

A B COTSPIN INDIA LIMITED

176 Homeland Enclave, Bathinda, Punjab-151001
CIN: U17111PB1997PLC020118

ANNUAL REPORT

2019-20

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BOARD'S REPORT

The Members,

A B COTSPIN INDIA LIMITED

Your Directors are pleased to present their 23rd Annual Report on the business and operations of the Company together with the audited financial statements for the financial year ended on 31st March, 2020. The Company's financial performance for the financial year ended 31st March, 2020 is described as below:

1. FINANCIAL RESULTS

The financial performance of the Company for the year ended 31st March, 2020 is summarized as under:

PARTICULARS	Financial Year 2019-20 (Amount in Rs)	Financial Year 2018-19 (Amount in Rs)
Turnover Including other income	94,40,22,826.60	1,21,06,13,307.46
Total Expenses	93,08,33,118.84	1,19,33,73,301.41
Profit / Loss before tax	1,31,89,707.76	1,72,40,006.05
Less: Tax expense	(16,74,927.87)	(3,00,03,312.84)
Net Profit/(Loss) after Tax	1,15,14,779.90	1,42,39,693.21

2. STATE OF COMPANY'S AFFAIRS

The Revenue from its business and operations for the financial year ended 31st March, 2020 is Rs. 94,21,20,634.60/- as against Rs. 1,20,98,67,696.46/- in the previous financial year.

The Company has earned other income during the financial year of Rs. 19,02,192/- as against Rs.7,45,611/- in the previous financial year. The Company has earned profit after tax of Rs.1,15,14,779.90/- as compared to profit after tax of Rs. 1,42,39,693.21/- in the previous financial year.

The Board also making strategies to develop the business of the Company.

3. CHANGE IN NATURE OF BUSINESS

There is no change in the nature of the business of the Company during the financial year 2019-2020.

4. DIVIDEND

With a view to conserve the profits, the Board of Directors decided not to recommend any dividend for the financial year 2019-20.

5. RESERVES

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

6. 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.

7. EXTRACTS OF ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in the format of MGT 9 marked as "Annexure-A" and forms part to this Report.

8. NUMBERS AND DATES OF BOARD MEETINGS

The Boards of Directors duly conducted 11 (Eleven) Board Meeting during the financial year from 01st April, 2019 to 31st March, 2020

S.No	Date of Board Meeting
1.	18.04.2019
2.	29.06.2019
3.	16.07.2019
4.	21.08.2019
5.	28.08.2019
6.	05.09.2019
7.	18.10.2019
8.	09.11.2019
9.	11.11.2019
10.	15.01.2020
11.	04.03.2020

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

There were no loans or guarantees or securities given by Company or investments made by the Company under Section 186 of the Companies Act, 2013 during the financial year under review.

10. INDUSTRIAL RELATIONS

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

12. COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied all the Secretarial Standards as issued by Institute of Company Secretaries of India, which are applicable to the Company.

13. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The related party transactions took place on arms' length basis and in the ordinary course of business and there have been no materially significant related party transactions between the Company and the related parties which took place on arms' length basis and which could have had a potential conflict with the interests of the Company at large.

The particulars of Contracts or Arrangements made with related parties pursuant to Section 188 are furnished in form AOC-2 marked as "Annexure B" to this report.

14. RESERVATION AND QUALIFICATION ON AUDITOR'S REMARKS

The Auditors' Report issued by Statutory Auditor does not contain any qualification, observation or adverse remark.

15. STATUTORY AUDITOR

The Board of Directors of your Company, pursuant to section 139 and other applicable provision, recommends the appointment of M/s Shiv Jindal & Co., Chartered Accountants, (FRN:011316N), as Statutory Auditors of the Company to hold office from the conclusion of 23rd Annual General Meeting up to the conclusion of 28th Annual General Meeting of the Company at such remuneration and reimbursement of out of pocket expenses for the purpose of audit as may be fixed by the Board of Directors of the Company in consultation with the auditors. The Company has also received the certificate from the Auditors that their appointment, if made would be in the limits as specified under the Companies Act, 2013.

16. 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.

17. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There was no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year to which this financial statements relate and the date of this report.

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

Pursuant to Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014, relevant disclosure are given below:

a. Conservation of Energy

The Company is taking all possible measures to conserve the energy.

b. Technology Absorption and Research & Development

Your Company is conscious of implementation of latest technologies in key working areas. Technology is ever- changing and employees of your Company are made aware of the latest working techniques and technologies through workshops, group e-mails, and discussion sessions for optimum utilization of available resources and to improve operational efficiency.

c. Foreign Exchange Earnings and Outgo

During the financial year, the Company has not earned any Foreign Exchange. However, the total Foreign Exchange outgo of the Company is as given below:

• Total Foreign Exchange outgo during the year	Rs.1,88,384
• Total Foreign Exchange earnings during the year	NIL

19. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

During the Financial year, the Company does not have any Subsidiary Company/ Joint Venture/ Associate Company.

20. RISK MANAGEMENT POLICY

The Board of the Directors is of the opinion that there is no such risk element which may threaten the existence of the Company.

21. COMMITTEES

a. Audit Committee

Pursuant to the provisions of Section 177 of Companies Act, 2013 and Rule 6 of Companies (Meetings of Board and its Powers) Rules, 2014, the Company is required to constitute Audit Committee during the year under review. Accordingly, the Company had constituted the Audit committee with Non-Independent Directors. The Board of Director of your company is searching the suitable candidates for appointment of Independent Directors.

b. Nomination and Remuneration Committee

Pursuant to the provisions of Section 178 of Companies Act, 2013 and Rule 6 of Companies (Meetings of Board and its Powers) Rules, 2014, the Company is required to constitute Nomination and Remuneration Committee during the year under review. Accordingly, the Company had constituted the Audit Committee with Non-Independent Directors. The Board of Director of your Company is searching the suitable candidates for appointment of Independent Directors.

• Company's policy relating to Directors 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 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 Companies Act, 2013 is appended as "Annexure C" to the Board's Report.

c. Stakeholders Relationship Committee

Pursuant to the provisions of sub section 5 of section 178 of Companies Act, 2013 and rules made there under, the Company is not required to constitute a Stakeholders Relationship Committee during the year under review.

22. CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY:

The provisions of the Corporate Social Responsibility as contained under the Companies Act, 2013 are not applicable on the Company for the financial year 2019-2020.

23. BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL (KMP)

a) Composition of Board of Directors

The Board of Directors of the Company is duly constituted and there were 03 directors on the Board of the Company as on March 31, 2020.

S. No.	DIN	Name of Directors	Date of Appointment
1.	00843929	Deepak Garg	26/08/2014
2.	02406686	Manohar Lal	01/08/2018
3.	07684009	Ramesh Kumar	02/03/2020

b) Independent Director

Pursuant to the provisions of Section 149 of Companies Act, 2013 and Rule 4 of Companies (Appointment and qualification of Directors) Rules, 2014, the Company is required to appoint Independent Directors. The Company is in process to shortlist the suitable persons to appoint as Independent Directors in the Board.

d) Appointments/Resignations during the year:

- **Appointments:**

- i. Ms. Aakriti Garg (DIN: 08604319) was appointed as an Additional Director of the Company with effect from 09th November, 2019;
- ii. Mr. Ramesh Kumar was appointed as an Additional Director of the Company with effect from 02nd March, 2020.

- **Resignations:**

- i. Mr. Ramesh Kumar resigned from the office of the Director with effect from 13th January, 2020;
- ii. Ms. Aakriti Garg resigned from the office of Director with effect from 04th March, 2020.

- **Current Composition of the Board of Directors:** Mr. Deepak Garg, Mr. Manohar Lal and Mr. Ramesh Kumar continue to be the Directors of the Company.

24. DEPOSITS

During the year under review, the Company did not accept any deposits in terms of Section 73 and 74 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014. The Company did not have outstanding deposits at the beginning/ at the end of the year.

25. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

As per the provisions of Rule 5(2) & (3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 Statement requiring the names of top ten employees in terms of remuneration drawn and the name of every employee, who if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than One Crore and Twenty lakh rupees and if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than eight lakh and fifty thousand rupees per month, is annexed as “Annexure D” to this Report.

26. 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. The Company has duly constituted the Internal Complaints Committee under the provisions of the relevant statute.

During the financial year under review, no case of sexual harassment and discriminatory employment complaints were reported.

27. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, your Directors state that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs and of the profit of the company for the year ended 31st March 2020;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) systems to ensure compliance with the provisions of all applicable laws were in place, adequate and operating effectively.

28. INTERNAL FINANCIAL CONTROLS

The Company has adequate internal control systems commensurate with its current size and business, to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance of laws and regulations.

29. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

No such significant and material order has been passed by any regulators or courts or tribunals impacting the going concern status and Company's operations in future.

30. MAINTENANCE OF COST RECORDS

Since the Company is covered under the section 148(1) of Companies Act, 2013, therefore the Cost Records has been maintained by the Company.

During the year under review, as per Section 148 of the Companies Act, 2013, M/s Khushwinder Kumar & Co., Cost Accountants, (Registration No. 100123) are appointed as Cost Auditors of the company to conduct audit of cost records made and maintained by Company.

31. VIGIL MECHANISM:

Your Directors would like to inform that provisions of establishment of Vigil Mechanism do not apply to the Company

32. GENERAL

Your Directors state that no disclosure or reporting is required in the respect of the following items as there were no transaction on these items during the year under review:

- Disclosure regarding Issue of Equity Shares with Differential Rights
- Disclosure regarding issue of Employee Stock Options
- Disclosure regarding issue of Sweat Equity Shares.
- Voluntary Revision of Financial Statements or Board's Report.
- The provisions of Section 204 of the Companies Act, 2013 and rules made there under.

33. ACKNOWLEDGMENT

Your Directors place on record their appreciation for the overwhelming co-operation and assistance received from customers, employees, vendors, as well as regulatory and government authorities.

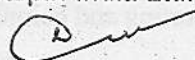
Your Directors propose to drive the business endeavours with greater optimism and confidence.

By order of the Board of Directors

For A B Cotspin India Limited

For AB Cotspin India Ltd.

For AB Cotspin India Ltd.

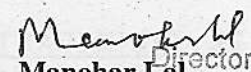


Director

Deepak Garg

Director

DIN: 00843929



Manohar Lal

Director

DIN: 0240668

Date: 13th October, 2020

Place: Bathinda

“ANNEXURE A”

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

(As on the financial year ended on March 31, 2020)

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of
The Companies (Management and Administration) Rules, 2014]

I. REGISTRATION & OTHER DETAILS

(i)	CIN	:	U17111PB1997PLC020118
(ii)	Registration Date	:	23/06/1997
(iii)	Name of the Company	:	A B COTSPIN INDIA LIMITED
(iv)	Category/Sub-category of the Company	:	Company Limited by Shares
(v)	Address of the Regd. office & Contact Details		
	Address	:	176, Homeland Enclave, Bathinda, Punjab- 151001
	E-Mail Id	:	info@abcotspin.in
(vi)	Whether Listed Company (Yes/No)	:	Unlisted
(vii)	Name, Address, contact details of the Registrar & Transfer Agent, If any.		
	Name	:	Orbis Financial Corporation Limited
	Address	:	4A, Technopolis Sector 54, Golf Club Road, Gurgaon -122002
	Contact Detail	:	+91 124 454 6565
	Email Id	:	rini.jangid@orbisfinancial.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

SL No	Name & Description of main products/services	NIC/NPCS Code of the Product /service	% to Total Turnover of the company
1.	Cotton Yarn	99861112	61.94%
2.	Cotton Seed Cake	99861120	11.50%

Note: The Company is engaged in the business to establish, purchase, sell, take on lease or otherwise acquire and work any textiles Mill, Handlooms, power looms, Cotton Ginning and processing factory, spinning mills, weaving mills, rice mills, oil mills, solvent plant, waste plant, process for pressing merchandise into bales process buy, sell, import, export, pledge, speculate enter into forward transactions or otherwise deal in cottons, Kapas, Cotton seeds, Cotton seed oil, paddy, oilseed, Jute, Flex, hemp, silk, agricultural, produce and products, made thereof.

III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES AS ON 31st MARCH, 2020.

S.No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1	-	-	-	-	-

Note: There are no holding, Subsidiary and associate companies as on date.

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAK-UP AS PERCENTAGE OF TOTAL EQUITY)

(i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year (April 1, 2019)				No. of Shares held at the end of the year (March 31, 2020)				% of change in Total
	Demat	Physical	Total	% of	Demat	Physical	Total	% of	

				<i>Total Shareho lding</i>				<i>Total Shareh olding</i>	<i>Shares</i>
A. Promoters									
1. Indian									
a) Individual/HUF	0.00	5,50,700	5,50,700	22.30%	9,58,980	0.00	9,58,980	38.83%	0.00
b) Central Govt.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c) State Govt.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d) Bodies Corporate	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
e) Bank/FI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
f) Any other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sub-total (A) (1)	0.00	5,50,700	5,50,700	22.30%	9,58,980	0.00	9,58,980	38.83%	0.00
(2) Foreign									
a) NRI- Individuals	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b) Other Individuals	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c) Bodies Corp.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d) Banks/FI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
e) Any other...	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sub-total (A) (2)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Shareholding of Promoter (A)= {A1+A2}	0.00	5,50,700	5,50,700	22.30%	9,58,980	0.00	9,58,980	38.83%	0.00
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b) Banks/FI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c) Central govt.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d) State Govt.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
e) Venture Capital Fund	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
f) Insurance Companies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
g) FIIS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
h) Foreign Venture Capital Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
i) Others (specify)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sub-total (B)(1)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(2) Non Institutions									
a) Bodies corporate	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
i) Indian	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
ii) Overseas	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b) Individuals	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
i) Individual shareholders holding nominal share capital up to 1 Lakhs	0.00	16,080	16,080	0.65%	7,800	0.00	7,800	0.32%	0.00
ii) Individuals	0.00	15,67,620	15,67,620	63.50	8,17,620	3,50,000	11,67,620	47.28	0.00

shareholders holding nominal share capital in excess of 1 Lakhs									
c) Others (NRI& clearingmember)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
HUF	0.00	3,35,000	3,35,000	13.56	0.00	3,35,000	3,35,000	13.56	0.00
Sub Total (B)(2):	0.00	19,18,700	19,18,700	77.7%	8,25,420	6,85,000	15,10,420	61.17	0.00
Total Public Share-holding(B)= (B1+B2)	0.00	19,18,700	19,18,700	77.7%	8,25,420	6,85,000	15,10,420	61.17	0.00
C. Shares held by Custodian for GDRs & ADRs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Grand Total (A+B+C)	0.00	24,69,400	24,69,400	100 %	17,84,400	6,85,000	24,69,400	100 %	0.00

(ii) Shareholding of Promoters*

Shareholder's Name	No. of Shares held at the beginning of the year (April 1, 2019)			No. of Shares held at the end of the year (March 31, 2020)			% change in Shareholdings during the year
	No. of Shares	% of total shares of Company	% of shares pledged/encumbered to total shares	No. of Shares	% of total shares of Company	% of shares pledged/encumbered to total shares	
Manohar Lal Garg	1,21,000	4.90	-	1,29,280	5.24	-	0.34
Deepak Garg	319,700	12.95	-	7,19,700	29.14	-	16.2
Pooja Garg	60,000	2.43	-	60,000	2.43	-	-
Seema Garg	50,000	2.02	-	50,000	2.00	-	-
Total	5,50,700	22.30%	-	9,58,980	38.83%	-	16.54%

* Only abovementioned Promoters have control over the affairs of the company.

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

Shareholder's Name	No. of Shares held at the beginning of the year (April 1, 2019)		No. of Shares held at the end of the year (March 31, 2020)	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
Manohar Lal Garg	1,21,000	4.90	1,29,280	5.24
Deepak Garg	319,700	12.95	7,19,700	29.14
Total	4,40,700	17.85%	8,48,980	34.38%

Note: During the financial year 2019-20, there was change in the shareholding of the Promoters.

(iv) **Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters and holders of GDRs and ADRs)**

S. No	Name of the Shareholder	Shareholding at the beginning of the year (April 1, 2019)		Increase / Decrease in shareholding		Cumulative Shareholding at the end of the year (March 31, 2020)	
		No. of shares	% of total shares of Company	Increase	Decrease	No. of shares	% of total shares of the Company
1.	Ram Sarup	56,000	2.27	0.00	0.00	56,000	2.27
2.	Surinder Kumar	7,800	0.33	0.00	0.00	7,800	0.33
3.	Sambhav Garg	0.00	0.00	23.76	0.00	5,86,620	23.76
4.	Chand Rani	5,75,000	23.28	0.00	(16.20)	1,75,000	7.08
5.	Tarun Aggarwal	1,15,000	4.66	0.00	0.00	1,15,000	4.66
6.	Ishwar Chand Mittal (HUF)	1,10,000	4.45	0.00	0.00	1,10,000	4.45
7.	Govind Aggarwal (HUF)	1,10,000	4.45	0.00	0.00	1,10,000	4.45
8.	Renu Mittal	1,20,000	4.86	0.00	0.00	1,20,000	4.86
9.	Renu Aggarwal	1,15,000	4.66	0.00	0.00	1,15,000	4.66
10.	Naresh Kumar (HUF)	1,15,000	4.65	0.00	0.00	1,15,000	4.65

(v) **Shareholding of Directors and Key Managerial Personnel (KMP)**

S. No.	Name of the Director	Shareholding at the beginning of the year (April 1, 2019)		Increase / Decrease in Shareholding during the year		Cumulative Shareholding at the end of the year (March 31, 2020)	
		No. of shares	% of total shares of Company	Increase	Decrease	No. of shares	% of total shares of the Company
1.	Deepak Garg	319,700	12.95	4,00,000	-	7,19,700	29.14
2.	Manohar Lal	1,21,000	4.90	8,280	-	1,29,280	5.24
3.	Ramesh Kumar	8,280	0.35	-	8,280	0	0

V. INDEBTEDNESS

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

(Amount in ₹)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (As on April 1, 2019)				
1) Principal Amount	26,91,85,470.36	7,01,49,862.00	0.00	3,39,33,533.36
2) Interest due but not paid	0.00	0.00	0.00	0.00
3) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (1+2+3)	26,91,85,470.36	7,01,49,862.00	0.00	3,39,33,533.36
Change in Indebtedness during the F.Y.				
▪ Additions	0	2,67,26,420	0	2,67,26,420
▪ (Reduction)	2,11,62,471.58	0	0	2,11,62,471.58
▪ Net Change	2,11,62,471.58	2,67,26,420		4,78,88,891.58
Indebtedness at the end of the financial year (As on March 31, 2020)				
I. Principal Amount	24,80,22,998.78	4,34,23,442.00	0.00	29,14,46,440.78
II. Interest due but not paid	0.00	0.00	0.00	0.00
III. Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	24,80,22,998.78	4,34,23,442.00	0.00	29,14,46,440.78

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Amount in ₹)

S. No.	Particulars of Remuneration	Name of the MD/WTM/Manager/		Total Amount
1	Gross salary			
	a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	0.00	0.00	0.00
	b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	0.00	0.00	0.00
	c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0.00	0.00	0.00
2	Stock option	0.00	0.00	0.00
3	Sweat Equity	0.00	0.00	0.00
4	Commission as— ▪ % of profit ▪ others(specify)	0.00	0.00	0.00
5	Others, please specify	0.00	0.00	0.00
	Total (A)	0.00	0.00	0.00
	Ceiling as per the Act			

B.-- Remuneration to other Directors*(Amount in ₹)*

S. No.	Particulars of Remuneration	Name of the Director	Name of the Director	Total Amount
I	Independent Directors			
	(a) Fee for attending board/ committee meetings	0.00	0.00	0.00
	(b) Commission	0.00	0.00	0.00
	(c) Others, please specify	0.00	0.00	0.00
	Total (1)	0.00	0.00	0.00
II	Other Non-Executive Directors	Deepak Garg	Ramesh Kumar	
	(a) Fee for attending board/committee meetings	6,90,000	3,72,000	10,62,000
	(b) Commission	6,90,000	3,72,000	10,62,000
	(c) Others please specify. (Salary)	0.00	0.00	0.00
	Total (2)	6,90,000	3,72,000	10,62,000
	Total (B)=(1+2)	6,90,000	3,72,000	10,62,000
	Overall Ceiling as per the Act	As per S. 197 & Schedule V		

C.-- Remuneration to Key Managerial Personnel other than MD/Manager/WTD/Director*(Amount in ₹)*

S. No.	Particulars of Remuneration	CEO	CFO	CS	Total Amount
1	Gross salary				
	d) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	0.00	0.00	0.00	0.00
	e) Value of perquisites u/s 17(2) of the Income tax Act, 1961	0.00	0.00	0.00	0.00
	f) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0.00	0.00	0.00	0.00
2	Stock option	0.00	0.00	0.00	0.00
3	Sweat Equity	0.00	0.00	0.00	0.00
4	Commission as— ▪ % of profit ▪ others (specify)	0.00	0.00	0.00	0.00
5	Others, please specify	0.00	0.00	0.00	0.00
	Total	0.00	0.00	0.00	0.00

VII PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

S. No.	Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority (RD/NCLT/ Court)	Appeal made if any(give details)
I	COMPANY Penalty Punishment Compounding					
				None		
II	DIRECTORS Penalty Punishment Compounding					
				None		
III	OTHER OFFICERS IN DEFAULT Penalty Punishment Compounding					
				None		

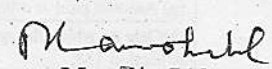
For and on behalf of the Board of Directors

For AB Cotspin India Ltd. **A B COTSPIN INDIA LIMITED**
For AB Cotspin India Ltd.

Date: 13/10/2020

Place: Bathinda


 Director
 Deepak Garg
 Director
 DIN: 00843929


 Manohar Lal
 Director
 DIN: 02406686

"ANNEXURE B"**FORM NO. AOC-2**

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

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

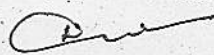
1. Details of the contact, arrangements or transactions not at arms' length price:

Particulars	Remarks
(a) Name(s) of the related party and nature of relationship	NIL
(b) Nature of contracts/arrangements/ transactions	NIL
(c) Duration of the contracts/arrangements/transactions	NIL
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	NIL
(e) Justification for entering into such contracts or arrangements or transactions	NIL
(f) Date of approval by the Board	NIL
(g) Amount paid as advance	NIL
(h) Date on which the special resolution was passed in the general meeting as required under first proviso to section 188.	NIL

2. Details of the material contracts or arrangements or transactions at arms' length basis:

S. No	Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/ transactions	Duration of the contracts/arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date of approval by the Board	Amount paid as advance, if any
1	Pooja Garg, Relative of Key Managerial Personnel	Remuneration paid	2019-20	Rs. 3,00,000/-	18.04.2019	Nil

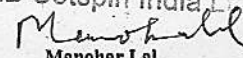
For AB Cotspin India Ltd.



Deepak Garg
Director
DIN: 00843929

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

For AB Cotspin India Ltd.


Manohar Lal
Director
DIN: 02406686

Date: 13th October, 2020
Place: Bathinda

"ANNEXURE-C"

As Per Section 178 of the Companies Act, 2013

Policy on Director's Appointment and Remuneration of Directors, Key Managerial Personnel and other Employees

INTRODUCTION

In accordance with Section 178 of the Companies Act, 2013 the Nomination and Remuneration Committee has formulated Remuneration Policy ("the policy").

The objective of the policy is to ensure that Executive Directors and other employees are sufficiently compensated for their performance. The Policy seeks to provide criteria for determining qualifications, positive attributes and independence of a director.

REMUNERATION POLICY**Directors**

Nomination and Remuneration Committee shall recommend the remuneration, including the commission based on the Net Profits of the Company for the Whole time Director and Executive Directors. This will be then approved by the Board.

The Company pays remuneration by way of salary, perquisites and allowances (fixed component) and variable pay to whole time Director (If Appointed). Salary is paid within the range approved by the Shareholders. Annual increments, as recommended by the Nomination and Remuneration Committee, and is approved by the Board. Within the prescribed ceiling, the perquisites package is approved by the Remuneration Committee.

The remuneration paid to Executive Directors is determined keeping in view the industry benchmark and the relative performance of the Company to the industry performance. Perquisites and retirement benefits are paid according to the Company policy as applicable to all employees.

Non-Executive Independent Directors are appointed for their professional expertise in their individual capacity as independent professionals / Business Executives. Non- Executive Independent Directors receive sitting fees for attending the meeting of the Board and Board Committees and commission as approved by the Board and shareholders (if decided).

The remuneration by way of commission paid to the Independent Non-Executive directors is determined periodically & reviewed based on the industry benchmark (If Applicable).

Key Managerial Personnel and Other Employees

The remuneration of employees largely consists of basic salary, perquisites, allowances and performance incentives. Perquisites and retirement benefits are paid according to the Company policy, subject to prescribed statutory ceiling.

The components of the total remuneration vary for different grades and are governed by the industry pattern, qualification & experience / merits, performance of each employee. The Company while deciding the remuneration package takes into consideration current employment scenario and remuneration package of the industry.

Annual variable pay of managers is linked to the performance of the Company in general and their individual performance for the relevant year measured against Company's objectives fixed in the beginning of the year.

CRITERIA FOR BOARD MEMBERSHIP

Directors

The Company shall take into account following points:

- Director must have relevant experience in Finance/ Law/ Management/ Sales/ Marketing/ Administration/ Research/ Corporate Governance/ Technical Operations or the other disciplines related to company's business.
- Director should possess the highest personal and professional ethics, integrity and values.
- Director must be willing to devote sufficient time and energy in carrying out their duties and responsibilities.

Independent Director

Independent Director is a director who has no direct or indirect material relationship with Company or any of its officers, other than as a director or shareholder of Company. Independent Director shall meet all criteria specified in Section 149(7) of the Companies Act, 2013 and rules made there under.

By order of the Board of Directors

For AB Cotspin India Ltd.

For A B Cotspin India Limited

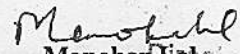
For AB Cotspin India Ltd.


Director

Deepak Garg

Director

DIN: 00843929


Manohar Lal

Director

DIN: 02406686

Date: 13th October, 2020

Place: Bathinda

“ANNEXURE D”

PARTICULARS OF EMPLOYEES

Statement pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forming part of Director's Report for the financial year ended March 31, 2020

Details of remuneration of the employees are given below:

A) Details of top ten employees of the Company in terms of remuneration drawn:

S. No	Name	Designation	Age	Remuneration Received(INR)	Qualification	Experience	Nature of employment (contractual or otherwise)	Date of commencement of employment	Last employment before joining the Company	% of Equity Capital held	Relationship with Director/ Manager of the Company - Name of Such Director/Manager
1	Deepak Garg	Director	44	690000	Graduate	9 Years	Non Contractual	01-01-2011	NA	29.14%	Director
2	Arun Kumar	Accountant	40	712000	Graduate	6 Years	Non Contractual	01-09-2014	NA	0.00%	No Relationship
3	Pooja Garg	Manager	42	600000	Graduate	2 Years	Non Contractual	01-10-2018	NA	2.43%	Wife of Director Deepak Garg
4	Suvarana Jindal	Manager	28	600000	Graduate	2 Years	Non Contractual	01-10-2018	NA	0.00%	No Relationship
5	Manohar Lal Garg	Director	76	360000	Matric	1 Years	Non Contractual	01-07-2019	NA	5.24%	Director
6	Ramesh Raina	C.E.O.	59	1320000	Graduate	2 Years	Non Contractual	01-07-2018	NA	0.00%	No Relationship
7	Kamal Kishore	HR	53	480000	Post Graduate	4 Years	Non Contractual	04-07-2016	NA	0.00%	No Relationship
8	Arjun Kumar Pal	Spinning Master	48	490700	Diploma	9 Years	Non Contractual	11-09-2011	NA	0.00%	No Relationship
9	Jaspol Singh	Foreman	45	376560	Matric	7 Years	Non Contractual	07-01-2013	NA	0.00%	No Relationship
10	Raj Kumar	Electrical Engineer	52	480800	ITI Diploma	9 Years	Non Contractual	10-09-2011	NA	0.00%	No Relationship

B) Employed throughout the financial year and in the receipt of remuneration aggregating Rupees 1,02,00,000 or more per annum:

Names	Designation	Age	Remuneration Received(INR)	Qualification	Experience	Nature of employment	Date commencement of employment	Last employment before joining the Company	% of Equity Capital held	Relationship with Director/ Manager of the Company - Name of Such Director
NOT APPLICABLE										

C) Employed for part of year and in receipt of remuneration not less than Rs. 8,50,000 per month:

Names	Designation	Age	Remuneration Received(INR)	Qualification	Experience	Nature of employment	Date commencement of employment	Last employment before joining the Company	% of Equity Capital held	Relationship with Director/ Manager of the Company - Name of Such Director
NOT APPLICABLE										

D) If employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company.

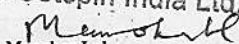
This Clause is not applicable on the Company

Date: 13th October, 2020
Place: Bathinda

For AB Cotspin India Ltd.


Director
Deepak Garg
Director
DIN: 00843929

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

For AB Cotspin India Ltd.

Manohar Lal
Director
DIN: 02406686
Director

INDEPENDENT AUDITOR'S REPORT

**THE MEMBERS
M/S A B COTSPIN LIMITED
JAITU**

Report on the Audit of Standalone Financial Statements

Opinion

We have audited the standalone financial statements of **M/S A B COTSPIN LIMITED, Jaitu** ("the Company"), which comprise the balance sheet as at 31st March 2020, and the statement of profit and loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020 and its profit and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of standalone financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone 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 standalone financial statements under the provisions of the Act and the Rules made there under, 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 standalone financial statements.

Key Audit Matters

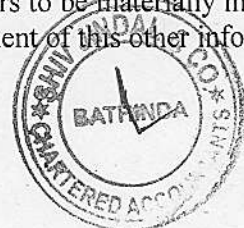
Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. Our report does not include any key audit matter, as the said reporting is not applicable to the company in accordance with the SAs.

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 2019-20, but does not include the standalone financial statements and auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone 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 Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. 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 standalone financial statements, the Board of Directors 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.

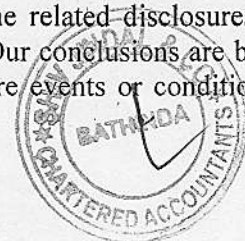
The Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

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



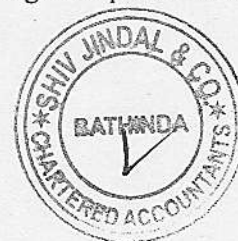
- e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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



Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act 2013, we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, and companies (Audit & Auditors) Rules 2014, 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, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified U/s 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) In our opinion, there are no adverse observations and comments on the financial transactions of the matters which have adverse effect on the functioning of the Company.
 - f) On the basis of the written representations received from the directors as on 31st March 2020, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2020, from being appointed as a director in terms of sub section (2) of section 164 of the Companies Act, 2013.
 - g) In our opinion, there are no qualifications, reservation or adverse remark relating to maintenance of accounts and other matter connected therewith.
 - h) 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"; and
 - i) 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, 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 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.

Place: Bathinda
Date: 13/10/2020

For Shiv Jindal & Co.
Chartered Accountants
FRN No.: 011316N

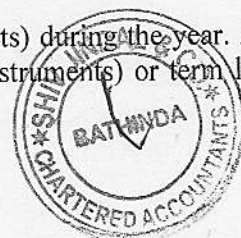

Shiv K. Jindal
Partner
M. No.: 090090

UDIN: 20090090AAAAJA8149

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, 2020.

Statement on Matters specified in paragraphs 3 & 4 of the Companies (Auditor's Report) Order, 2016:

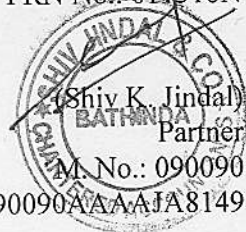
- i. (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
(b) All fixed assets have been physically verified by the management during the year at regular intervals, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification 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.
- ii. 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.
- iii. According to the information and explanation given to us the company has not granted unsecured loans to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act 2013 during the year and in our opinion, hence Para (a), (b) and (c) are not applicable.
- iv. In our opinion and according to the information and explanations given to us, provisions of Section 186 of the Act in respect of loans and guarantees given and investments made have been complied with by the Company. In our opinion and according to the information and explanations given to us, the Company has not advanced any loans to persons covered under the provisions of Section 185 or granted securities under Section 186 of the Act.
- 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. The Company is required to maintain Cost records as prescribed under sub section (1) of section 148 of the Companies Act, 2013.
- 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 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 with the appropriate authorities. There is 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. Further, since the Central Government has till date not prescribed the amount of cess payable under section 441A of the companies Act 1956, we are not in a position to comment upon the regularity or otherwise of the company in depositing the same.
(b) According to information and explanation given to us, there are no dues on account of 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. 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 banks.
- ix. No fresh funds have been raised by way further public offer (including debt instruments) during the year. Also raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans have been applied for the purposes for which those were raised.



- x. 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 by its officers or employees, has been noticed or reported during the year.
- xi. The managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- 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. According to the information and explanation given to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- 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. 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) of the Order are not applicable.

Place: Bathinda
Date: 13/10/2020

For Shiv Jindal & Co.
Chartered Accountants
FRN No.: 011316N



UDIN: 20090090AAAJA8149

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 LIMITED, Jaitu ("the Company") as of 31st March, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

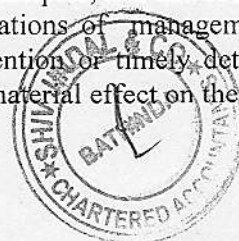
The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('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 over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external 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, 2020, 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: 13/10/2020

For Shiv Jindal & Co.
Chartered Accountants
FRN No. 011316N

(Shiv K. Jindal)
Partner
M. No.: 090090

UDIN: 20090090AAAAJA8149

M/S AB COTSPIN INDIA LTD, JAITU
BALANCE SHEET AS AT 31st MARCH, 2020

		(Amount in Rs.)	
PARTICULARS	Note No.	Figures as at the end of previous reporting period 31st March, 2020	Figures as at the end of previous reporting period 31st March, 2019
I. EQUITY AND LIABILITIES			
(1) SHARE HOLDER'S FUND			
(a) Share Capital	1	2,66,54,000.00	2,66,54,000.00
(b) Reserves and Surplus	2	16,61,63,084.14	15,46,60,114.24
(c) Money received against share warrants		0.00	0.00
(2) Share application money pending allotment			
(3) Non-Current Liabilities			
(a) Long-term borrowings	3		
i) Secured Loans		21,50,58,439.64	8,33,80,949.12
ii) Unsecured Loans		4,34,23,442.00	7,01,49,862.00
(b) Deferred tax liabilities (Net)		0.00	0.00
(c) Other Long term liabilities		0.00	0.00
(d) Long term provisions		0.00	0.00
(4) Current Liabilities			
(a) Short-term borrowings	4		
(b) Trade payables		3,29,64,559.14	18,58,04,521.24
(c) Other current liabilities		3,17,29,364.51	84,86,626.94
(d) Short-term provisions		1,34,61,828.00	2,13,10,231.00
		23,50,000.00	37,00,000.00
Total		53,18,04,717.43	55,41,46,304.54
II. Assets			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	5	22,11,84,413.90	24,13,44,443.80
(ii) Intangible assets		0.00	0.00
(iii) Capital work-in-progress		0.00	0.00
(iv) Intangible assets under development		0.00	0.00
(b) Non-current investments	6	1,00,000.00	1,00,000.00
(c) Deferred tax assets (net)	7	25,08,930.93	18,33,858.80
(d) Long term loans and advances		0.00	0.00
(e) Other non-current assets	8	1,03,88,118.00	37,36,916.00
(2) Current assets			
(a) Current investments		0.00	0.00
(b) Inventories	8A	18,93,18,609.60	19,20,50,367.72
(c) Trade receivables	9	9,00,09,911.00	9,42,31,420.00
(d) Cash and cash equivalents	10	7,92,647.00	13,98,934.47
(e) Short-term loans and advances	11	12,86,283.00	14,48,252.50
(f) Other current assets	12	1,62,15,804.00	1,80,02,111.25
Total		53,18,04,717.43	55,41,46,304.54

See accompanying Notes to the Financial Statements

1-21

For and on Behalf of Board

As per our Report of even date Attached

(DEEPAK GARG)
DIRECTOR
DIN:00843929

(MANOHAR LAL)
DIRECTOR
DIN: 02406686

PLACE : BATHINDA
DATE : 13-10-2020

For & on behalf of
SHIV JINDAL & CO.
Chartered Accountants



Membership No. 090090
Firm No. 011316N
UDIN:20090090AAAAJA8149

M/S AB COTSPIN INDIA LTD, JAITU

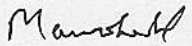
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2020

PARTICULARS	Notes No.	(Amount in Rs.)	
		Figures For the current reporting period 31st March, 2020	Figures For the previous reporting period 31st March, 2019
I. Revenue From Operations	13	94,21,20,634.60	1,20,98,67,696.46
II. Other Income	14	19,02,192.00	7,45,611.00
III. Total Revenue (I + II)		<u>94,40,22,826.60</u>	<u>1,21,06,13,307.46</u>
IV. EXPENSES			
Cost of Operations/Material Consumed	15	72,26,19,618.35	71,63,15,282.33
Changes in Inventory	16	-4,22,41,574.28	7,34,09,264.59
Purchase of Stock in Trade		3,08,01,768.00	16,13,14,680.00
Employee Benefit Expense	17	5,07,84,604.80	4,76,94,230.00
Financial Costs	18	1,91,62,354.41	2,88,95,462.82
Depreciation & Amortisation Expense	5	2,84,86,470.00	3,15,66,842.00
Other Expenses	19	12,12,19,877.56	13,41,77,539.67
Total Expenses (IV)		<u>93,08,33,118.84</u>	<u>1,19,33,73,301.41</u>
V. Profit before exceptional and extraordinary items and tax (III - IV)		<u>1,31,89,707.76</u>	<u>1,72,40,006.05</u>
VI. Exceptional Items		0.00	0.00
VII. Profit Before Extraordinary Items and Tax (V-VI)		1,31,89,707.76	1,72,40,006.05
VIII. Extraordinary Items		0.00	0.00
IX. Profit Before Tax (VII-VIII)		1,31,89,707.76	1,72,40,006.05
X. Tax expense:			
(1) Current tax		23,50,000.00	37,00,000.00
(2) Deferred tax		6,75,072.13	6,99,687.16
XI. Profit/(Loss) for the period from Continuing Operations (IX-X-XIV)		<u>1,15,14,779.90</u>	<u>1,42,39,693.21</u>
XII. Profit/(Loss) From Discontinuing Operations		0.00	0.00
XIII. Tax Expense of Discontinuing Operations		0.00	0.00
XIV. Profit/(Loss) From Discontinuing Operations (After Tax) (XII-XIII)		0.00	0.00
XV. Profit (Loss) For the Period (XI+XIV)		1,15,14,779.90	1,42,39,693.21
XVI. Earnings Per Equity Share			
(1) Basic		4.66	4.61
(2) Diluted		4.66	4.61


For and on Behalf of Board

As per our Report of even date Attached


(DEEPAK GARG)
DIRECTOR
DIN:00843929


(MANOHAR LAL)
DIRECTOR
DIN: 02406686

For & on behalf of
SHIV JINDAL & CO.
Chartered Accountants


(Shiv K. Jindal)
Partner
Membership No. 090090
Firm No. 011316N
UDIN:20090090AAAAJA8149

PLACE : BATHINDA
DATE : 13-10-2020

M/S AB COTSPIN INDIA LTD, JAITU
CASH FLOW STATEMENT
for the year ended 31-03-2020

Particulars	Amount(Rs.)
(A) Cash From Operating Activities	
Net profit as per Profit and Loss account	1,15,14,779.90
Add:	
Transfer to Reserves	0.00
Interim dividend paid during the year	0.00
Proposed dividend for the current year	0.00
Provision for tax made during the year	23,50,000.00
Extra ordinary items debited to profit and loss account (if any)	0.00
Decrease(Increase) in Deferred Tax Asset (Liability)	0.00
Less:	
Increase(Decrease) in Deferred Tax Asset (Liability)	6,75,072.13
Tax refund	0.00
Extraordinary items credited to profit and loss account (if any)	0.00
Net Cash Before Tax and Extraordinary Items	1,31,89,707.76
Adjustment for non cash and non operating items:	
Add:	
Depreciation	2,82,51,320.00
Goodwill, patents, trademarks etc written off	0.00
Discount on issue of shares, debentures or loss on issue of debentures written off	0.00
Preliminary expenses written off	0.00
Interest on debentures or other borrowings	1,89,18,473.27
Loss on sale of fixed assets	2,82,408.00
Less:	
Dividend earned during the year	0.00
Interest earned during the year	2,83,655.00
Rent earned during the year	0.00
Profit on sale of Fixed Assets	0.00
Operating Profit before Working Capital Changes:	6,03,58,254.03
Add/(Less):	
Decrease (Increase) in Current Assets	89,01,543.88
Increase (Decrease) in Current Liabilities	-13,74,45,627.53
Cash Generated from Operations	-6,81,85,829.62
Less: Income Tax paid (Less refund if any)	37,11,810.00
Cash Flow before Extraordinary Items	-7,18,97,639.62
Add/Less: Extraordinary Items	0.00
Net Cash from/used in Operating activities (A)	-7,18,97,639.62
(B) Cash Flow From Investing Activities	
Add:	
Proceeds from sale of Fixed Assets	4,18,000.00
Proceeds from sale of long term investments	0.00
Amount trf from Fixed Assets to Current Assets	5,37,090.90
Proceeds from sale of Goodwill/Patents/Trademarks etc	0.00
Rent received	0.00
Share of Profit received from Investments in other businesses	0.00
Interest/Dividend received (in case of non financial companies)	2,83,655.00
Less:	
Purchase of Fixed Assets	93,28,789.00
Purchase of Long Term Investments	0.00
Security Deposits	66,51,202.00
Purchase of long term investments	0.00
Purchase of Goodwill/Patents/Trademarks etc	0.00
Net Cash from/used in Investing activities (B)	-1,47,41,245.10



(C) Cash Flow from Financing Activities**Add:**

Proceeds from Issue of Shares and Debentures	0.00
Proceeds from Long term loans and other borrowings	0.00

Less:

Repayment of Long term Loans and Borrowing	-10,49,51,070.52
Redemption of Debentures/Preference Shares	0.00
Interest On Debentures and Loans Paid	1,89,18,473.27
Final Dividend Paid	0.00
Interim Dividend Paid	0.00

Net Cash from/used in Financing Activities (C) **8,60,32,597.25**

Net Increase/Decrease in Cash and Cash Equivalents(A+B+C) **-6,06,287.47**

Add: Cash and cash equivalents in the beginning of the year

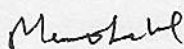
-Cash in hand/at bank	13,98,934.47
-Marketable Investments	0.00
-Short term deposits	0.00

Cash and Cash Equivalents at the end of the Year **7,92,647.00**

For and on Behalf of Board



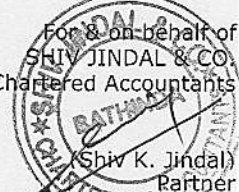
(DEEPAK GARG)
DIRECTOR
DIN:00843929



(MANOHAR LAL)
DIRECTOR
DIN: 02406686

As per our Report of even date Attached

For & on behalf of
SHIV JINDAL & CO.
Chartered Accountants



Membership No. 090090
Firm No. 011316N

UDIN:20090090AAAAJA8149

PLACE : BATHINDA
DATE : 13-10-2020

M/S AB COTSPIN INDIA LTD, JAITU

NOTE TO AND FORMING PART OF BALANCE SHEET AS AT 31st MARCH, 2020

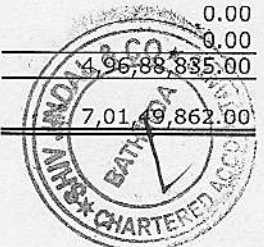
SL. No. DETAILS		AMOUNT AS AT 31.03.2020	(Amount in Rs.) AMOUNT AS AT 31.03.2019
1.SHARE CAPITAL			
(a)	Authorised Capital		
	(i) Current Year		
	(4600000 Equity Shares of Rs 10/- Each)	4,60,00,000.00	
	(400000 Preference Shares of Rs 10/- Each)	40,00,000.00	
	(ii) Previous Year		
	(4600000 Equity Shares of Rs 10/- Each)		4,60,00,000.00
	(400000 Preference Shares of Rs 10/- Each)		40,00,000.00
	TOTAL	5,00,00,000.00	5,00,00,000.00
(b) (i)	Issued Capital		
	(i) Current Year (2861400 Equity Shares of Rs 10/- Each)	2,86,14,000.00	
	(ii) Previous Year (2861400 Equity Shares of Rs 10/- Each)		2,86,14,000.00
(b) (ii)	Subscribed and Fully Paid		
	(i) Current Year (2469400 Equity Shares of Rs 10/- Each)	2,46,94,000.00	
	(ii) Previous Year (2469400 Equity Shares of Rs 10/- Each)		2,46,94,000.00
	Add: Shares Forfeited Not Yet Issued	19,60,000.00	19,60,000.00
	(392000 Equity Shares of Rs 10/- , Rs 5/- paid up)		
	TOTAL	2,66,54,000.00	2,66,54,000.00
(c)	Par Value Per Share	10.00	10.00
(d)	Reconciliation of No. of Shares Outstanding at the beginning and at the end of the Year	N.A	N.A
	Opening At the Beginig of the Year	24,69,400.00	24,69,400.00
	Issued During the Year	0.00	0.00
	Closing At the End of Year	24,69,400.00	24,69,400.00
(e)	Number of Shares held by the holding Co./Ultimate holding Co. in Aggregate	0.00	0.00
(f)	Share held by each shareholder holding more than 5%		
	(i) Deepak Garg	7,19,700.00	3,19,700.00
	(ii) Chand Rani	1,75,000.00	5,75,000.00
	(iii) Sanya Garg	0.00	5,86,620.00
	(iv) Manohar Lal Garg	1,29,280.00	0.00
	(v) Sambhav Garg	5,86,620.00	0.00
(g)	Shares Reserved for Issue under options and Contracts/Commitments for the sale of Shares/ Disinvestment,including the term and Amounts	0.00	0.00
(h) (i)	Aggregate No. of shares allotted as Fully paid up pursuant to contract without payment being received in cash in the preceeding five Years	0.00	0.00
(h) (ii)	Aggregate No. of shares allotted as Fully paid up by way of bonus shares in the preceeding five Years	0.00	0.00
(h) (iii)	Aggregate No. of shares brought back	0.00	0.00
(i)	Terms of any Securities convertible into equity shares/ Preference shares issued along with the earliest date of conversion in decending order starting from the farthest Such date	N.A	N.A
(j)	Calls Unpaid	0.00	0.00
(k)	Forfeited Shares	3,92,000.00	3,92,000.00



M/S AB COTSPIN INDIA LTD, JAITU

NOTE TO AND FORMING PART OF BALANCE SHEET AS AT 31st MARCH, 2020

PARTICULARS	AMOUNT AS AT 31.03.2020	AMOUNT AS AT 31.03.2019
<u>2.RESERVE & SURPLUS</u>		
(a) Security Premium Reserve	9,25,83,000.00	9,25,83,000.00
(b) Capital Reserve	76,80,282.00	76,80,282.00
(c) <u>Profit & Loss Account</u>		
Opening Balance	5,43,96,832.24	4,02,50,989.03
Profit during the year	1,15,14,779.90	1,42,39,693.21
Add/Less:Short/Excess Provision of I. Tax (Earlier Years)	11,810.00	93,850.00
TOTAL	6,58,99,802.14	5,43,96,832.24
GRAND TOTAL (a+b)	16,61,63,084.14	15,46,60,114.24
<u>3.LONG TERM BORROWINGS</u>		
(a) <u>Secured Loans from Bank</u>		
Punjab National Bank Term Loan		
Term Loan 346700IC00000031	0.00	8,08,47,914.50
(Secured by way of first charge/ mortgage on Immovable Properties of the Co.)		
HDFC Bank Car Loan	17,48,108.07	18,63,935.03
(Secured by hypothecation of Vehicles)		
HDFC Bank Canter Loan	4,26,317.05	6,69,099.59
(Secured by hypothecation of Vehicles)		
HDFC BANK LTD. (50200026342891), BATHINDA	16,64,69,715.67	0.00
(Secured by hypothecation of)		
HDFC BANK LTD. (TERM LOAN), BATHINDA	4,50,30,965.00	0.00
(Secured by hypothecation of)		
HDFC BANK LTD. LOAN A/C KOTKAPUR (50303038), .	13,83,333.85	0.00
(Secured by hypothecation of)		
	21,50,58,439.64	8,33,80,949.12
(b) <u>Unsecured Loans</u>		
a) <u>Due To Directors & Relatives</u>		
Deepak Garg	12,94,243.00	0.00
Seema Garg	0.00	5,31,314.00
Deepak Garg HUF	33,10,493.00	29,37,274.00
Shimla Devi W/O Sh. Manohar Lal, .	23,93,449.00	12,66,201.00
Manohar Lal S/O Daulat Ram, .	31,08,120.00	0.00
Pooja Garg W/O Sh. Deepak Garg, Goniana	42,10,067.00	26,01,039.00
Ramesh Goyal S/O Sh. Mansa Ram, Bathinda	0.00	8,21,274.00
Muskan Garg	29,50,925.00	23,03,925.00
Bansal Industries Abohar	0.00	1,00,00,000.00
TOTAL (a)	1,72,67,297.00	2,04,61,027.00
b) <u>Due To Members/Others</u>		
Kaur Sain Spinning Mills	0.00	1,95,92,500.00
REX GLOBAL LIMITED	16,85,000.00	16,85,000.00
Garg Acrylics Limited (Usl) Ludhiana, .	92,88,812.00	51,28,835.00
Isha Global Pvt. Ltd	4,30,113.00	2,32,82,500.00
Naresh Kumar & Brothers	10,29,515.00	0.00
Sadhu Ram Goyal	7,17,553.00	0.00
Trident Limited, Barnala	1,25,00,000.00	0.00
Homeland Buildwell	5,05,152.00	0.00
TOTAL (b)	2,61,56,145.00	4,96,88,835.00
GRAND TOTAL (a+b)	4,34,23,442.00	7,01,49,862.00



M/S AB COTSPIN INDIA LTD, JAITU

NOTE TO AND FORMING PART OF BALANCE SHEET AS AT 31st MARCH, 2020

PARTICULARS	AMOUNT AS AT 31.03.2019	AMOUNT AS AT 31.03.2018
4. CURRENT LIABILITIES		
(a) Short Term Borrowings		
Secured Loans from Bank		
HDFC Warehousing Limit (Secured by hypothecation of Inventory, Book Debts etc.)	1,26,58,185.20	0.00
PNB CC Limit from Bank (Secured by hypothecation of Inventory, Book Debts etc.)	0.00	13,32,60,748.98
Yes Bank Ltd - Pledge Limit (Secured by Pledge of Inventory)	2,03,06,373.94	5,25,43,772.26
	<u>3,29,64,559.14</u>	<u>18,58,04,521.24</u>
(b) Trade Payables		
Sundry Creditors	3,17,29,364.51	84,86,626.94
	<u>3,17,29,364.51</u>	<u>84,86,626.94</u>
(c) Other Current Liabilities		
Salary & Wages Payable	35,64,775.00	37,28,934.00
TDS/TCS Payable	4,96,666.00	7,26,447.00
EPF Payable	50,925.00	1,04,563.00
IGST (RCM)	11,293.00	0.00
CGST (RCM)	3,51,088.00	11,10,401.00
SGST (RCM)	3,51,088.00	11,10,401.00
Security Payable	50,000.00	50,000.00
Audit Fee Payable	45,000.00	50,000.00
Electricity Bill Payable	63,46,465.00	32,43,000.00
Telephone Bill Payable	0.00	7,469.00
Legal & Professional Fee Payable	0.00	58,532.00
Bonus Payable	7,40,500.00	39,71,000.00
Advances Received from Customers	0.00	1,897.00
Bank Interest Payable	0.00	18,48,010.00
Cheque Issued But Not Presented	14,54,028.00	52,99,577.00
TOTAL (b)	<u>1,34,61,828.00</u>	<u>2,13,10,231.00</u>
(d) Short Term Provisions		
Income Tax	23,50,000.00	37,00,000.00
	<u>23,50,000.00</u>	<u>37,00,000.00</u>



M/S AB COTSPIN INDIA LTD, JAIPUR

NOTE TO AND FORMING PART OF BALANCE SHEET AS AT 31st MARCH, 2020

5. FIXED ASSETS

PARTICULARS	GROSS BLOCK AT COST		DEPRECIATION		NET BLOCK	
	AS AT 01.04.2019	ADDITIONS DURING THE YEAR	DELETION DURING THE YEAR	AS AT 31.03.2020	AS AT 01.04.2019	AS AT 31.03.2020
PLANT & MACHINERY	42,26,41,262.11	74,30,633.00	6,10,000.00	42,94,61,895.11	25,22,48,207.61	27,592.00
(KNITTING)	2,13,08,536.00	0.00	0.00	2,13,08,536.00	1,25,28,339.96	0.00
FORK	9,70,955.00	0.00	0.00	9,70,955.00	6,75,928.81	0.00
STP	5,55,520.00	0.00	0.00	5,55,520.00	3,56,572.70	0.00
WATER FILTER	1,98,500.00	0.00	0.00	1,98,500.00	1,14,757.00	0.00
AIR CONDITIONER	5,43,240.00	0.00	0.00	5,43,240.00	3,66,782.41	0.00
BUILDING	8,67,60,876.13	0.00	0.00	8,67,60,876.13	4,47,81,590.46	0.00
LAND	1,41,17,637.00	0.00	1,18,000.00	1,39,99,637.00	0.00	0.00
FURNITURE	11,27,282.46	0.00	0.00	11,27,282.46	9,21,858.34	0.00
ELECTRICAL EQUIPMENTS	3,86,980.00	0.00	0.00	3,86,980.00	9,91,454.86	0.00
MOBILE	97,49,257.00	0.00	0.00	97,49,257.00	2,59,788.12	0.00
LAB (SPINNING)	80,88,937.00	18,98,156.00	0.00	99,87,093.00	84,38,981.90	0.00
MOTOR CAR	41,03,738.00	0.00	5,37,090.90	35,66,647.10	54,43,995.64	0.00
TRACTOR	3,19,298.00	0.00	0.00	3,19,298.00	38,54,407.72	0.00
TARPAL	68,805.00	0.00	0.00	68,805.00	2,25,987.83	0.00
SCOOTER	12,08,766.33	0.00	0.00	12,08,766.33	61,982.89	0.00
COMPUTER	8,46,875.00	0.00	0.00	8,46,875.00	11,71,455.98	0.00
CANTER	57,41,46,877.03	93,28,789.00	12,65,090.90	57,41,46,877.03	3,60,341.00	0.00
TOTAL	56,90,59,842.03	52,68,013.00	1,80,978.00	57,41,46,877.03	30,12,35,591.23	0.00
Previous Year Figure						



M/S AB COTSPIN INDIA LTD, JAITU

NOTE TO AND FORMING PART OF BALANCE SHEET AS AT 31st MARCH, 2020

PARTICULARS	AMOUNT AS AT 31.03.2020	AMOUNT AS AT 31.03.2019
<u>6. NON CURRENT INVESTMENTS</u>		
Religare Securities Ltd. (Mutual Fund)	1,00,000.00	1,00,000.00
	<u>1,00,000.00</u>	<u>1,00,000.00</u>
<u>7. DEFERRED TAX ASSETS (NET)</u>		
Opening Balance (Liability)/Assets	18,33,858.80	11,34,171.64
Deferred Tax (Liability) during the year	6,75,072.13	6,99,687.16
Deferred Tax (Liabilities)/ Assets	<u>25,08,930.93</u>	<u>18,33,858.80</u>
<u>8. OTHER NON-CURRENT ASSETS</u>		
<u>Preliminary Expense</u>		
Opening Balance	0.00	0.00
Less Written Off	<u>0.00</u>	<u>0.00</u>
Closing Balance	0.00	0.00
<u>Other Non-Current Assets</u>		
Security Deposits	1,03,88,118.00	37,36,916.00
TOTAL	<u>1,03,88,118.00</u>	<u>37,36,916.00</u>
<u>8A. CURRENT ASSETS</u>		
<u>Inventories</u>		
Raw Material	11,15,91,896.00	15,65,65,228.41
Stock in Process	44,54,800.00	39,45,680.00
Finished Goods	7,15,97,420.10	2,98,64,965.81
Stores, Chemicals and Packing Material	6,74,493.50	6,74,493.50
Machinery Stores/ Parts	10,00,000.00	10,00,000.00
TOTAL	<u>18,93,18,609.60</u>	<u>19,20,50,367.72</u>
<u>9. TRADE RECEIVABLES</u>		
Debtors outstanding for a period exceeding six months		
- Unsecured Considered Good	0.00	0.00
- Secured Considered Good	0.00	0.00
Other Debtors		
- Unsecured Considered Good	9,00,09,911.00	9,42,31,420.00
- Secured Considered Good	0.00	0.00
Debts Due by directors or other officers	0.00	0.00
TOTAL	<u>9,00,09,911.00</u>	<u>9,42,31,420.00</u>



M/S AB COTSPIN INDIA LTD, JAITU

NOTE TO AND FORMING PART OF BALANCE SHEET AS AT 31st MARCH, 2020

PARTICULARS	AMOUNT AS AT 31.03.2020	AMOUNT AS AT 31.03.2019
<u>10.CASH & CASH EQUIVALENTS</u>		
<u>Cash In Hand</u>		
Head Office	6,02,783.00	9,79,537.00
<u>Bank Balance</u>		
(a) <u>Term Deposits</u>		
(i) Marked	1,54,000.00	2,16,000.00
(ii) Unmarked	0.00	0.00
(iii) Accrued FDR Interest	24,021.00	1,36,932.00
(b) <u>In Current Accounts</u>		
PNB -Jaitu (0246002100301669)	843.00	15,238.37
PNB -Bathinda (0050002100054328)	0.00	12,643.89
PNB -Bathinda (3467002101001791)	0.00	4,910.28
PNB -GNA (6839002100000559)	0.00	10,209.04
PNB -Bathinda (3467002101002064)	0.00	3,463.89
HDFC BANK LTD. (50200026342891)	0.00	20,000.00
HDFC BANK LTD C/A 59209216300069	11,000.00	0.00
TOTAL	7,92,647.00	13,98,934.47
<u>11.SHORT TERM LOANS & ADVANCES</u>		
Advances recoverable in Cash or in Kind	0.00	5,72,096.50
Prepaid Insurance	12,86,283.00	8,76,156.00
TOTAL	12,86,283.00	14,48,252.50
<u>12.OTHER CURRENT ASSETS</u>		
Advance Income Tax	25,00,000.00	20,00,000.00
TDS/TCS	1,05,050.00	50,030.00
Duty Drawback/ Excise Duty Receivable	2,05,292.00	5,61,663.25
Cheque Deposited but not Collected	0.00	53,17,516.00
Fastag	430.00	0.00
CGST	31,36,809.50	7,95,896.00
SGST	1,02,68,222.50	92,77,006.00
TOTAL	1,62,15,804.00	1,80,02,111.25



M/S AB COTSPIN INDIA LTD, JAITU

NOTE TO AND FORMING PART OF BALANCE SHEET AS AT 31st MARCH, 2020

PARTICULARS	AMOUNT AS AT 31.03.2020	AMOUNT AS AT 31.03.2019
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13.REVENUE FROM OPERATIONS

(a) Sale of Products

Cotton Seed Cake	10,78,80,575.00	12,70,47,343.00
Cotton Seed Oil	3,93,59,225.00	4,59,04,859.00
Cotton Seed	7,59,56,101.50	6,41,65,009.00
Cotton Waste	5,51,74,499.00	6,19,66,313.00
Cotton Yarn - Export	0.00	0.00
Cotton Yarn - Direct Export	0.00	2,64,68,787.00
Cotton Yarn - Domestic	58,11,54,122.40	76,77,56,618.00
Cotton	0.00	0.00
Oil Gad	1,95,720.00	1,89,840.00
Cloth	7,13,75,119.00	11,46,70,670.00
Mustard Seed Cake	7,50,884.00	0.00
Mustard Seed Oil	63,67,598.00	0.00

TOTAL	<u>93,82,13,843.90</u>	<u>1,20,81,69,439.00</u>
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(b) Operating revenue

Weigh Bridge Charges	1,35,015.00	2,28,490.00
Cash Discounts / Rebate etc/Scheme	9,25,766.70	7,20,691.46
Realized Exchange Fluctuation Gain	0.00	4,17,469.00
Shortage & Quality Claim	4,96,570.00	0.00
Pre-Closer Charges Reversed	9,77,000.00	0.00
Job Work Receipt	13,22,908.00	66,000.00
Duty Drawback	49,531.00	2,65,607.00

TOTAL	<u>39,06,790.70</u>	<u>16,98,257.46</u>
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GRAND TOTAL (a+b)	<u>94,21,20,634.60</u>	<u>1,20,98,67,696.46</u>
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14.OTHER INCOME

Profit on Sale of Land	57,500.00	88,382.00
Insurance Refund & Claim	13,25,887.00	4,00,490.00
Interest Received	2,83,655.00	2,56,739.00
Depreciation wrongly charged now reversed	2,35,150.00	0.00

TOTAL	<u>19,02,192.00</u>	<u>7,45,611.00</u>
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15.MATERIAL CONSUMED/COST OF OPERATIONS

Opening Stock	15,72,39,721.91	17,05,29,185.74
Purchases	66,89,34,331.94	69,21,82,106.50
Freight and Other Exp Paid	<u>87,11,954.00</u>	<u>1,08,43,712.00</u>
	83,48,86,007.85	87,35,55,004.24

Closing Stock		
Narma/ Cotton	11,15,91,896.00	15,65,65,228.41
Packing Material	6,74,493.50	6,74,493.50

Material Consumed	<u>72,26,19,618.35</u>	<u>71,63,15,282.33</u>
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16. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK IN PROGRESS

Opening Stock		
Finished Goods	2,98,64,965.81	10,00,30,405.75
Stock in Process	<u>39,45,680.00</u>	<u>71,89,504.66</u>
	3,38,10,645.81	10,72,19,910.41

Closing Stock		
Finished Goods	7,15,97,420.10	2,98,64,965.81
Stock in Process	<u>44,54,800.00</u>	<u>39,45,680.00</u>
	7,60,52,220.10	3,38,10,645.81

	<u>-4,22,41,574.28</u>	<u>7,34,09,264.59</u>
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M/S AB COTSPIN INDIA LTD, JAITU

NOTE TO AND FORMING PART OF BALANCE SHEET AS AT 31st MARCH, 2020

PARTICULARS	AMOUNT AS AT 31.03.2020	AMOUNT AS AT 31.03.2019
17.EMPLOYEE BENEFIT EXPENSES		
Salary & Wages	4,83,73,298.00	4,27,24,975.00
Bonus	7,40,500.00	39,71,000.00
Staff Welfare Exp.	11,88,727.80	4,72,639.00
EPF	4,82,079.00	5,25,616.00
TOTAL	5,07,84,604.80	4,76,94,230.00
18.FINANCIAL COSTS		
Bank Charges	2,43,881.14	5,53,218.91
Interest	1,89,18,473.27	2,83,42,243.91
TOTAL	1,91,62,354.41	2,88,95,462.82
19.OTHER EXPENSES		
Freight (Others)	30,62,436.00	24,80,870.00
Insurance Exp	17,67,588.00	17,49,750.00
Directors Remuneration	10,62,000.00	12,52,000.00
Legal Fee	18,500.00	35,000.00
Telephone Exp	1,37,626.00	1,66,372.00
Audit Fee	50,000.00	25,000.00
Travelling Exp.	82,823.00	6,24,678.00
Foreign Travelling	2,80,000.00	0.00
Godown Rent	4,90,000.00	4,95,000.00
Machinery Repair & Maintenance	1,41,06,561.15	1,36,88,838.31
Building/Other Repair & Maintenance	10,58,457.00	2,49,813.00
Advertisement Exp	33,284.00	32,128.00
Brokerage	33,13,326.00	73,36,233.00
Power & Fuel		
Oil & Fuel	9,62,037.00	19,36,102.00
Electricity Exp	7,73,75,431.00	8,43,40,856.00
Conveyance Expenses		
Tempo/ Canter/Tractor Exp.	55,41,774.00	52,69,971.68
Scooter Exp	39,985.00	84,837.00
Vehicle Running Expenses	6,34,664.00	6,94,166.20
Others		
GST paid for Reconciliation	80,716.00	0.00
Excise Refund Short Received	41,966.25	0.00
VAT Demand	67,525.00	0.00
Fees Rates & Taxes	4,78,564.00	7,74,066.00
Fork lifter	30,155.00	0.00
Loss on Sale of Expellers	2,82,408.00	0.00
Donation	2,88,013.00	78,100.00
Packing Expenses	89,97,134.00	93,08,005.00
Printing & Stationary	1,93,811.00	1,52,964.27
Kitchen Expenses	3,66,134.00	3,59,878.00
Postage & Telegram	26,114.00	57,182.00
Miscellaneous Expenses	3,50,730.00	2,10,512.74
Round Off	115.16	76.47
Shortage & Quality Cut	0.00	25,071.00
Loss on Comm. MCX/NCDX Trading Profit	0.00	15,26,500.00
Bad Debts	0.00	5,96,447.00
Export Expenses	0.00	6,16,772.00
Int on TDS	0.00	140.00
TDS/TCS Demand Paid	0.00	10,210.00
TOTAL	12,12,19,877.56	13,41,77,539.67



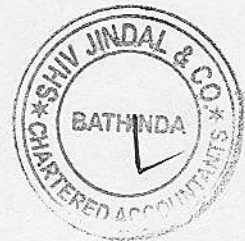
M/S AB COTSPIN INDIA LTD, JAITU

NOTE TO AND FORMING PART OF BALANCE SHEET AS AT 31st MARCH, 2020

20. CONTINGENT LIABILITIES AND COMMITMENTS

(To the extent not provided for)

PARTICULARS	As at 31 March, 2020	As at 31 March, 2019
<u>Contingent Liabilities</u>		
(a) Claims against the Company not acknowledged as debt	0.00	0.00
(b) Guarantees		
(i) Foreign Trade Ministry of Commerce	1,04,000.00	1,66,000.00
(ii) Punjab Pollution Board	50,000.00	50,000.00
(c) Other money for which the Company is contingently liable	0.00	0.00



A B COTSPIN INDIA LIMITED

NOTE-20 NOTES TO ACCOUNTS:

1. SIGNIFICANT ACCOUNTING POLICIES

a) System of Accounting

i) Basis of Preparation of Financial Statements:

The financial statements are prepared and presented under the historical cost convention on accrual basis of accounting in accordance with the generally accepted accounting principles in India ("GAAP"), applicable Accounting Standards issued by The Institute of Chartered Accountants of India and under the historical cost convention, on accrual basis.

ii) Revenue Recognition:

Revenue is being recognized in accordance with the Guidance Note on Accrual Basis of Accounting issued by The Institute of Chartered Accountants of India. Accordingly, wherever there are uncertainties in the realization of income same is not accounted for till such time the uncertainty is resolved.

b) Current Assets

Assets and liabilities are recorded at historical cost. These costs are not adjusted to reflect the changing value in the purchasing power of money.

c) Fixed Assets

Fixed Assets are stated at historical cost, less depreciation. Costs of fixed assets include taxes, duties, freight and other expense incidental and related there to the construction, acquisition, and installation of respective assets. Depreciation has been provided on the Written down value method at the rates and in the manner specified in Schedule II of the Companies Act, 2013.

d) Valuation of Stocks

i) Stock of raw material and consumables if any are carried at cost (computed on Standard Cost basis) or Net Realizable Value, whichever is lower.

ii) Stock of work-in-progress if any is value at cost upto the level of processed and includes cost of material consumed, labour and manufacturing overhead. However, there was no stock-in-progress at end the financial year.

iii) Finished goods if any are value at cost of manufacturing (computed on Standard Cost basis) or net realizable value, whichever is lower.

e) Treatment of Expenses :

All expenses are accounted for on accrual basis.

Accounting Policies not specifically referred to are consistent with Generally Accepted Accounting Practices.

2. EMPLOYEES BENEFITS :

a) Provident Fund

The Company's Contribution to the recognized Provident Fund (Defined Contribution Scheme), paid/payable during the year, is debited to the Profit and Loss Account.

b) Employee State Insurance

ESIC Provisions are not Applicable in the case of company.



c) Gratuity Fund

Provisions of Gratuity Fund are not applicable in case of the company as no employee has been employed for a period exceeding five years with the current employer.

3. The outstanding balances of sundry debtors, creditors, loans and advances are subject to confirmation.
4. Previous year figures has been regrouped and rearranged for the sake of presentation.
5. (i) The number of employees employed throughout the years that are in receipt of emoluments aggregating to Rs. 60 Lacs or more were nil.
(ii) The number of employees employed for part of the year who are in receipt of or were entitled to receive emoluments aggregating to Rs.5.00 Lacs or more per month were nil.
6. The following payments have been made to the statutory auditors:
I. Audit Fees 31-03-2020
Rs. 50,000/-
7. In the opinion of the management and to the best of their knowledge, current assets, loans and advances are approximately of the value stated in the Balance Sheet in the ordinary courses of business.
8. As per the information available with the company regarding the status of the suppliers covered under the "Interest on delayed there is no unpaid due & interest to such small scale and/or ancillary industrial undertakings as on 31.03.2020".
9. Preliminary expenses, if any, are to be amortized over a period of ten years by charging 1/10 of the total expenses to the profit & loss account.
10. RELATED PARTY TRANSACTIONS:

The following related party transactions (although being Arm's length) took place during the year.

Name	Nature of Payment	Amount	Relation
Deepak Garg	Interest	43570.00	Director
Deepak Garg HUF	Interest	379410.00	Director's HUF
Shimla Devi	Interest	154620.00	Director's Mother
Manohar Lal	Interest	36800.00	Director
Pooja Garg	Interest	289820.00	Director's Wife
Muskan Garg	Interest	317000.00	Director's Niece
Deepak Garg	Directors Remuneration	690000.00	Director
Ramesh Kumar	Directors Remuneration	372000.00	Director
Pooja Garg	Salary	300000.00	Director's Wife

11. Additional information on profit and loss account – Nil

12. DEPRECIATION / AMORTIZATION :

Depreciation on fixed assets has been provided on WDV method on prorata basis over the useful life prescribed in schedule II to the Companies Act, 2013 after considering salvage value of five percent of original cost. The Company has considered useful life of assets same as prescribed under the Companies Act, 2013.

Depreciation upto 31.03.2014 was provided on WDV method on prorata basis at the rates prescribed in schedule XIV to the Companies Act, 1956.



Due to transition from schedule XIV to schedule II, depreciation on assets existing as on 31.03.2014, has been provided in such a way so that assets should be depreciated after considering salvage value of five percent of original cost of the assets over a useful life of assets as prescribed under schedule II of the companies Act, 2013. Assets of which useful life has already been expired but depreciation charged till previous financial year was less than 95% of original cost of the assets, difference of 95% of Original Cost and depreciation charged till last year, has been charged to profit and loss account as depreciation.

Assets on which depreciation has already been charged above of 95% of Original Cost of the assets till previous financial year and written down value of the assets is less than 5% of Original Cost, salvage value has been considered remaining WDV as on first day of current financial year.

13. TAXES ON INCOME :

Provision for current tax has been made as per the provisions of Income Tax Act, 1961.

14. Deferred tax has been recognized, subject to the consideration of prudence, on timing difference, being the difference between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period. During the year an amount of Rs. 6,75,072.13 /- has been recognized as deferred tax Asset on account of timing difference of depreciation. Difference of Depreciation is Rs. 25,96,431.28/- (As depreciation as per companies Act is Rs. 2,84,86,470.00/- and as per Income Tax it works out to be Rs. 2,58,90,038.72/-). Deferred Tax Asset on the difference comes to Rs. 6,75,072.13 /-. This amount has been credited to Profit & Loss account and has been adjusted in deferred tax Asset in the Balance Sheet.

15. EARNING PER SHARE :

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

16. LEASES :

The Company has taken godown/ office building on lease, which is classified as an Operating Lease.

17. INVESTMENTS :

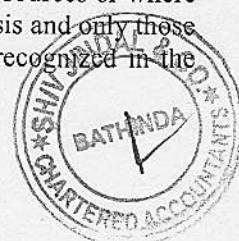
Long term investments if any are carried at cost. However, provision is made for diminution in value (if any), other than temporary, on an individual basis.

18. BORROWING COST :

Interest and other borrowing costs on specific borrowings, attributable to qualifying if any assets, are capitalized. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Other borrowing costs are charged to revenue over the tenure of the loan.

19. ACCOUNTING FOR PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS :

Provisions are recognized in terms of Accounting Standard 29 - Provisions, Contingent Liabilities and Contingent Assets (AS-29), notified by the Companies (Accounting Standards) Rules, 2006, when there is a present legal or statutory obligation as a result of past events, where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made. Contingent Liabilities are recognized only when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company, or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for. Contingent Assets are not recognized in the financial statements.



20. TRANSACTION IN FOREIGN CURRENCY :

Particulars of Payment	Amount(Foreign Currency)	Amount (INR)
Expenditure in Foreign Currency	Euros 2400/-	Rs. 1,88,384
Earnings In Foreign Exchange	Nil	Nil
Imports	Nil	Nil

Signature to Note 1 to 20

Place: BATHINDA

Dated: 13/10/2020

For SHIV JINDAL & CO.

Chartered Accountants

FRN: 011316N

(SHIV K. JINDAL)

PARTNER

M.No. 090090

UDIN: 20090090AAAAJA8149

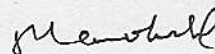
For & on behalf of Board



(DEEPAK GARG)

DIRECTOR

DIN: 00843929



(MANOHAR LAL)

DIRECTOR

DIN: 02406686

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 23rd Annual General Meeting of the Members of **A B Cotspin India Limited** is scheduled to be held on Thursday, the 31st Day of December 2020 at 10:00 AM at the Registered Office of the Company situated at 176 Homeland Enclave, Bathinda, Punjab-151001 to transact the following businesses:

ORDINARY BUSINESS(ES):

- 1) To receive, consider and adopt the Audited financial statements of the Company for the financial year ended on 31st March, 2020 and the report of the Board of Directors and Auditors thereon.
- 2) To approve Re-appointment of Mr. Deepak Garg, Director (DIN: 00843929), who retires by rotation and being eligible offers himself for re-appointment;
- 3) Reappointment of M/s. Shiv Jindal & Co., Chartered Accountants (FRN: 011316N) as Auditors of the Company

To consider and approve the re-appointment of M/s Shiv Jindal & Co., Chartered Accountants (FRN 011316N) as Auditors of the Company and to fix their remuneration and, if thought fit, to pass, with or without modification, the following resolution as **ordinary resolution**:

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the rules and regulations framed thereunder, (including any statutory modification(s) or re-enactment thereof for the time being in force), M/S Shiv Jindal & Co., Chartered Accountants (FRN 011316N) be and are hereby re-appointed as Auditors of the Company from the conclusion of 23rd Annual General Meeting upto the conclusion of 28th Annual General Meeting of the Company to be held for the financial year ended on 31st March, 2025 at such remuneration and reimbursement of out of pocket expenses for the purpose of audit as may be decided and fixed by the Board of Directors of the Company in consultation with the Auditors.

RESOLVED FURTHER THAT, the Board of Directors of the Company, be and are hereby authorized to do all such acts, deeds, matters and things as deem necessary, proper or desirable to giving effect to the aforesaid resolution along with filing of necessary e-forms with the Registrar of Company .”

SPECIAL BUSINESS:

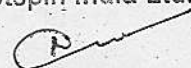
- 4) To regularize the appointment of Mr. Ramesh Kumar (DIN: 07684009) as Director of the Company.

To consider and approve the regularization of appointment of Mr. Ramesh Kumar as Director of the Company and if thought fit, to pass with or without modification(s), the following resolution, as **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152, 161 and other applicable provisions if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification or re-enactment(s) thereof, for the time being in force), the approval of the members of the Company be and is hereby accorded to appoint Mr. Ramesh Kumar (DIN: 07684009), who was appointed as additional director of the Company on 02nd March, 2020 to hold the office till the commencement of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, as a Director of the Company liable / not liable to retire by rotation.

RESOLVED FURTHER THAT Mr. Deepak Garg and/or Mr. Manohar Lal, Directors of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things as deem necessary, proper or desirable to giving effect to the aforesaid resolution along with filing of necessary e-forms with the Registrar of Company .”

By order of the Board of Directors
For A B Cotspin India Limited
For AB Cotspin India Ltd.



Director
Deepak Garg
Director
DIN: 00843929

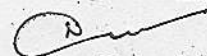
Date: 13th October, 2020
Place: Bathinda

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED WITH THE COMPANY, NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. PURSUANT TO PROVISIONS OF SECTION 105 OF THE COMPANIES ACT 2013, READ WITH THE APPLICABLE RULES THEREON, A PERSON CAN ACT AS A PROXY ON BEHALF OF THE MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THEN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS, MAY APPOINT A SINGLE PERSONS PROXY, WHO SHALL NOT ACT AS A PROXY FOR ANY MEMBER.
3. THE REGISTER OF DIRECTORS AND KEY MANAGERIAL PERSONNEL AND THEIR SHAREHOLDING MAINTAINED UNDER SECTION 170 AND REGISTER OF CONTRACTS AND ARRANGEMENT IN WHICH ARE INTERESTED MAINTAINED UNDER SECTION 189 OF THE COMPANIES ACT, 2013 WILL BE AVAILABLE FOR INSPECTION BY THE MEMBERS AT THE ANNUAL GENERAL MEETING
4. MEMBERS/PROXIES SHOULD BRING DULY FILED ATTENDANCE SLIPS SENT HERewith TO ATTEND THE MEETING.
5. CORPORATE MEMBERS INTENDING TO SEND THEIR AUTHORIZED REPRESENTATIVES TO ATTEND THE MEETING ARE REQUESTED TO SEND TO THE COMPANY A CERTIFIED COPY OF THE BOARD RESOLUTION OR AUTHORIZATION LETTER AUTHORIZING THEIR REPRESENTATIVE TO ATTEND AND VOTE ON THEIR BEHALF AT THE MEETING.
6. THE ATTENDANCE SLIPS AND PROXY FORM IS ATTACHED TO THE NOTICE.
7. ROUTE MAP TO THE VENUE OF THE MEETING IS PROVIDED AT THE END OF THE NOTICE.
8. A STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013, RELATING TO THE SPECIAL BUSINESS TO BE TRANSACTED AT THE MEETING IS ANNEXED HERETO.

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

For AB Cotspin India Ltd.



Deepak Garg
Director

DIN: 00843929

Date: 13th October, 2020

Place: Bathinda

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

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

Item No. 4

Mr. Ramesh Kumar (DIN: 07684009) was appointed by the Board of Directors as Additional Director of the Company with effect from 2nd March, 2020 in terms of Section 161 of the Companies Act, 2013. Under the provisions of Section 161 of the Companies Act, 2013, he shall vacate his office at this upcoming Annual General Meeting.

The Board at its meeting held on 13th October, 2020, recommended for the approval of the Members, a resolution for appointment of Mr. Ramesh Kumar (DIN: 07684009) as Director of the Company as set out in the Notice. Further a notice under Section 160 of the Act has been received from Members proposing his appointment as a Director of the Company.

None of the Directors/Key Managerial Personnel or their relatives are, in any way, financially or otherwise, concerned or interested in the proposed resolutions.

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

By order of the Board of Directors
For A B Cotspin India Limited
For AB Cotspin India Ltd.

Date: 13th October, 2020
Place: Bathinda


Director
Director
DIN: 00843929

Form No. MGT-11**Proxy form**

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

CIN:	U17111PB1997PLC020118
Name of the company:	A B COTSPIN INDIA LIMITED
Registered Office:	176, Homeland Enclave, Bathinda, Punjab-151001

Name of the member(s):

Registered address:

Email Id:

Folio No. /Client Id:

DP ID:

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

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

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 23rd Annual General Meeting of the company, to be held on Thursday, 31st December, 2020 at 10.00 A.M at the Registered Office of the Company and at any adjournment thereof in respect of such resolutions as are indicated below:

Special Business:

To regularize the appointment of Mr. Ramesh Kumar (DIN: 07684009) as Director of the Company.

Signed this..... day of..... 2020

Affix
Revenue
Stamp

Signature of shareholder

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

ENTRANCE PASS/ATTENDANCE SLIP
(To be presented at the entrance)

Name	
Address of Shareholder	
Registered Folio/DP ID & Client ID	
No. of Shares held	

I hereby record my presence at the 23rd Annual General Meeting of the Company held on Thursday, 31st December, 2020 at 10.00 A.M at 176 Homeland Enclave, Bathinda-151001

Signature of the
Shareholder/Proxy/Representative*

* Strike out whichever is not applicable.

Route Map to the venue of AGM: