To be Completed			
		Less than 1 year	1 -2 Years	2-3 Years	More than 3 Years
Nil	Nil	-	-	-	-
Previous reporting period		Rs. in Lacs			
Particulars	Project Status	To be Completed			
		Less than 1 year	1 -2 Years	2-3 Years	More than 3 Years
Nil	Nil	-	-	-	-

There are no Intangible Assets Under Development.

7 Investments- non current

Particulars	Rs. in Lacs	
	As at 31 March 2024	As at 31 March 2023
Investment in others carried at fair value through OCI	96.19	439.21
Total	96.19	439.21

7.1 Details of Investments

Name of Entity	No of Shares	Current Year	No of Shares	Previous Year
(i) Investment in mutual funds (Quoted)				
Religare Securities Ltd-Edelweiss Recently Listed IPO Fund	7,797.00	1.77	7,797.00	1.21
(ii) Investment in Equity Shares (Quoted)				
M.K. Proteins Limited	60,000.00	92.70	60,000.00	438.00
Surani Steel Tubes Ltd	400.00	1.71	-	-

Aggregate details of Investment

Particulars	Rs. in Lacs	
	As at 31 March 2024	As at 31 March 2023
Aggregate market value as at the end of the year	96.18	439.21
Market value of quoted investments	96.18	439.21
Market value of Un-quoted investments	-	-
Provision for diminution in value of investments	-	-

8 Loans- non current financial assets

Particulars	Rs. in Lacs	
	As at 31 March 2024	As at 31 March 2023
Total	-	-

Loans- non current financial assets

Particulars	Rs. in Lacs	
	As at 31 March 2024	As at 31 March 2023
Above includes due from:	-	-
Directors	-	-
Other Officers of the company	-	-
Firm in which director is partner	-	-
Private Company in which director is director or member:	-	-
Total	-	-

There are no non-current loans given by the Company as on 31st March 2024.

9 Other financial assets - non current

Particulars	Rs. in Lacs	
	As at 31 March 2024	As at 31 March 2023
Security deposits	623.76	123.76
Total	623.76	123.76

Other financial assets - non current

Particulars	Rs. in Lacs	
	As at 31 March 2024	As at 31 March 2023
Above includes due from:	-	-
Directors	-	-
Other Officers of the company	-	-
Firm in which director is partner	-	-
Private Company in which director is director or member:	-	-
Security deposits	623.76	123.76
Total	623.76	123.76

Security Deposits includes amount paid to Cotton Corporation of India, Punjab State Power Corporation Limited, Security for Auction etc.

10 Deferred tax assets, net

Rs. in Lacs

Particulars	As at 31 March 2024	As at 31 March 2023
Total	-	-

Deffered Tax Assets and Deffered Tax Liabilities have been offset as the are governed by same taxation laws.

11 Other non-current assets

Rs. in Lacs

Particulars	As at 31 March 2024	As at 31 March 2023
Capital advances	-	1.74
Prepaid expenses	6.69	9.68
Balance in deposit accounts with maturity more than 12 months	1.57	-
Earmarked Balance with Banks*	-	1.65
Total	8.26	13.07

Other non-current assets

Particulars	As at 31 March 2024	As at 31 March 2023
Above includes due from:		
Directors	-	-
Other Officers of the company	-	-
Firm in which director is partner	-	-
Private Company in which director is director or member:	-	-
Capital Advances	-	1.74
Prepaid Expense	6.69	9.68
Balance in deposit accounts with maturity more than 12 months	1.57	-
Earmarked Balance with Banks*	-	1.65
Total	8.26	13.07

* The Deposits are earmarked against EPCG License obtained by the company from DGFT.

12 Inventories

Rs. in Lacs

Particulars	As at 31 March 2024	As at 31 March 2023
Raw materials	4,497.73	2,900.90
Work-in-progress	79.71	92.14
Finished goods	1,860.44	1,348.65
Stores and spares	45.41	14.36
Total	6,483.29	4,356.05

The Inventories are Hypothecated against Working Capital Limits.

13 Investments- Current

Particulars	Rs. in Lacs	
	As at 31 March 2024	As at 31 March 2023
Total	-	-

13.1 Current Investments

Name of Entity	No of Shares	Current Year	No of Shares	Previous Year
Nil	-	0	-	-

Aggregate details of Investment

Particulars	Rs. in Lacs	
	As at 31 March 2024	As at 31 March 2023
Aggregate market value as at the end of the year	-	-
Market value of quoted investments	-	-
Market value of Un-quoted investments	-	-
Provision for diminution in value of investments	-	-

There are no current Investments held by the Company.

14 Trade receivables- Current

Particulars	Rs. in Lacs	
	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good	3,816.20	1,346.11
Total	3,816.20	1,346.11

Trade receivables

Particulars	Rs. in Lacs	
	As at 31 March 2024	As at 31 March 2023
Above includes due from:		
Directors	-	-
Other Officers of the company	-	-
Firm in which director is partner	-	-
Private Company in which director is director or member:	892.09	-
Others	2,924.11	1,346.11
Total	3,816.20	1,346.11

Trade Receivables Ageing schedule

Rs. in Lacs

Particulars	Undue	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables							
-considered good	-	3,816.20	-	-	-	-	3,816.20
-which have significant increase in credit risk	-	-	-	-	-	-	-
-credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables							
-considered good	-	-	-	-	-	-	-
-which have significant increase in credit risk	-	-	-	-	-	-	-
-credit impaired	-	-	-	-	-	-	-
Sub Total	-	3,816.20	-	-	-	-	3,816.20
Unbilled - considered good							-
Unbilled - which have significant increase in credit risk							-
Unbilled - credit impaired							-
Provision for doubtful debts							-
Total							3,816.20

For Previous Year

Rs. in Lacs

Particulars	Undue	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables							
-considered good	-	1,346.11	-	-	-	-	1,346.11
-which have significant increase in credit risk	-	-	-	-	-	-	-
-credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables							
-considered good	-	-	-	-	-	-	-
-which have significant increase in credit risk	-	-	-	-	-	-	-
-credit impaired	-	-	-	-	-	-	-
Sub Total	-	1,346.11	-	-	-	-	1,346.11
Unbilled - considered good							-
Unbilled - which have significant increase in credit risk							-

Unbilled - credit impaired	-
Provision for doubtful debts	-
Total	1,346.11

Note: Trade Receivables are hypothecated to Banks against Working Capital Limit.

15 Cash and Cash Equivalents

Particulars	Rs. in Lacs	
	As at 31 March 2024	As at 31 March 2023
Balances with Banks	0.21	0.13
Cheques, drafts on hand	0.02	3.59
Cash on hand	2.10	6.58
Total	2.33	10.30

The Cash and Cash Equivalents are hypothecated against the Working Capital Limits.

16 Bank balances other than Cash and cash equivalents

Particulars	Rs. in Lacs	
	As at 31 March 2024	As at 31 March 2023
Earmarked balances with bank	2.93	58.40
Total	2.93	58.40

Bank balances other than Cash and cash equivalents

Particulars	Rs. in Lacs	
	As at 31 March 2024	As at 31 March 2023
Balance with Bank in Term Deposit Accounts:- Earmarked Balances with Banks*	2.93	58.40
Total	2.93	58.40

* The Deposits are earmarked against OD Limit, LC obtained from Banks and Bank Guarantee given to PPCB.

17 Loans - current financial assets

Particulars	Rs. in Lacs	
	As at 31 March 2024	As at 31 March 2023
Loans to related parties	865.73	-
Total	865.73	-

Above Loan Includes Loan given to AB Cotton textiles Pvt Ltd amounting Rs. 8,65,73,000/-

18 Other - current financial assets

Particulars	Rs. in Lacs	
	As at 31 March 2024	As at 31 March 2023
	-	-
Total	-	-

19 Other current assets

Particulars	Rs. in Lacs	
	As at 31 March 2024	As at 31 March 2023
Advances other than capital advances	8.50	18.46
Balances with government authorities	647.05	803.67
Security deposits	0.03	6.36
Prepaid expenses	42.13	33.89
Other advances	0.27	0.48
Total	697.98	862.86

Other current assets

Particulars	Rs. in Lacs	
	As at 31 March 2024	As at 31 March 2023
Balance with Income tax Authorities	11.44	55.95
Balance with Excise & Customs Authorities	-	2.05
Balance with GST Authorities	635.61	745.67
Advance Recoverable in Cash or Kind	8.51	18.45
Prepaid Expenses	42.13	33.89
Other Recoverable	0.27	0.48
Security Deposit	0.03	6.36
Total	697.98	862.86

20 Equity Share Capital

Particulars	As at 31 March 2024	As at 31 March 2023
Authorised Share Capital		
24000000 (PY - 11000000) Equity Shares of Rs. 10 each	2,400.00	1,100.00
400000 (PY - 400000) Preference Shares of Rs. 10 each	40.00	40.00
Issued, subscribed & fully paid up		
10684200 (PY - 10684200) Equity Shares of Rs. 10 each	1,068.42	1,068.42
Less: Shares forfeited Not yet Issued (392000 Equity Shares of Rs 10/-, Rs 5/- Paid up)	-19.60	-19.60
Total	1,048.82	1,048.82

Reconciliation of Share Capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number of Shares	Amount	Number of Shares	Amount
Opening Balance	1,06,84,200	1,048.82	1,06,84,200	1,048.82
Changes due to prior period error	-	-	-	-
Issued during the year	-	-	-	-
Add: Shares forfeited Not yet Issued	-	-	-	-
Deletion	-	-	-	-
Closing balance	1,06,84,200	1,048.82	1,06,84,200	1,048.82
Preference Shares	Number of Shares	Amount	Number of Shares	Amount
Opening Balance	-	-	-	-
Issued during the year	-	-	-	-
Adjustment	-	-	-	-
Deletion	-	-	-	-
Closing balance	-	-	-	-

Rights, preferences and restrictions attached to shares

The Company has only one class of equity shares having a par value ₹ 10/- per share. The holders of the equity shares are entitled to voting rights proportionate to their share holding at the meetings of shareholders. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholder in the ensuing Annual General meeting.

Shares held by Holding company, its Subsidiaries and Associates

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number of Shares	Amount	Number of Shares	Amount
Nil	-	-	-	-

Equity Share holder holding more than 5%

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number of Shares	Amount	Number of Shares	Amount
Deepak Garg	30,77,100	29.90%	30,77,100	29.90%
Suvarna Jindal	23,40,000	22.74%	23,40,000	22.74%
Abhey Jindal	6,90,000	6.70%	6,90,000	6.70%
Sanya Jindal	7,84,860	7.63%	7,84,860	7.63%

Shares held by promoters at the end of the year

Name of Promotor	Class of Shares Equity/Preference	No. of Shares	% of total shares	% Change during the year
Deepak Garg	Equity	30,77,100	29.90%	0.00%
Manohar Lal Garg	Equity	21,240	0.21%	0.00%

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Pooja Garg	Equity	3,45,000	3.35%	0.00%
Seema Garg	Equity	1,50,000	1.46%	0.00%

Previous Year

Name of Promotor	Class of Shares Equity/Preference	No. of Shares	% of total shares	% Change during the year
Deepak Garg	Equity	30,77,100	29.90%	0.00%
Manohar Lal Garg	Equity	21,240	0.21%	0.00%
Pooja Garg	Equity	3,45,000	3.35%	0.00%
Seema Garg	Equity	1,50,000	1.46%	0.00%

Share Warrant

Rs. in Lacs

Particulars	As at 31 March 2024	As at 31 March 2023
Opening Balance	-	-
Issued during the year	120.29	-
Deletion	-	-
Adjustment	-	-
Closing balance	120.29	-

Equity shares movement during 5 years preceding 31 March 2022

Particulars	2021-22	Year 2	Year 3	Year 4	Year 5
Equity shares issued as bonus	49,38,800.00				
Equity shares extinguished on buy-back	-				

21 Other Equity

Particulars	As at 31 March 2024	As at 31 March 2023
Capital Reserve	76.80	76.80
Securities premium	1,132.45	1,132.45
Retained earnings		
Others	1,824.28	1,593.36
Profit/(Loss) for the period	669.85	193.30
Equity instruments through other comprehensive income	113.50	-169.20
Other items of OCI		
Others	-13.71	194.53
Other comprehensive Income for the period	-110.61	187.78
Money received against share warrants	2,105.00	-
Total	5,797.56	3,209.02

Movement of Other Equity

Particulars	Rs. in Lacs	
	As at 31 March 2024	As at 31 March 2023
Capital Reserve		
Opening Balance	76.80	76.80
Add: Transfer from P&L		
Less: Deletion		
(Add)/Less: Adjustment		
Closing Balance	76.80	76.80
Securities premium		
Opening Balance	1,132.45	1,132.45
Add: Issue of Equity Shares		
Less: Deletion		
(Add)/Less: Adjustment		
Closing Balance	1,132.45	1,132.45
Retained Earnings		
Balance at the beginning of the year	1,786.67	1,599.05
Add: Profit/(Loss) during the year	669.84	193.30
Less: Appropriation		
Prior Period Errors		5.69
(Add)/Less: Other Comprehensive Income	-37.62	
Balance at the end of the year	2,494.13	1,786.67
FVDBO & Equity instruments through other comprehensive income		
Opening Balance	213.10	25.32
Add: Addition	-	
Less: Deletion	113.31	-
(Add)/Less: Other Comprehensive Income	110.61	-187.78
Closing Balance	-10.82	213.10
Money received against share warrants		
Opening Balance	-	-
Add: Application money received	2,105.00	
Less: Allotment of share warrants		
(Add)/Less: Adjustment	-	-
Closing Balance	2,105.00	-
Total	5,797.55	3,209.02

22 Borrowings- non current financial liabilities

Rs. in Lacs

Particulars	As at 31 March 2024	As at 31 March 2023
Secured Term loans from Bank		
Current Maturities of Long-Term Borrowing	-605.65	-675.61
Gross Term Loans from bank	4,741.03	4,916.72
Unsecured Term loans from Bank	208.81	208.81
Unsecured Deposits	155.62	813.85
Unsecured Loans from related parties	-	30.99
Total	4,499.81	5,294.76

Terms of Repayment

Sr No	Name of Lender	Amount	Details	Security
	HDFC Bank Term Loan	56.30	Repayable in 48 monthly installments commencing from 07/08/2020 @ T-Bill+2.11% (Floating) p.a. interest.	Secured against Plant & Machinery, Inventory and Book Debts
	HDFC Bank Term Loan	241.44	Repayable in 72 monthly installments commencing from 07/02/2021 @ T-Bill+2.11% (Floating) p.a. interest.	Secured against Plant & Machinery
	HDFC Bank BBG-WC Term Loan	3,363.25	Repayable in 120 monthly installments commencing from 07/11/2022 @T-Bill+2.11% (Floating) p.a. interest.	Secured against Plant & Machinery, Inventory and Book Debts
	HDFC Bank Term Loan	525.02	Repayable in 72 monthly installments commencing from 07/02/2021 @ T-Bill+2.11% (Floating) p.a. interest.	Secured against Plant & Machinery
	HDFC Bank USTER	381.30	Repayable in 120 monthly installments commencing from 07/11/2022 @7.00% (Floating) p.a. interest.	Secured against Plant & Machinery, Inventory and Book Debts
	HDFC Bank Auto Loan	0.83	Repayable in 60 monthly installments commencing from 07/06/2019 @ 9.10% (floating) p.a. interest.	Secured by way of Hypothecation of Car
	HDFC Bank Auto Premium Loan	91.66	Repayable in 84 monthly installments commencing from 05/07/2022 @ 7.30% (floating) p.a. interest.	Secured by way of Hypothecation of Vehicle

	HDFC Vehicle Loan	66.23	Repayable in 84 monthly installments commencing from 07/11/2020 @ 7.40% (floating) p.a. interest.	Secured by way of Hypothecation of Car
	HDFC Bank Auto Loan	10.19	Repayable in 60 monthly installments commencing from 07/07/2021 @ 7.60% (floating) p.a. interest.	Secured by way of Hypothecation of Car
	HDFC Bank Ultra-Light Commercial Vehicle Loan	4.83	Repayable in 60 monthly installments commencing from 10/12/2021 @ 7.00% (floating) p.a. interest.	Secured by way of Hypothecation of Vehicle

Interest on Unsecured Loans is being charged at the rate 6-12 %. These Loans are repayable on demand and have been raised in order to suffice the stipulations laid down by the Banker.

23 Provisions- Non-Current

Particulars	Rs. in Lacs	
	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits	36.51	19.98
Total	36.51	19.98

24 Deferred tax liabilities, net

Particulars	Rs. in Lacs	
	As at 31 March 2024	As at 31 March 2023
Deffered Tax Liability	210.37	233.27
Total	210.37	233.27

25 Borrowings- current financial Statements

Particulars	Rs. in Lacs	
	As at 31 March 2024	As at 31 March 2023
Secured Current maturities of Long term borrowing	605.65	675.61
Secured Loans repayable on demand from Banks	7,061.29	3,838.71
Secured Other loans	-	0.24
Total	7,666.94	4,514.56

Particulars of Borrowings

Name of Lender/Type of Loan	Rate of Interest	Nature of Security
HDFC Bank	T-Bill+2.11%	CC Limit Secured against Hypothecation of stock and Book Debts
HDFC Bank	T-Bill+2.11%	Warehousing limit Secured against Hypothecation of stock and Book Debts
Yes Bank	Repo+2.51%	Pledge limit Secured against Pledge of Agri Commodities

Axis Bank	Repo+1.90%	Working Capital Loan
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Note: Terms and conditions as modified and agreed with the Banker basis the last available agreement/ sanction have been disclosed.

Reconciliation of quarterly returns submitted to banks where borrowings have been availed based on security of current assets.

Quarter	Bank	Particulars of Security	Amount as reported in quarterly return statement	Amount of Difference	Reason for material differences
April-2023	HDFC Bank	Inventory & Book Debts	5,130.69	The Assets Hypothecated Against the working capital limits exceeds the drawing power required	Nil
May-2023	HDFC Bank	Inventory & Book Debts	5,727.97		Nil
June-2023	HDFC Bank	Inventory & Book Debts	5,684.66		Nil
July-2023	HDFC Bank	Inventory & Book Debts	6,453.45		Nil
Aug-2023	HDFC Bank	Inventory & Book Debts	6,451.61		Nil
Sept-2023	HDFC Bank	Inventory & Book Debts	6,556.87		Nil
Oct-2023	HDFC Bank	Inventory & Book Debts	6,627.49		Nil
Nov-2023	HDFC Bank	Inventory & Book Debts	8,005.25		Nil
Dec-2023	HDFC Bank	Inventory & Book Debts	10,828.30		Nil
Jan-2023	HDFC Bank	Inventory & Book Debts	10,658.93		Nil
Feb-2023	HDFC Bank	Inventory & Book Debts	10,492.34		Nil
Mar-2023	HDFC Bank	Inventory & Book Debts	12,388.26		Nil

26 Lease Liabilities- current financial liabilities

Particulars	Rs. in Lacs	
	As at 31 March 2024	As at 31 March 2023
-	-	-

27 Trade payables-current

Particulars	Rs. in Lacs	
	As at 31 March 2024	As at 31 March 2023
Total outstanding dues of Micro Enterprise and small enterprise	25.36	-
Total outstanding dues of Creditor of other than Micro Enterprise and small enterprise	55.26	142.63

Total	80.62	142.63
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Trade Payables ageing schedule (Current Year)

Rs. in Lacs

Particulars	Unbilled	Undue	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	25.36	-	-	-	25.36
(ii) Others	-	-	55.26	-	-	-	55.26
(iii) Disputed dues- MSME	-	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-	-
Total							80.61

Trade Payables ageing schedule (Previous Year)

Rs. in Lacs

Particulars	Unbilled	Undue	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	-	142.63	-	-	-	142.63
(iii) Disputed dues- MSME	-	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-	-
Total							142.63

Note:- The above disclosure has been determined to the extent such parties have been identified on the basis of information available with the company.

28 Other financial liabilities - current

Rs. in Lacs

Particulars	As at 31 March 2024	As at 31 March 2023
Interest accrued but not due on Borrowings	28.24	28.24
Total	28.24	28.24

29 Other current liabilities

Rs. in Lacs

Particulars	As at 31 March 2024	As at 31 March 2023
Statutory dues payable	10.56	16.09
Other Current Liabilities	-	0.27
Other Liabilities	355.61	364.36
Payable to Staff	69.35	69.54
Total	435.52	450.26

*Other Liabilities includes

as on 31st March 2024- Credit Card Dues - Rs. 81,56,912/-, Cheque Issued but not presented - Rs.20,00,966/- Electricity Bill Payable - Rs.1,21,41,629/-, Advances from customers - Rs. 42,400/-, Capital Creditors-Rs. 68,29,534/- and Other Expenses Payable- Rs. 72,92,306/-

as on 31st March 2023- Credit Card Dues - Rs. 45,55,593/-, Cheque Issued but not presented - Rs.12,70,669/- Electricity Bill Payable - Rs. 92,12,160/-, Advances from customers - Rs. 650/-, Capital Creditors Rs.6,45,19,500/- and Other Expenses Payable- Rs. 6,54,67,120/-

30 Provisions – current

Particulars	Rs. in Lacs	
	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits	0.40	0.27
Total	0.40	0.27

31 Current Tax Liabilities

Particulars	Rs. in Lacs	
	As at 31 March 2024	As at 31 March 2023
Total	-	-

32 Revenue from Operations

Particulars	Rs. in Lacs	
	As at 31 March 2024	As at 31 March 2023
Sale of products		
Goods Manufactured	23,683.54	16,811.25
Goods Traded	1,519.99	-
Other operating revenues		
Job Work Receipts	210.39	4.42
Rebate & Discounts	161.24	93.30
Weigh Bridge Income	1.39	1.04
Total	25,576.55	16,910.01

Revenue from major products

Particulars	Rs. in Lacs	
	For Year ended 31 March 2024	For Year ended 31 March 2023
Cotton Seed Cake	494.44	325.81
Cotton Seed Oil	176.43	87.44
Cotton Seed	1,116.34	991.11
Cotton Waste	2,268.95	1,731.20
Cotton Yarn	19,793.99	12,841.54
Cotton	811.57	201.90

Oil Gadh	0.98	0.37
Cloth	258.23	187.19
Mustard Seed Cake	62.43	111.59
Mustard Seed Oil	207.84	333.09
Total	25,191.19	16,811.25

33 Other income

Particulars	Rs. in Lacs	
	For Year ended 31 March 2024	For Year ended 31 March 2023
Interest income	102.18	10.76
Insurance claim Received	11.06	28.14
Misc. Income	6.99	16.85
Total	120.23	55.75

Interest income comprise of

Particulars	Rs. in Lacs	
	For Year ended 31 March 2024	For Year ended 31 March 2023
Bank Interest Received	1.21	2.30
Interest on Income Tax Refund	2.34	-
Other Interest	98.63	8.46
Total	102.18	10.76

Other non-operating income comprise of

Particulars	Rs. in Lacs	
	For Year ended 31 March 2024	For Year ended 31 March 2023
Insurance Claim	11.06	28.14
Misc. Income	6.99	16.85
Total	18.05	44.99

34 Cost of materials consumed

Particulars	Rs. in Lacs	
	For Year ended 31 March 2024	For Year ended 31 March 2023
Raw Material consumed	-	-
Opening stock	2,900.90	1,030.88
Purchases	19,757.98	16,051.41
Direct Expenses	467.07	182.67
Less: Closing stock	4,497.73	2,900.90
Total	18,628.22	14,364.06

The Above Direct Expenses includes Freight, Labour & Packing Expenses etc.

35 Purchases of Stock-in-trade

Particulars	Rs. in Lacs	
	For Year ended 31 March 2024	For Year ended 31 March 2023
Purchases of Stock-in-trade	1,412.37	-
Total	1,412.37	-

Purchase of major products

Particulars	Rs. in Lacs	
	For Year ended 31 March 2024	For Year ended 31 March 2023
Cotton Seed	196.31	-
Cotton	844.45	-
Cotton Waste	102.17	-
Cotton Yarn	269.43	-
Total	1,412.37	-

36 Changes in inventories of finished goods, Stock in Trade and work in progress

Particulars	Rs. in Lacs	
	For Year ended 31 March 2024	For Year ended 31 March 2023
Opening stock		
Finished Goods	1,348.65	717.60
WIP	92.14	83.53
Less: Closing Stock		
Finished Goods	1,860.44	1,348.65
WIP	79.71	92.14
Total	-499.37	-639.66

37 Employee Benefit Expenses

Particulars	Rs. in Lacs	
	For Year ended 31 March 2024	For Year ended 31 March 2023
Salaries and wages	957.65	695.53
Contribution to provident and other fund	16.14	12.82
Gratuity and Leave Encashment	20.51	14.39
Staff welfare expenses	36.30	21.12
Total	1,030.60	743.86

38 Finance costs

Particulars	Rs. in Lacs	
	For Year ended 31 March 2024	For Year ended 31 March 2023
Interest expenses	909.38	343.57
Other borrowing costs		
Others	7.81	6.37

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Share Issue Expenses	16.93	-
Total	934.12	349.94

Note- The aforesaid Finance cost excludes installation period interest & Other Borrowing Cost charged on specific borrowings from bank, capitalised during the year amounting to CY - Rs. Nil /-, PY- Rs.1,52,16,738 /-

39 Depreciation and amortization expense

Particulars	Rs. in Lacs	
	For Year ended 31 March 2024	For Year ended 31 March 2023
Depreciation on Property, Plant and Equipments	984.79	492.43
Total	984.79	492.43

40 Other Expenses

Particulars	Rs. in Lacs	
	For Year ended 31 March 2024	For Year ended 31 March 2023
Auditors' Remuneration	2.20	1.80
Conveyance expenses	111.87	86.21
Freight outward	13.58	10.05
Insurance	52.32	47.65
Power and fuel	1,565.94	860.13
Professional fees	13.08	6.75
Rent	21.47	20.05
Repairs to buildings	13.76	13.65
Repairs to machinery	248.75	144.43
Rates and taxes	5.91	5.44
Selling & Distribution Expenses	11.84	17.91
Telephone expenses	2.57	2.17
Travelling Expenses	0.79	5.18
Miscellaneous expenses	20.16	15.18
Packing Expenses	265.03	150.64
Total	2,349.27	1,387.24

41 Tax expenses

Particulars	Rs. in Lacs	
	For Year ended 31 March 2024	For Year ended 31 March 2023
Current tax	186.19	5.63
Deferred tax	-11.26	51.22
Prior period tax	-	7.14
Total	174.93	63.99

42 OCI that will not be reclassified to P&L

Particulars	Rs. in Lacs	
	For Year ended 31 March 2024	For Year ended 31 March 2023
Remeasurements Equity & Debt Instruments & FVDBO through OCI	-122.25	250.94
OCI Income tax of items that will not be reclassified to P&L	11.64	-63.16
Total	-110.61	187.78

43 OCI that will be reclassified to P&L

Particulars	Rs. in Lacs	
	For Year ended 31 March 2024	For Year ended 31 March 2023
-	-	-
Total	-	-

44 Earning Per share

Particulars	For Year ended 31 March 2024	For Year ended 31 March 2023
Profit attributable to equity shareholders Rs. in Lacs (Unless stated otherwise)	669.84	193.30
Weighted average number of Equity Shares	1,02,92,200.00	1,02,92,200.00
Earnings per share basic (Rs)	6.51	1.88
Earnings per share diluted (Rs)	4.80	1.88
Face value per equity share (Rs)	10.00	10.00

45 Defined Contribution Plan

46 Defined Benefit Plans

The Corporation operates defined contribution retirement benefit plans for all its qualifying employees.

Investment Strategy

There is no Investment in Plan Assets.

Actuarial Valuation Method

The valuation has been carried out using the Project Unit Credit Method as per Ind AS 19 to determine the Present Value of Defined Benefit Obligations and the related Current Service Cost and, where applicable, Past Service Cost. It should be noted that valuations do not affect the ultimate cost of the plan, only the timing of when the benefit costs are recognized.

(i) Gratuity

Changes in the present value of the defined benefit obligation in respect of Gratuity (funded)

Particulars	Rs. in Lacs	
	As at 31 March 2024	As at 31 March 2023
Defined Benefit Obligation at beginning of the year	20.25	30.68

Current Service Cost	19.00	12.17
Interest Cost	1.51	2.22
Actuarial (Gain) / Loss	(3.86)	(24.82)
Defined Benefit Obligation at year end	36.90	20.25

Reconciliation of present value of defined benefit obligation and fair value of assets

Particulars	Rs. in Lacs	
	As at 31 March 2024	As at 31 March 2023
Present value obligation as at the end of the year	36.91	20.25
Short term provision	0.40	0.27
Long term provision	36.51	19.98

Expenses recognized in Profit and Loss Account

Particulars	Rs. in Lacs	
	For Year ended 31 March 2024	For Year ended 31 March 2023
Current service cost	19.00	12.17
Interest cost	1.51	2.22
Total expense recognised in Profit and Loss	20.51	14.39

Amount recognized in Other Comprehensive Income

Particulars	Rs. in Lacs	
	For Year ended 31 March 2024	For Year ended 31 March 2023
Change in Financial Assumptions	1.30	(0.59)
Experience Variance (i.e. Actual experience vs assumptions)	(5.16)	(24.23)
Total amount recognized in Other Comprehensive Income	(3.86)	(24.82)

Actuarial assumptions

Particulars	As at 31 March 2024	As at 31 March 2023
Discount Rate	7.20%	7.45%
Expected Rate of increase in Compensation Level	5.00%	5.00%
Mortality Rate	100% of IALM 2012-14	100% of IALM 2012- 14
Average Attained Age	60 Years	60 Years
Withdrawal Rate	1.00%	1.00%

Sensitivity Analysis

Particulars	Rs. in Lacs	
	As at 31 March 2024	As at 31 March 2023
Discount Rate (+ 1%)	32.07	17.60
(% change compared to base due to sensitivity)	-13.1%	-13.1%

Discount Rate (- 1%) (% change compared to base due to sensitivity)	42.77 15.9%	23.46 15.8%
Salary Growth Rate (+1%) (% change compared to base due to sensitivity)	42.85 16.1%	23.51 16.1%
Salary Growth Rate (-1%) (% change compared to base due to sensitivity)	31.94 -13.5%	17.52 -13.5%
Attrition Rate (+ 50% of attrition rates) (% change compared to base due to sensitivity)	37.02 0.3%	20.32 0.3%
Attrition Rate (-50% of attrition rates) (% change compared to base due to sensitivity)	36.66 -0.7%	20.10 -0.7%
Mortality Rate (+ 10% of mortality rates) (% change compared to base due to sensitivity)	36.96 0.1%	20.28 0.2%
Mortality Rate (- 10% of mortality rates) (% change compared to base due to sensitivity)	36.86 -0.1%	20.22 -0.2%

Expected Cash Flow	As at 31 March 2024	As at 31 March 2023
Year 1	0.40	
Year 2 to 5	5.10	
Year 6 to 10	11.09	
More than 10 years	111.93	
Total Expected benefit payments	128.52	-

General Description of the Plan

The Entity operates gratuity plan through a trust wherein every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service. The same is payable on termination of service or retirement, whichever is earlier. The benefit vests after five years of continuous service. In case of some employees, the Entity's scheme is more favourable as compared to the obligation under Payment of Gratuity Act, 1972.

Net assets/liability and actuarial experience gain/(loss) for present benefit obligation ('PBO') and plan assets

47 Auditors Remuneration

Particulars	Rs. in Lacs	
	For Year ended 31 March 2024	For Year ended 31 March 2023
Payments to auditor as	1.70	1.50
- Auditor	0.30	0.30
- for taxation matters	0.20	-
- for company law matters	1.70	1.50
Total	2.20	1.80

48 Contingent Liabilities

Particulars	Rs. in Lacs	
	As at 31 March 2024	As at 31 March 2023
Claims against the Company not acknowledged as debt	-	-

(i) Foreign Trade Ministry of Commerce	1.04	1.04
(ii) Punjab Pollution Board	0.50	0.50
Letter of Credit	-	225.40
Total	1.54	226.94

In case quantum of liability is immaterial, the same has been ignored.

49 Commitments

Particulars	Rs. in Lacs	
	As at 31 March 2024	As at 31 March 2023
Contracts remaining to be executed on Capital accounts (Net of Advances)	-	3.90
Total	-	3.90

There are no pending Capital commitments as at 31st March 2024.

50 Micro and Small Enterprises

Particulars	Rs. in Lacs			
	As at 31 March 2024		As at 31 March 2023	
	Principal	Interest	Principal	Interest
Amount Due to Supplier	25.36	-	-	-
Principal amount paid beyond appointed date	-	-	-	-
Interest due and payable for the year	-	-	-	-
Interest accrued and remaining unpaid	-	-	-	-
Interest paid other than under Section 16 of MSMED Act to suppliers registered under the MSMED Act, beyond the appointed day during the year.	-	-	-	-
Interest paid under Section 16 of MSMED Act to suppliers registered under the MSMED Act beyond the appointed day during the year.	-	-	-	-
Further interest remaining due and payable for earlier years.	-	-	-	-

51 Leases

Particulars	Rs. in Lacs	
	As at 31 March 2024	As at 31 March 2023
Future minimum rental payables under non-cancellable operating lease		
- Not later than one year	-	-
- Later than one year and not later than five years	-	-
- Later than five years	-	-
- Other 1	-	-
- Other 2	-	-

The Company has not entered into any Lease Agreement.

Particulars	Foreign Currency (FC)	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
		Amount in FC	Amount in FC	Amount in INR	Amount in INR
Total		-	-	-	-

52 Segment Reporting

Business Segment

The Company is primarily in the business of manufacturing, purchase and sale of yarns and other allied products. The Chairman and Managing Director of the Company, which has been identified as being the Chief Operating Decision Maker (CODM), evaluates the Company's performance, allocate resources based on the analysis of the various performance indicator of the Company as a single unit. Therefore, there is only one reportable segment for the Company.

Rs. in Lacs

Particulars	As at 31 March 2024			As at 31 March 2023		
	External	Intersegment	Total	External	Intersegment	Total
Revenue						
Segment 1	25,576.55	-	25,576.55	1,69,100.01	-	1,69,100.01
Total Revenue	25,576.55	-	25,576.55	1,69,100.01	-	1,69,100.01
Result						
Segment 1	669.84	-	669.84	193.30	-	193.30
Total Segment Result	669.84	-	669.84	193.30	-	193.30
Operating Profit			669.84			193.30
Profit for the period			669.84			193.30

The Number of customers contributing 10% or more to the company's revenue for the above-mentioned financial periods is one for Current year who contributes 27.78% of Total Sales of Current Year.

The Number of customers contributing 10% or more to the company's revenue for the above-mentioned financial periods are Two for Previous Year who contributes 43.98% Collectively of Total Sales of Previous Year.

Segment Asset and Liabilities

Rs. in Lacs

Particulars	Segment Assets		Segment Liabilities	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Segment 1	19,708.59	14,504.49	12,958.40	10,685.85
Total	19,708.59	14,504.49	12,958.40	10,685.85
Total assets/liabilities	19,708.59	14,504.49	12,958.40	10,685.85

There is single Segment of Operations undertaken by the Company.

Other Information

Rs. in Lacs

Particulars	Capital Expenditure		Depreciation		Non-cash expenses other than depreciation	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Segment 1	-	-	984.79	492.43	-	-
Total	-	-	984.79	492.43	-	-

Additional Information by Geographies

Particulars	As at 31 March 2024	As at 31 March 2023
Revenue by Geographical Market		
In India	25,576.55	16,910.01
Total	25,576.55	16,910.01
Carrying Amount of Segment Assets		
In India	19,708.59	14,504.49
Total	19,708.59	14,504.49
Addition to Property, Plant and Equipment		
In India	5,955.96	458.98
Total	5,955.96	458.98
Others		
In India	12,958.40	10,685.85
Total	12,958.40	10,685.85

Accounting Policies adopted for Segment

Refer Accounting Policies

The basis of pricing for inter-segment transfer

There is no Inter Segment transfer incurred by the Company.

Other segment footnote

Domestic information includes sales and services to customers located in India.

Overseas information includes sales and services rendered to customers located outside India.

Non-current segment assets include property, plant and equipment, capital work in progress, intangible assets and other non-current assets.

53 Related Party

(i)	List of Related Parties	Relationship
	Name of Related Party	Relationship
	Deepak Garg	Managing Director
	Manohar Lal	Whole Time Director
	Ramesh Kumar	Director
	Puneet Bhandari	Independent Director

Preet Bhatia	Independent Director
Kannu Sharma	Company Secretary
Niti Rajan Bansal	CFO Upto 04/06/2022
Rajinder Prashad Garg	CFO w.e.f. 24/08/2022
Shimla Devi	Director's Relative
Pooja Garg	Director's Relative
Seema Garg	Director's Relative
Muskan Garg	Director's Relative
Dia Garg	Director's Relative
Deepak Garg & Sons HUF	Director's Relative
AB Cotton Textiles Pvt Ltd.	Group Company
DRML Buildwell Pvt Ltd.	Group Company

(ii) Related Party Transactions			Rs. in Lacs	
Particulars	Relationship	For Year ended 31 March 2024	For Year ended 31 March 2023	
Interest Paid				
- AB Cotton Textiles Pvt Ltd.	Group Company	-	-	
- Deepak Garg	Managing Director	-	0.81	
- Seema Garg	Director's Relative	-	-	
- Shimla Devi	Director's Relative	-	-	
- Manohar Lal	Whole Time Director	-	1.44	
- Pooja Garg	Director's Relative	-	-	
- Dia Garg	Director's Relative	-	-	
Interest Received				
- DRML Buildwell Pvt Ltd.	Group Company	-	3.99	
Remuneration Paid- KMP				
- Deepak Garg	Managing Director	12.00	12.00	
- Manohar Lal	Whole Time Director	9.00	9.00	
- Ramesh Kumar	Director	4.68	4.77	
- Preet Bhatia	Independent Director	0.50	0.50	
- Niti Rajan Bansal	CFO Upto 04/06/2022	-	-	
- Rajinder Prashad Garg	CFO w.e.f. 24/08/2022	3.60	1.40	
- Kannu Sharma	Company Secretary	4.70	4.21	
Salary paid				
- Pooja Garg	Director's Relative	6.00	6.75	
Rent Paid				
- Pooja Garg	Director's Relative	18.60	18.80	
- Shimla Devi	Director's Relative	1.80	0.90	
Unsecured Loan Taken				
- AB Cotton Textiles Pvt Ltd.	Group Company	-	451.40	

- DRML Buildwell Pvt Ltd.	Group Company	-	74.10
- Deepak Garg	Managing Director	45.60	24.00
- Seema Garg	Director's Relative	-	-
- Shimla Devi	Director's Relative	-	-
- Manohar Lal	Whole Time Director	-	12.66
- Pooja Garg	Director's Relative	-	-
- Ramesh Kumar	Director	-	8.00
- Dia Garg	Director's Relative	-	-
Unsecured Loan Principal Repaid			
- AB Cotton Textiles Pvt Ltd.	Group Company	-	451.40
- DRML Buildwell Pvt Ltd.	Group Company	-	74.10
- Deepak Garg	Managing Director	52.07	29.28
- Seema Garg	Director's Relative	-	-
- Shimla Devi	Director's Relative	-	-
- Manohar Lal	Whole Time Director	22.50	9.16
- Pooja Garg	Director's Relative	-	-
- Ramesh Kumar	Director	-	8.00
- Dia Garg	Director's Relative	-	-
Unsecured Loan Interest Repaid			
- AB Cotton Textiles Pvt Ltd.	Group Company	-	-
- Deepak Garg	Managing Director	0.73	0.89
- Seema Garg	Director's Relative	-	-
- Shimla Devi	Director's Relative	-	-
- Manohar Lal	Whole Time Director	1.29	0.34
- Pooja Garg	Director's Relative	-	-
- Dia Garg	Director's Relative	-	-
Unsecured Loan Given			
- AB Cotton Textiles Pvt Ltd.	Group Company	843.83	956.93
- DRML Buildwell Pvt Ltd.	Group Company	-	311.80
Unsecured Loan Received Back			
- AB Cotton Textiles Pvt Ltd.	Group Company	-	956.93
- DRML Buildwell Pvt Ltd.	Group Company	-	311.80
Unsecured Loan Interest Received			
- DRML Buildwell Pvt Ltd.	Group Company	-	3.99
Sale to Related Parties			
- Deepak Garg & Sons HUF	Director's Relative	99.81	26.29
- AB Cotton Textiles Pvt Ltd.	Group Company	2,556.62	117.41
Unsecured Loan Interest Received			
- AB Cotton Textiles Pvt Ltd.	Group Company	24.33	-
Purchase from Related Parties			
- AB Cotton Textiles Pvt Ltd.	Group Company	266.67	-
Other Operating Revenue			

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- AB Cotton Textiles Pvt Ltd.	Group Company	8.61	-
Other Operating Cost			
- AB Cotton Textiles Pvt Ltd.	Group Company	0.31	-
Part Payment Received on account of Preferential Issue			
- Deepak Garg	Managing Director	355.00	-

(iii)	Related Party Balances			Rs. in Lacs
	Particulars	Relationship	As at 31 March 2024	As at 31 March 2023
	Unsecured Loan (Principal)			
	- Deepak Garg	Managing Director	-	6.47
	- Manohar Lal	Whole Time Director	-	22.50
	Unsecured Loan (Interest Payable)			
	- Deepak Garg	Managing Director	-	0.73
	- Manohar Lal	Whole Time Director	-	1.29
	Salary Payable			
	- Pooja Garg	Director's Relative	0.50	0.44
	- Deepak Garg	Managing Director	0.90	0.72
	- Ramesh Kumar	Director	0.39	0.36
	- Kannu Sharma	Company Secretary	0.40	0.32
	- Manohar Lal	Whole Time Director	0.70	0.59
	- Rajinder Prashad Garg	CFO w.e.f. 24/08/2022	0.30	-
	Sales Receivable			
	- AB Cotton Textiles Pvt Ltd.	Group Company	892.09	117.41
	Loan Given			
	- AB Cotton Textiles Pvt Ltd.	Group Company	865.73	-

(iv)	Employee Benefits for Key Management Personnel			
	Particulars	For 31 March 2024	Year ended	For 31 March 2023
	Short Term Employee Benefits	39.98		38.13
	Total	39.98		38.13

Transactions with the related parties are made on normal commercial terms and conditions and at market rates.

54 Financial Instruments

Particulars	As at 31 March 2024			As at 31 March 2023		
	Amortised Cost	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI

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Assets Measured at						
Investments	-	-	96.18	-	-	439.21
Trade receivables	3,816.20	-	-	1,346.11	-	-
Cash and cash equivalent	2.33	-	-	10.30	-	-
Other bank balances	2.93	-	-	58.40	-	-
Loans	865.73	-	-	-	-	-
Non-current Financial Assets (A)	-	-	-	-	-	-
Current Other financial assets (A)	-	-	-	-	-	-
Other financial assets	623.76	-	-	123.76	-	-
Total	5,310.95	-	96.18	1,538.57	-	439.21
Liabilities Measured at						
Borrowings	4,499.81	-	-	5,294.76	-	-
Trade payables	80.61	-	-	142.63	-	-
Other financial liabilities	28.24	-	-	30.12	-	-
Total	4,608.66	-	-	5,467.51	-	-

Carrying value of the financial assets and financial liabilities designated at amortised cost approximate its fair value.

Fair Value Hierarchy

Level 1: Quoted prices in the active market. This level of hierarchy includes financial assets that are measured by reference to quoted prices in the active market.

Financial assets and liabilities measured at fair value - recurring fair value measurements

Particulars	As at 31 March 2024			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Investment				
Equity Shares	94.41	-	-	94.41
Mutual Funds	1.77	-	-	1.77
	96.18	-	-	96.18
Particulars	As at 31 March 2023			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Investment				
Equity Shares	438.00	-	-	438.00
Mutual Funds	1.21	-	-	1.21
	439.21	-	-	439.21

The Fair value of the financial instruments are determined at the amount that would be received to sell an asset in an orderly transaction between market participants. The following methods and assumptions were used to estimate the fair values:

Investments in Mutual Funds: Fair value is determined by reference to quotas from the financial institutions, i.e. net asset value (NAV) for investments in mutual funds declared by mutual fund house.

Investment in Preference shares/debentures (If any): Fair value is determined by reference to quotes from fund houses/portfolio management services companies i.e. value of investments.

Quoted Equity Investments: Fair value is derived from quoted market prices in active markets.

Unquoted Equity Investments (If any): Fair value is derived on the basis of net asset value approach, in this approach the net asset value is used to capture the fair value of these investments."

B. Market Risk

Market Risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: foreign currency risk, interest rate risk, investment risk.

(a) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debts obligations with floating interest rates.

As the Company has no significant interest-bearing assets, the income and operating cash flows are substantially independent of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates, which are included in interest bearing loans and borrowings in these financial statements. The Company's fixed rate borrowings (If any) are carried at amortised cost. They are therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

(i) Exposure to Interest Rate Risk

Particulars	Rs. in Lacs	
	As at 3 March 2024	As at 31 March 2023
Borrowing bearing variable rate of interest	12,166.76	9,809.32
Total	12,166.76	9,809.32

(ii) Sensitivity Analysis

The Company analyse the data on reasonable basis to prevent any abnormal loss which may happen due to external & internal factors.

(b) Foreign Currency Risk

The Company have no major exposure in Foreign Curriency.

(i) Exposure to Foreign Currency Risk

The Company have no major exposure in Foreign Curriency.

(ii) Sensitivity Analysis

The Company analyse the data on reasonable basis to prevent any abnormal loss which may happen due to external & internal factors.

Other Price Risk

The Company maintain adequate inventory to mitigate the exceptional price change in the raw material procured by the Company.

C. Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables which are typically unsecured. Credit risk on cash and bank balances is limited as the Company generally invests in deposits with banks and financial institutions with high credit ratings assigned by credit rating agencies. Investments primarily include investment in liquid mutual fund units, bonds, fixed maturity plan etc. issued by institutions having proven track record. The Company's credit risk in case of all other financial instruments is negligible.

The Company assesses the credit risk based on external credit ratings assigned by credit rating agencies. The Company also assesses the creditworthiness of the customers internally to whom goods are sold on credit terms in the normal course of business. The credit limit of each customer is defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and any shipments to overseas customers are generally covered by letters of credit.

The impairment analysis is performed on client-to-client basis for the debtors that are past due at the end of each reporting date. The Company has not considered an allowance for doubtful debts in case of trade receivables that are past due but there has not been a significant change in the credit quality and the amounts are still considered recoverable.

Basis of Categorisation	Asset Class Exposed to Credit Risk	Provision for ECL
Nature wise	Financial Assets	Nil

Particulars	As at 31 March 2024	As at 31 March 2023
Low Credit Risk	-	-
Cash and Cash Equivalent	2.33	10.30
Bank balances other than above	2.93	58.40
Loans	865.73	-
Other financial assets	623.76	123.76
Moderate/High Credit Risk	-	-
Other receivables	3,816.20	1,346.11
Total	5,310.95	1,538.58

Other than financial assets mentioned above, none of the Company's financial assets are either impaired, and there were no indications that defaults in payment obligations would occur.

(iv) Expected Credit Losses:

Particulars	Expected Loss Rate
<90 days	0.00%
90 to 120 days	0.00%
120 to 180 days	0.00%
180 to 365 days	0.00%
1 year to 2 year	0.00%
2 year to 3 year	0.00%
3 Year >	0.00%
Others 1	0.00%

There is no Expected Credit loss (ECL) which was required to be booked in Current Year or Previous Year.

D. Liquidity Risk

The financial liabilities of the Company, other than derivatives, include loans and borrowings, trade and other payables. The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company monitors its risk of shortage of funds to meet the financial liabilities using a liquidity planning tool. The Company plans to maintain sufficient cash and marketable securities to meet the obligations as and when fall due.

Note:

The Company have availed CC Limits, Pledge Limits and WCDL from Various Banks.

Maturities of Financial Liabilities

The below is the detail of contractual maturities of the financial liabilities of the Company at the end of each reporting period:

Maturity Table for Financial Liabilities

Rs. in Lacs					
For Current Year					
Particulars	Less than 1 year	1- 2 Years	2-3 Years	More than 3 Years	Total
Borrowings	7,666.95	604.54	655.81	3,239.46	12,166.76
Trade Payables	80.61	-	-	-	80.61
Other Financial Liabilities	-	-	-	-	-
Total	7,747.56	604.54	655.81	3,239.46	12,247.37
Rs. in Lacs					
For Previous Year					
Particulars	Less than 1 year	1- 2 Years	2-3 Years	More than 3 Years	Total
Borrowings	4,514.56	605.65	604.54	4,084.56	9,809.32
Trade Payables	142.63	-	-	-	142.63
Total	4,657.19	605.65	604.54	4,084.56	9,951.95

E. Capital Management

The capital includes issued equity capital and other equity reserves attributable to the equity holders of the company. The primary objective of the company's capital management is to maintain optimum capital structure to reduce cost of capital and to maximize the shareholder value.

The Company manages its capital to ensure that the Company will be able to continue as going concern while maximizing the return to stakeholders through the optimisation of the debt and equity balance.

The Company determines the amount of capital required on the basis of annual planning and budgeting and its plan for working capital and long-term borrowings. The funding requirements are met through equity, internal accruals and a combination of both long-term and short-term borrowings.

55 Loans and Advances to related parties

Rs. in Lacs

Type of Borrower	As at 31 March 2024		As at 31 March 2023	
	Amount outstanding	% of Total	Amount outstanding	% of Total
Related Parties	865.73	100%	0.00%	0.00%
Total	865.73	100%	0.00%	0.00%

The Above includes Interest Bearing Loan given to AB Cotton Textiles Pvt Ltd of Rs. 8,65,73,000/-

56 Title deeds of Immovable Property not held in name of the Company

Relevant line item in the Balance Sheet	Description of item of Property	Gross Carrying Value Current Year	Gross Carrying Value Previous Year	Title deeds held in the name of	Title Holder	Property held since which date	Reason for not held in the name of the Company
Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Not Applicable

57 Security of Current Assets Against Borrowings

The Current Assets are Hypothecated against the Working Capital Limits availed by the Company.

Rs. in Lacs

Particulars	Jun, 2023	Sept, 2023	Dec, 2023	Mar, 2024
Current Assets as per Quarterly Return filed with Bank	5,684.66	6,556.87	10,828.30	12,388.26
Current Assets as per Books of Account	5,684.66	6,556.87	10,828.30	12,388.26

58 Details of Benami Property held

Particulars	Details
Particulars of Property	Nil
Year of Acquisition	Nil
Amount	Nil

Detail of Beneficiary 1	Nil
Detail of Beneficiary 2	Nil
Detail of Beneficiary 3	Nil
Property is in the Books, if yes then relevant line item of Balance Sheet	Nil
Property is in the Books, if No then reason for the same	Nil
Proceedings against company	Nil
Nature of Proceedings	Nil
Status of Proceedings	Nil
Company's View on Proceedings	Nil

The Company does not hold any benami property under the Benami Transactions (Prohibition) Act, 1988 and no proceeding has been initiated or is pending against the Company for holding any benami property.

59 Wilful Defaulter

Date of declaration as wilful defaulter

The Company has not been declared as a wilful defaulter by any lender who has powers to declare a company as a wilful defaulter at any time during the financial year, or after the end of the reporting period but before the date when financial statements are approved.

60 Relationship with Struck off Companies

Name of struck off Company	Nature of transactions	As at 31 March 2024	As at 31 March 2023	Relationship with the Struck off company
Nil	-	-	-	Nil

The Company has not incurred any transaction in this respect in Current Year & Previous Year.

61 Registration of Charges

There are no pending Charge which is required to be registered with the ROC.

62 Compliance with number of layers of companies

Name of Company	CIN	Relationship	% of Holding 31 March 2024	% of Holding 31 March 2023
Nil	Nil	Nil	-	-

The Company has not incurred any transaction in this respect in Current Year & Previous Year.

63 Ratio Analysis

Particulars	Numerator/Denominator	As at 31 March 2024	As at 31 March 2023	Change in %	Reasons
(a) Current Ratio	<u>Current Assets</u>	1.45	1.29	0.12	NA

	Current Liabilities				
(b) Debt-Equity Ratio	<u>Total Debts</u> Equity	1.89	2.51	-0.25	NA
(c) Debt Service Coverage Ratio	Earnings available for <u>Debt Service</u> Interest + Installments	1.19	1.06	0.13	NA
(d) Return on Equity Ratio	<u>Profit after Tax</u> Average Shareholder's Equity	0.12	0.05	1.66	Positive Variance
(e) Inventory turnover ratio	<u>Total Trunover</u> Average Inventories	4.72	5.48	-0.14	NA
(f) Trade receivables turnover ratio	<u>Total Turnover</u> Average Account Receivable	9.91	15.73	-0.37	Increase in Average Account Receivables
(g) Trade payables turnover ratio	<u>Total Purchases</u> Average Account Payable	189.66	221.95	-0.15	NA
(h) Net capital turnover ratio	<u>Total Turnover</u> Average Working Capital	9.93	11.30	-0.12	NA
(i) Net profit ratio	<u>Net Profit</u> Total Turnover	0.03	0.01	1.29	Positive Variance
(j) Return on Capital employed	Earnings before interest and <u>taxes</u> Capital Employed	0.09	0.04	1.08	Positive Variance
(k) Return on investment	<u>Return on Investment</u> Total Investment	0.37	1.06	-0.65	Investments Fair Value decreased

64 Disclosure where company has given loan or invested to other person or entity to lend or invest in another person or entity

Name of Intermediary	Address	Government ID	Relationship	Nature of Transaction	Date	(In Rs)
Nil	Nil	Nil	Nil	Nil	Nil	Nil

The Company has not incurred any transaction in this respect in Current Year & Previous Year.

65 Disclosure where company has received fund from other person or entity to lend or invest in other person or entity

Name of Funding Party	Address	Government ID	Relationship	Nature of Transaction	Date	(In Rs)
Nil	Nil	Nil	Nil	Nil	Nil	Nil

The Company has not incurred any transaction in this respect in Current Year & Previous Year.

66 Undisclosed Income

The Company has not surrendered or disclosed any income during the year in the tax assessments under the Income Tax Act, 1961

67 CSR Expenditure

Particulars	Rs. in Lacs	
	As at 31 March 2024	As at 31 March 2023
Amount required to be spent by the company during the year	12.00	10.60
Amount of expenditure incurred	12.00	10.60

There is no shortfall in any CSR expenditure which was required to be spent by the Company.

Nature of CSR activities

The above Disclosure in Current Year includes a contribution of Rs. 12,00,000/- to Indraprastha Global Foundation which is Registered as CSR Body under ROC, with main objective of community welfare especially in the field of Healthcare, Education and Empowering the Girl Child.

The above Disclosure in Previous Year includes a contribution of Rs. 10,60,000/- Dr. Narayan Dutt Shrimali Foundation which is a Section 8 registered Company under Companies Act, 2013, with the main objectives of working in the areas of Ancient Indian Sciences.

Details of related party transactions

There is no Related Party Transaction undertaken in respect to CSR activity in Current Year or Previous Year.

68 Details of Crypto Currency

The Company have not dealt with any Transaction relating to Crypto Currency during the Current Year and Previous Year.

69 Other Statutory Disclosures as per the Companies Act, 2013

No scheme of arrangement for the Company has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

The Company has a process whereby periodically all long-term contracts (including derivative contracts) are assessed for material foreseeable losses. At the year end, the company has reviewed and ensured that adequate provision as required under any law/ accounting standards for material foreseeable losses on such long-term contracts (including derivative contracts) has been made in books of accounts.

70 Subsequent Events

There are no Subsequent Events which were required to be adjusted as on the Balance Sheet date.

71 Regrouping

The Previous year figures (If required) have been Reclassified/Regrouped wherever necessary.

**For & on behalf of
P L Mittal & Co.**

Chartered Accountants
FRN:002697N

Sourabh Goyal

Partner
Membership No.: 529363
UDIN: 24529363BKEPEM9757

Place: Bathinda
Date: 28/05/2024

For and on behalf of the Board of Directors of
A B COTSPIN INDIA LIMITED

Deepak Garg
(Managing Director)
(DIN 00843929)

Manohar Lal
(Whole Time Director)
(DIN 02406686)

Rajinder Prashad Garg
(Chief Financial Officer)
(PAN: ABXPG1267D)

Kannu Sharma
(Company Secretary)
(M. No. A64063)