

# **A B COTSPIN INDIA LIMITED**

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

## **ANNUAL REPORT**

**2017-18**

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**BOARD REPORT**

To  
The Members of  
**A B COTSPIN INDIA LIMITED**  
176, Homeland Enclave,  
Bathinda, Punjab-151001 India

Dear Members,

The Board of your Company is immensely delighted in presenting its 21<sup>st</sup> Annual Report. The Report is being presented along with the Audited Financial Statements for the Financial Year ended March 31, 2018.

**FINANCIAL RESULTS**

Your Company's performance during the financial year 2017-18 is summarized below:

<b>PARTICULARS</b>	<b>For the year ended 31.03.2018</b>	<b>For the year ended 31.03.2017</b>
	<b>₹</b>	<b>₹</b>
Revenue from Operations	1,21,28,44,806.55	1,07,93,63,241.00
Add: Other income	3,76,033.83	19,05,957.00
<b>Total Revenue</b>	<b>1,21,32,20,840.00</b>	<b>1,08,12,69,198.00</b>
Profit Before Depreciation	4,92,47,048.23	4,80,02,351.79
Less: Depreciation	3,56,26,570.00	3,98,80,461.00
<b>Profit Before Tax</b>	<b>1,36,20,478.23</b>	<b>81,21,890.79</b>
Less: Provision for Taxation : Current tax	28,75,000.00	15,92,000
: Deferred tax	6,44,293.08	4,89,878.56
<b>Profit/(Loss) After Tax</b>	<b>1,13,89,771.31</b>	<b>70,19,769.35</b>
<b>Earning Per Equity Share: Basic</b>	<b>4.61</b>	<b>2.84</b>
: Diluted	4.61	2.84

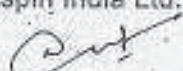
**STATE OF AFFAIRS OF THE COMPANY**


It is imperative that affair of our Company are managed in a fair and transparent manner. This is vital to gain and retain the trust of our stakeholders. The main business activities of the Company include the following:

- ❖ Company is engaged in the business to Establish, Purchase, take and lease or otherwise, acquire and work any textile milts handlooms, power looms, cotton ginning and processing factory, spinning milts, weaving milts, Rice mill, oil mill solvent pant waste plant, process for pressing merchandise, into bales process, buy, sell, import, export or otherwise deal in cotton, Kapas, cotton seed oil paddy, oil seed, jute, flex, hemp, silk agriculture produce and products made thereof.

**RESULTS OF BUSINESS OPERATIONS**

During the year under review, the Company had a turnover of ₹1,21,28,44,806.55 /-(Rupees One Hundred Twenty One Crore Twenty Eight Lakh Forty Four Thousand Eight Hundred and Six Decimal Five Five Only) and the Company had earned a Net Profit of ₹ 1,13,89,771.31 /- (Rupees One Crore Thirteen Lakh Eighty Nine Thousand Seven Hundred Seventy One Decimal Three One For AB Cotspin India Ltd.

  
Director

  
Director



Only) for the current year as compared to last year's Profit of ₹ 70,19,769.35 /- (Rupees Seventy Lakh Nineteen Thousand Seven Hundred Sixty Nine Decimal Three Five Only).

### **SHARE CAPITAL OF THE COMPANY**

- The Authorised Share Capital :
  - ❖ Equity Share 46,00,000 (Forty six Lakh) of Rs 10 each ₹4,60,00,000 (Rupees four Crore sixty Lakh only)
  - ❖ Preference Share 400,000 (Four Lakh only) of Rs. 10 Each ₹ 40,00,000 (Rupees forty lakh only)
- The issued Equity share capital of the Company is ₹ 2,86,14,000 /- (Rupees Two Crore Eighty Six Lakh Fourteen Thousand Only).
- The paid up equity capital as on March 31, 2018 was ₹2,46,94,000/- (Rupees Two Crore Forty Six Lakh Ninety Four Thousand Only).
- The Company has forfeited the 3,92,000 (Three Lakh Ninety Two Thousand) Equity Shares of Rs. 5 /- which was not yet issued.
- During the year under review, the Company has not issued any class of shares.

### **RESERVES AND SURPLUS:**

During the financial year under review the company has not transferred any amount in General Reserve account, however the whole profit of the current year amounting Rupees 1,13,89,771.31 /- (Rupees One Crore Thirteen Lakh Eighty Nine Thousand Seven Hundred and Seventy One Decimal Seven One Only) transferred in surplus account resulting of the that at the end of Financial year Surplus stood at Rupees 4,02,50,989 (Rupees Four Crore two lakh Fifty Thousand Nine Hundred and Eighty Nine Only) and the remaining Reserve's balance are same as in Security premium 9,25,83,000 (Rupees Nine Crore Twenty five Eighty three thousand Only) and capital Reserve 76,80,282 (Rupees Seventy six lakh eighty thousand two hundred and eighty two only).

### **EXTRACT OF THE ANNUAL RETURN**

Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as "Annexure A".

### **MEETINGS DURING THE FINANCIAL YEAR**

#### **BOARD MEETINGS:**

During the financial year 2017-18, the Board of Directors of the Company duly meet Seven (07) times i.e. on 10/05/2017, 01/07/2017, 01/08/2017, 18/11/2017, 15/12/2017, 28/12/2017 and 19/03/2018. The intervening gap between the two meetings was within the period as prescribed under the Companies Act, 2013.

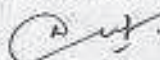
#### **GENERAL MEETINGS:**

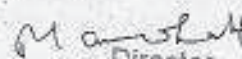
Annual General Meeting for F.Y. 2016-2017 is held on 30<sup>th</sup> day of September, 2017.

Extra Ordinary General Meetings: During the year an extra ordinary general meeting held on 10<sup>th</sup> July, 2017.

For AB Cotspin India Ltd.

For AB Cotspin India Ltd.

  
Director

  
Director



**DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL OF THE COMPANY:**

- I. Changes in the Composition of Board of Directors of the Company during the Financial Year 2017-18 and upto the Date of meeting for approving the Financial Statement Along with Board Report is as follows:

S.No.	Name of Director	Appointment/Cessation/ Change in Designation	Designation	Date of Appointment/Cessation
1.	Ramesh Kumar	Change in designation	Director	30/09/2017
2.	Parush Goyal	Change in designation	Director	30/09/2017
3.	Abhey Jindal	Appointment	Additional Director	27/07/2018
4.	Parush Goyal	Cessation	Director	27/07/2018
5.	Manohar Lal	Appointment	Additional Director	01/08/2018
6.	Ramesh Kumar	Cessation	Director	01/08/2018

**MANAGERIAL REMUNERATION**

During the period under Review managerial remuneration paid by company is as follows:

S.No.	Particulars	Designation	Remuneration paid
1	Mr. Deepak Garg	Director	10,00,000
2	Mr. Ramesh Kumar	Director	3,27,500

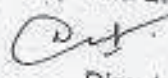
**II. Declaration given by Independent directors**

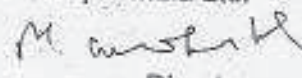
Mr. Parush Goyal was appointed as Independent Director as on 19<sup>th</sup> day of December 2016 and Regularized on 30<sup>th</sup> September 2017 and due to his personal reason he gives his resignation from the directorship of company as on 27<sup>th</sup> day of July 2018. And as per provision of Section 149 the Independent Directors on AB Cotspin's Board:

- is a persons of integrity and possess relevant expertise and experience, in the opinion of the Board of Directors;
- Is not a Promoter of the Company or its holding, subsidiary or associate Company;
- Is not related to Promoters or Directors in the Company, its holding, subsidiary or associate Company
- apart from receiving Director's remuneration, have or had no material pecuniary relationship with the Company, its holding, subsidiary or associate Company, or their

For AB Cotspin India Ltd.

For AB Cotspin India Ltd.

  
Director

  
Director



Promoters or Directors, during the two immediately preceding financial years or during the current financial year;

- e) is neither himself nor any of his relatives-
- i. holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
  - ii. is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of-
    - a. firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
    - b. Any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent. or more of the gross turnover of such firm;
  - iii. Holds together with his relatives two per cent. or more of the total voting power of the company;
  - iv. Or is a Chief Executive or director, by whatever name called, of any non-profit organisation that receives twenty-five per cent. or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent. Or more of the total voting power of the company.

**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 the Companies Act, 2013. The Company has formed the nomination and remuneration company in following manner:

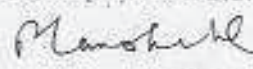
1. Mr. Deepak Garg (Executive Director Member),
2. Ramesh Kumar (Non-executive Director Member) and
3. Mr. Parush Goyal (Independent Director Member).

And the Board of Director of your company is searching the suitable candidates for appointment of more non-executive Directors and independent Directors.

For AB Cotspin India Ltd.

  
Director

For AB Cotspin India Ltd.

  
Director



**DIRECTORS' RESPONSIBILITY STATEMENT:**

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its responsibility Statement:

1. in the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2018, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. 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 of the company as at March 31, 2018 and of the profit and loss of the company for that period;
3. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
4. The directors had prepared the annual accounts on a going concern basis; and
5. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**STATUTORY AUDITORS OF THE COMPANY:**

Subject to approval of shareholders at their forthcoming Annual General Meeting, M/s Shiv Jindal & Co., Chartered Accountants, (ICAI Firm Registration No. 011316N) from whom certificate pursuant to section 139 of the Companies Act, 2013 has been received be and are hereby ratified to continue as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the Annual General Meeting to be held in year 2020 of the Company at a remuneration to be mutually decided.

**DETAIL OF FRAUD AS PER AUDITORS REPORT**

There is no fraud in the Company during the F.Y. ended 31st March, 2018. This is also being supported by the report of the auditors of the Company as no fraud has been reported in their audit report for the F.Y. ended 31st March, 2018.

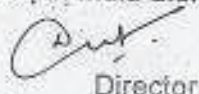
**DISCLOSURE ABOUT COST AUDIT:**

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 a cost auditor of the company to conduct audit of Cost records made and maintained by Company pertaining to Cotton, Yarn & Edible Oil products.

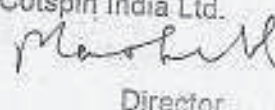
**BOARD'S COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORT:**

- ❖ The observations of the Statutory Auditors, i.e. M/s Shiv Jindal & Co., when read together with the relevant notes to the accounts and accounting policies are self-explanatory and do not call for any further comment.

For AB Cotspin India Ltd.

  
Director

For AB Cotspin India Ltd.

  
Director



- ❖ As per Cost auditor Observation there is no material discrepancy found on maintained cost records by company.
- ❖ The provisions of section 204 of the Companies Act, 2013 relating to submission of Secretarial Audit Report is not applicable to the Company.

#### **AUDIT COMMITTEE:**

The Company had constituted a committee according with the provisions of Section 177 of the Companies Act, 2013 as on March 31, 2018, the Committee comprises in the following manner:

1. Mr. Deepak Garg (Executive Director Member),
2. Ramesh Kumar (Non-executive Director Member) and
3. Mr. Parush Goyal (Independent Director Member).

And the Board of Director of your company is searching the suitable candidates for appointment of more non-executive Directors and independent Directors

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE ACT:**

During the year under review there were no Loans, Guarantees, investment made by the Company covered under the provisions of Section 186 of the Companies Act, 2013.

#### **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

All related party transaction that were entered during the financial year were on Arm length basis and were in the ordinary course of business however There are no materially significant related party transaction made by the company with promoters, Directors, Key Managerial Personnel or other designated persons under section 188 of the companies act 2013.

#### **DIVIDEND:**

In view of the planned business growth, Directors deem it proper to preserve the resources of the Company for its activities and therefore, doesn't recommend any dividend for the Financial Year ended March 31, 2018.

#### **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 2017-2018.

#### **THE DETAILS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO ARE AS FOLLOWS:**

The provisions of Section 134(m) of the Companies Act, 2013 apply to our Company.

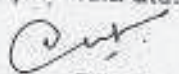
#### **RISK MANAGEMENT POLICY OF THE COMPANY:**

The Company does not have any Risk Management Policy as the elements of risk threatening the Company's existence are very minimal.

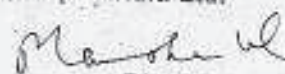
#### **DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES:**

During the financial year under review, The Company does not have any holding/subsidiary/joint venture company.

For AB Cotspin India Ltd.

  
Director

For AB Cotspin India Ltd.

  
Director



**DEPOSITS:**

The Company has neither accepted nor renewed any deposits during the year under review.

**TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:**

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year.

**DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('Act') and rules made there under, your Company has adopted a Sexual Harassment Policy for women to ensure healthy working environment without fear of prejudice, gender bias and sexual harassment.

The Board states that there were no cases or complaints filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**DETAILS OF SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL:**

During the year under review there has been no such significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

**DISCLOSURE INTERNAL FINANCIAL CONTROLS:**

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. During the year under review, no material or serious observation has been received from the Internal Auditors of the Company for inefficiency or inadequacy of such controls.

**PARTICULARS OF EMPLOYEES:**

The Company did not employ any such person whose particulars are required to be given under Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.

**CHANGE IN THE NATURE OF BUSINESS, IF ANY:**

There has been no change in the business of the Company during the financial year ended 31<sup>st</sup> March, 2018.

**MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF THE COMPANY:**

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relate and the date of this report.


**VIGIL MECHANISM:**

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

For AB Cotspin India Ltd.

  
Director

For AB Cotspin India Ltd.

  
Director

**ACKNOWLEDGEMENTS:**

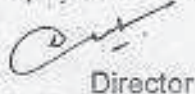
Your Directors take this opportunity to thank Regulatory and Government Authorities the Company's shareholders, investors, customers, bankers, and other stakeholders for their continued support to the company. Your Directors express their deep sense of appreciation towards all the employees and staff of the company and wish the management all the best for achieving greater heights in the future.

For and on behalf of the board of

**"A B COTSPIN INDIA LIMITED"**

For AB Cotspin India Ltd.

For AB Cotspin India Ltd.

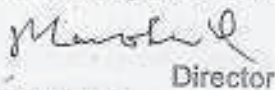


Director

**DEEPAK GARG**

Director

DIN: 00843929



Director

**MANOHAR LAL**

Director

DIN: 02406686

Date : 16/08/2018

Place: Bathinda, Punjab



## ANNEXURE 'A' TO BOARD'S REPORT

FORM NO. MGT-9  
EXTRACT OF ANNUAL RETURN(As on the financial year ended on March 31, 2018)  
(Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of  
The Companies (Management and Administration) Rules, 2014)

## I. REGISTRATION &amp; OTHER DETAILS

(i)	CIN	:	U17111PB1997PLC020118
(ii)	Registration Date	:	23/06/1997
(iii)	Name of the Company	:	<b>A B COTSPIN INDIA LIMITED</b>
(iv)	Category/Sub-category of the Company	:	Company limited by Shares
(v)	Address of the Regd. office & Contact Details	:	
	Address	:	176 Homeland Enclave, Bathinda 151001 India
	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.	:	NA
	Name	:	
	Address	:	
	Contact Detail	:	
	Email Id	:	

## 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.	Ginning and Spinning Mill	996123	100

**Note:** The Company is engaged in the business to establish, purchases, 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 31<sup>st</sup> MARCH, 2018.

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

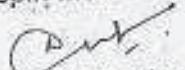
Note: There are no holding, Subsidiary and associate companies as on date.

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

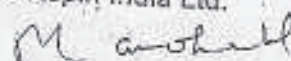
## (i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year (April 1, 2017)				No. of Shares held at the end of the year (March 31, 2018)				% of change in Total Shares
	Demat	Physical	Total	% of Total Shareh	Demat	Physical	Total	% of Total Shareh	

For AB Cotspin India Ltd.

  
Director

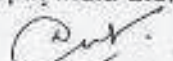
For AB Cotspin India Ltd.

  
Director




				olding				olding	
<b>A. Promoters</b>									
<b>1. Indian</b>									
a) Individual/HUF	0.00	24,69,400	24,69,400	100%	0.00	24,69,400	24,69,400	100%	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
<b>Sub-total (A) (1)</b>	<b>0.00</b>	<b>24,69,400</b>	<b>24,694,00</b>	<b>100%</b>	<b>0.00</b>	<b>24,69,400</b>	<b>24,694,00</b>	<b>100%</b>	<b>0.00</b>
<b>(2) Foreign</b>									
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
<b>Sub-total (A) (2)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Shareholding of Promoter (A) = (A1+A2)</b>	<b>0.00</b>	<b>24,69,400</b>	<b>24,694,00</b>	<b>100%</b>	<b>0.00</b>	<b>24,69,400</b>	<b>24,694,00</b>	<b>100%</b>	<b>0.00</b>
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
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
<b>Sub-total (B)(1)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>(2) Non Institutions</b>									
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	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
ii) Individuals shareholders holding nominal share capital in excess of ₹ 1 Lakhs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c) Others (NRI &	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

For AB Cotspin India Ltd.

  
 Director

For AB Cotspin India Ltd.

  
 Director



clearing member)									
HUF	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Sub Total (B)(2):</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
Total Public Shareholding(B) = (B1+B2)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	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
<b>Grand Total (A+B+C)</b>	<b>0.00</b>	<b>24,69,400</b>	<b>24,694,00</b>	<b>100%</b>	<b>0.00</b>	<b>24,69,400</b>	<b>24,694,00</b>	<b>100%</b>	<b>0.00</b>


## (ii) Shareholding of Promoters

Shareholder's Name	No. of Shares held at the beginning of the year (April 1, 2017)			No. of Shares held at the end of the year (March 31, 2018)			% 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	21,000	0.85	-	21,000	0.85	-	-
Deepak Garg	1,69,700	6.87	-	1,69,700	6.87	-	-
Pooja Garg	60,000	2.43	-	60,000	2.43	-	-
Ram Sarup	56,000	2.27	-	56,000	2.27	-	-
Ramesh Kumar	8,280	0.34	-	8,280	0.34	-	-
Surinder Kumar	7,800	0.32	-	7,800	0.32	-	-
Sanya Jindal	3,24,000	13.12	-	3,24,000	13.12	-	-
Chand Rani	11,37,620	46.06	-	11,37,620	46.06	-	-
Tarun Aggarwal	1,15,000	4.66	-	1,15,000	4.66	-	-
Ishwar Chand Mittal (HUF)	1,10,000	4.45	-	1,10,000	4.45	-	-
Govind Aggarwal (HUF)	1,10,000	4.45	-	1,10,000	4.45	-	-
Renu Mittal	1,20,000	4.86	-	1,20,000	4.86	-	-
Renu Aggarwal	1,15,000	4.66	-	1,15,000	4.66	-	-
Naresh Kumar (HUF)	1,15,000	4.66	-	1,15,000	4.66	-	-
<b>Total</b>	<b>24,69,400</b>	<b>100%</b>	<b>-</b>	<b>24,69,400</b>	<b>100%</b>	<b>-</b>	<b>-</b>

For AB Cotspin India Ltd.

  
 Director

For AB Cotspin India Ltd.

  
 Director



## (iii) Change in Promoters' Shareholding (please specify, if there is no change)

S.No.	Shareholder's Name	No. of Shares held at the beginning of the year (April 1, 2017)		No. of Shares held at the end of the year (March 31, 2018)	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	At the beginning of the year				
	Date wise Increase /Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus /sweat equity, etc.)	No Change			
	At the end of the year				

**Note:** During the financial year 2017-18, there was no change in the shareholding of the Promoters.

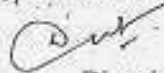
## (iv) Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters and holders of GDRs and ADRs)

S.No.	Name of the Shareholder	Shareholding at the beginning of the year (April 1, 2017)		Increase / Decrease in shareholding		Cumulative Shareholding at the end of the year (March 31, 2018)	
		No. of shares	% of total shares of Company	Increase	Decrease	No. of shares	% of total shares of the Company
-	-	-	-	-	-	-	-


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

S.No.	Name of the Director	Shareholding at the beginning of the year (April 1, 2017)		Date wise Increase / Decrease in Shareholding during the year		Cumulative Shareholding at the end of the year (March 31, 2018)	
		No. of shares	% of total shares of Company	Increase	Decrease	No. of shares	% of total shares of the Company
1.	Deepak Garg	1,69,700	6.87	-	-	1,69,700	6.87
2.	Manohar Lal	-	-	-	-	-	-
3.	Parush Goyal	-	-	-	-	-	-
	<b>Total</b>	<b>1,69,700</b>	<b>6.87</b>	<b>-</b>	<b>-</b>	<b>1,69,700</b>	<b>6.87</b>

For AB Cotspin India Ltd.

  
Director

For AB Cotspin India Ltd.

  
Director



## 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
<b>Indebtedness at the beginning of the financial year (As on April 1, 2017)</b>				
1) Principal Amount	22,75,17,140.59	5,67,12,757.59	0.00	28,42,29,898.18
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
<b>Total (1+2+3)</b>	<b>22,75,17,140.59</b>	<b>5,67,12,757.59</b>	<b>0.00</b>	<b>28,42,29,898.18</b>
<b>Change in Indebtedness during the F.Y.</b>				
▪ Additions	13,67,63,058.35	0.00	0.00	13,67,63,058.35
▪ (Reduction)	0.00	(8,80,302)	0.00	(8,80,302)
▪ <b>Net Change</b>	<b>13,67,63,058.35</b>	<b>(8,80,302)</b>	<b>0.00</b>	<b>13,58,82,756.35</b>
<b>Indebtedness at the end of the financial year (As on March 31, 2018)</b>				
I. Principal Amount	36,42,80,198.94	5,58,32,455.59	0.00	42,01,12,654.53
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
<b>Total (I+II+III)</b>	<b>36,42,80,198.94</b>	<b>5,58,32,455.59</b>	<b>0.00</b>	<b>42,01,12,654.53</b>

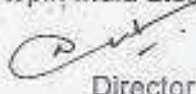
## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

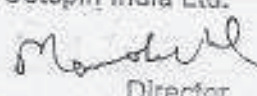
(Amount in ₹)

S. No.	Particulars of Remuneration	Name of the MD	Name of the WTD/Manager/Director		Total Amount
			Deepak Garg	Ramesh Kumar	
1	<b>Gross salary</b>	0.00	10,00,000	3,27,500	13,27,500
	a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961	0.00	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	0.00
	c) 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
	<b>Total (A)</b>	<b>0.00</b>	<b>10,00,000</b>	<b>3,27,500</b>	<b>13,27,500</b>
	<b>Ceiling as per the Act</b>				

For AB Cotspin India Ltd.

  
 Director

For AB Cotspin India Ltd.

  
 Director



## B.-- Remuneration to other Directors

(Amount in ₹)

S. No.	Particulars of Remuneration	Name of the Director	Name of the WTD/Manager	Total Amount
<b>I</b>	<b>Independent Directors</b>			
	(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
	<b>Total (1)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>II</b>	<b>Other Non-Executive Directors</b>			
	(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. (Salary)	0.00	0.00	0.00
	<b>Total (2)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
	<b>Total (B) = (1+2)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
	<b>Overall Ceiling as per the Act</b>			

## C.-- Remuneration to Key Managerial Personnel other than MD/Manager/WTD

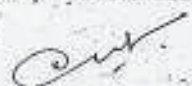
(Amount in ₹)

S. No.	Particulars of Remuneration	CEO	CFO	CS	Total Amount
1	<b>Gross salary</b>				
	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
	<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

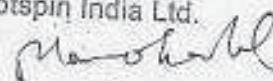
## VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

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)
<b>I</b>	<b>COMPANY</b> Penalty Punishment Compounding			<b>None</b>		
<b>II</b>	<b>DIRECTORS</b> Penalty Punishment			<b>None</b>		

For AB Cotspin India Ltd.



For AB Cotspin India Ltd.

  
 Director



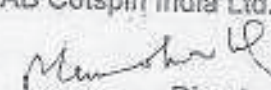
	Compounding	
III	OTHER OFFICERS IN DEFAULT	
	Penalty	
	Punishment	
	Compounding	None

For and on behalf of the board of  
"A B COTSPIN INDIA LIMITED"

For AB Cotspin India Ltd.

For AB Cotspin India Ltd.

  
Director  
Deepak Garg  
Director  
DIN: 00843929

  
Director  
Manohar Lal  
Director  
DIN: 02406686

Date: 16/08/2018

Place: Bathinda, Punjab

**M/S A B COTSPIN INDIA LIMITED**

**AUDITOR'S REPORT**

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

**Report on the Financial Statements**

We have audited the accompanying financial statements of M/S A B COTSPIN LIMITED, Jaitu, which comprise the balance sheet as at 31st March 2018, the statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

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

**Auditor's Responsibility**

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedure that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

**Opinion**

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





## 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 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2018, 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:

i. The Company does not have any pending litigations which would impact its financial position.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. The reporting on disclosure relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2018.

**Place:** Bathinda

**Dated:** 16/08/2018

For SHIV JINDAL & CO.  
Chartered Accountant

SHIV JINDAL & CO.  
BATHINDA  
Chartered Accountants  
(Shiv K. Jindal)



**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, 2018.**

**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, the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security have been complied with except the following reported:  
(a) Interest has not been charged on Advances given by the Company. But as reported by the company, the same is repayable on demand.
- 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  
**Dated:** 16/08/2018

For SHIV JINDAL & CO.  
Chartered Accountants  
BATHINDA  
Chartered Accountants  
(SHIV K. JINDAL)  
Partner



## **Annexure – B to the Independent Auditor's Report**

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

We have audited the internal financial controls over financial reporting of M/s A B Cotspin India Limited ("the Company") as of 31st March, 2018 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, 2018, 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

**Dated:** 16/08/2018

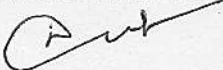
For SHIV JINDAL & CO.  
Chartered Accountants  
BATHINDA  
Chartered Accountants  
(Shiv K. Jindal)

**M/S AB COTSPIN INDIA LTD, JAITU**  
**BALANCE SHEET AS AT 31st MARCH, 2018**

(Amount in Rs.)

PARTICULARS	Note No.	Figures as at the end of previous reporting period 31st March, 2018	Figures as at the end of previous reporting period 31st March, 2017
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) SHARE HOLDER'S FUND</b>			
(a) Share Capital	1	2,66,54,000.00	2,66,54,000.00
(b) Reserves and Surplus	2	14,05,14,271.03	12,91,39,583.72
(c) Money received against share warrants		0.00	0.00
<b>(2) Share application money pending allotment</b>			
<b>(3) Non-Current Liabilities</b>			
(a) Long-term borrowings	3		
i) Secured Loans		14,04,20,282.30	16,53,30,877.50
ii) Unsecured Loans		5,58,32,455.59	5,67,12,757.59
(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
<b>(4) Current Liabilities</b>			
(a) Short-term borrowings	4	22,38,59,916.64	6,21,86,263.09
(b) Trade payables		4,48,84,568.00	1,85,59,990.00
(c) Other current liabilities		2,54,99,341.00	4,86,63,516.72
(d) Short-term provisions		28,75,000.00	15,92,000.00
<b>Total</b>		<u>66,05,39,834.56</u>	<u>50,88,38,988.62</u>
<b>II. Assets</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	5	26,78,24,250.80	29,84,06,967.46
(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	1,01,500.00	50,000.00
(c) Deferred tax assets (net)	7	11,34,171.64	4,89,878.56
(d) Long term loans and advances		0.00	0.00
(e) Other non-current assets	8	37,36,916.00	39,66,086.00
<b>(2) Current assets</b>			
(a) Current investments		0.00	0.00
(b) Inventories	8A	27,97,49,096.15	11,64,04,736.03
(c) Trade receivables	9	7,44,71,156.44	6,78,84,241.00
(d) Cash and cash equivalents	10	14,10,132.09	12,73,810.91
(e) Short-term loans and advances	11	18,49,181.20	1,36,24,301.41
(f) Other current assets	12	3,02,63,430.25	67,38,967.25
<b>Total</b>		<u>66,05,39,834.56</u>	<u>50,88,38,988.62</u>
See accompanying Notes to the Financial Statements	1-21		


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

  
 (Shiv K. Jindal)  
 Partner  
 Membership No. 090090  
 Firm No.011316N

PLACE : BATHINDA  
 DATE : 16/08/2018



**M/S AB COTSPIN INDIA LTD, JAITU**

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2018**

(Amount in Rs.)

PARTICULARS	Notes No.	Figures For the current reporting period 31st March,2018	Figures For the previous reporting period 31st March,2017
<b>I. Revenue From Operations</b>	13	1,21,28,44,806.55	1,07,93,63,241.00
<b>II. Other Income</b>	14	3,76,033.83	19,05,957.00
<b>III. Total Revenue ( I + II )</b>		<u>1,21,32,20,840.38</u>	<u>1,08,12,69,198.00</u>
<b>IV. EXPENSES</b>			
Cost of Operations/Material Consumed	15	73,96,46,542.25	63,80,99,659.93
Changes in Inventory	16	-6,15,37,291.39	89,92,832.78
Purchase of Stock in Trade		28,84,48,890.15	17,14,87,465.00
Employee Benefit Expense	17	3,54,26,886.00	3,94,10,500.00
Financial Costs	18	3,20,85,344.37	4,70,21,818.16
Depreciation & Amortisation Expense	5	3,56,26,570.00	3,98,80,461.00
Other Expenses	19	12,99,03,420.77	12,82,54,570.34
<b>Total Expenses (IV)</b>		<u>1,19,96,00,362.15</u>	<u>1,07,31,47,307.21</u>
<b>V. Profit before exceptional and extraordinary items and tax (III - IV)</b>		<u>1,36,20,478.23</u>	<u>81,21,890.79</u>
<b>VI. Exceptional Items</b>		0.00	0.00
<b>VII. Profit Before Extraordinary Items and Tax (V-VI)</b>		1,36,20,478.23	81,21,890.79
<b>VIII. Extraordinary Items</b>		0.00	0.00
<b>IX. Profit Before Tax (VII-VIII)</b>		1,36,20,478.23	81,21,890.79
<b>X. Tax expense:</b>			
(1) Current tax		28,75,000.00	15,92,000.00
(2) Deferred tax		6,44,293.08	4,89,878.56
<b>XI. Profit/(Loss) for the period from Continuing Operations (IX-X-XIV)</b>		<u>1,13,89,771.31</u>	<u>70,19,769.35</u>
<b>XII. Profit/(Loss) From Discontinuing Operations</b>		0.00	0.00
<b>XIII. Tax Expense of Discontinuing Operations</b>		0.00	0.00
<b>XIV. Profit/(Loss) From Discontinuing Operations (After Tax) (XII-XIII)</b>		0.00	0.00
<b>XV. Profit (Loss) For the Period (XI+XIV)</b>		1,13,89,771.31	70,19,769.35
<b>XVI. Earnings Per Equity Share</b>			
(1) Basic		4.61	2.84
(2) Diluted		4.61	2.84

For and on Behalf of Board

(DEEPAK GARG)  
DIRECTOR  
DIN:00843929

(MANOHAR LAL)  
DIRECTOR  
DIN: 02406686

PLACE : BATHINDA  
DATE : 16/08/2018

As per our Report of even date Attached

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



(Shiv K. Jindal)  
Partner  
Membership No. 090090  
Firm No.011316N

**M/S AB COTSPIN INDIA LTD. JAITU**  
**CASH FLOW STATEMENT**  
**for the year ended 31-03-2018**

Particulars	Amount(Rs.)
<b>(A) Cash From Operating Activities</b>	
Net profit as per Profit and Loss account	1,13,89,771.31
<b>Add:</b>	
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	28,75,000.00
Extra ordinary items debited to profit and loss account (if any)	0.00
Decrease(Increase) in Deferred Tax Asset (Liability)	0.00
<b>Less:</b>	
Increase(Decrease) in Deferred Tax Asset (Liability)	6,44,293.08
Tax refund	0.00
Extraordinary items credited to profit and loss account (if any)	0.00
<b>Net Cash Before Tax and Extraordinary Items</b>	<b>1,36,20,478.23</b>
<b>Adjustment for non cash and non operating items:</b>	
<b>Add:</b>	
Depreciation	3,56,26,570.00
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	3,13,72,813.04
Loss on sale of fixed assets	0.00
<b>Less:</b>	
Dividend earned during the year	0.00
Interest earned during the year	3,76,033.83
Rent earned during the year	0.00
Profit on sale of Fixed Assets	0.00
<b>Operating Profit before Working Capital Changes:</b>	<b>8,02,43,827.44</b>
<b>Add/(Less):</b>	
Decrease (Increase) in Current Assets	-18,16,80,618.34
Increase (Decrease) in Current Liabilities	16,48,34,055.83
<b>Cash Generated from Operations</b>	<b>6,33,97,264.93</b>
Less: Income Tax paid (Less refund if any)	16,07,084.00
<b>Cash Flow before Extraordinary Items</b>	<b>6,17,90,180.93</b>
Add/Less: Extraordinary Items	0.00
<b>Net Cash from/used in Operating activities (A)</b>	<b>6,17,90,180.93</b>
<b>(B) Cash Flow From Investing Activities</b>	
<b>Add:</b>	
Proceeds from sale of Fixed Assets	0.00
Proceeds from sale of long term investments	50,000.00
Decrease in Value of Securities	2,29,170.00
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)	3,76,033.83
<b>Less:</b>	
Purchase of Fixed Assets	50,43,853.34
Purchase of Long Term Investments	0.00
Purchase of long term investments	1,01,500.00
Purchase of Goodwill/Patents/Trademarks etc	0.00
<b>Net Cash from/used in Investing activities (B)</b>	<b>-44,90,149.51</b>





**(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

2,57,90,897.20

Redemption of Debentures/Preference Shares

0.00

Interest On Debentures and Loans Paid

3,13,72,813.04

Final Dividend Paid

0.00

Interim Dividend Paid

0.00

**Net Cash from/used in Financing Activities (C)****-5,71,63,710.24****Net Increase/Decrease in Cash and Cash Equivalents(A+B+C)****1,36,321.18****Add: Cash and cash equivalents in the beginning of the year**

-Cash in hand/at bank

12,73,810.91

-Marketable Investments

0.00

-Short term deposits

0.00


**Cash and Cash Equivalents at the end of the Year****14,10,132.09**

For and on Behalf of Board

(DEEPAK GARG)  
DIRECTOR  
DIN:00843929(MANOHAR LAL)  
DIRECTOR  
DIN: 02406686PLACE : BATHINDA  
DATE : 16/08/2018

As per our Report of even date Attached

For & on behalf of  
SHIV JINDAL & CO.  
Chartered Accountants  
(Shiv K. Jindal)  
Partner  
Membership No. 090090  
Firm No:011316N



**M/S AB COTSPIN INDIA LTD. JAITU**

**NOTE TO AND FORMING PART OF BALANCE SHEET AS AT 31st MARCH, 2018**

NOTE TO AND FORMING PART OF BALANCE SHEET AS AT 31st MARCH, 2018		(Amount in Rs.)	
SL. No.	DETAILS	AMOUNT AS AT 31.03.2018	AMOUNT AS AT 31.03.2017
<b>1.SHARE CAPITAL</b>			
(a)	Authorised Capital		
	(i) Current Year (4600000 Equity Shares of Rs 10/- Each) (400000 Preference Shares of Rs 10/- Each)	4,60,00,000.00 40,00,000.00	
	(ii) Previous Year (4600000 Equity Shares of Rs 10/- Each) (400000 Preference Shares of Rs 10/- Each)		4,60,00,000.00 40,00,000.00
	<b>TOTAL</b>	<b>5,00,00,000.00</b>	<b>5,00,00,000.00</b>
(b) (i)	Issued Capital		
	(i) Current Year (2861400 Equity Shares of Rs 10/- Each) (ii) Previous Year (2861400 Equity Shares of Rs 10/- Each)	2,86,14,000.00	2,86,14,000.00
(b) (ii)	Subscribed and Fully Paid		
	(i) Current Year (2469400 Equity Shares of Rs 10/- Each) (ii) Previous Year (2469400 Equity Shares of Rs 10/- Each)	2,46,94,000.00	2,46,94,000.00
	Add: Shares Forfeited Not Yet Issued (392000 Equity Shares of Rs 10/- , Rs 5/- paid up)	19,60,000.00	19,60,000.00
	<b>TOTAL</b>	<b>2,66,54,000.00</b>	<b>2,66,54,000.00</b>
(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	1,69,700.00	1,69,700.00
	(ii) Chand Rani	11,37,620.00	11,37,620.00
	(iii) Sanya Garg	3,24,000.00	3,24,000.00
(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 persuant 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, 2018**

PARTICULARS	AMOUNT AS AT 31.03.2018	AMOUNT AS AT 31.03.2017
<b>2.RESERVE &amp; SURPLUS</b>		
(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) Profit & Loss Account		
Opening Balance	2,88,76,301.72	2,19,43,492.37
Profit during the year	1,13,89,771.31	70,19,769.35
Add/Less:Short/Excess Provision of I. Tax (Earlier Years)	15,084.00	86,960.00
TOTAL	4,02,50,989.03	2,88,76,301.72
GRAND TOTAL (a+b)	14,05,14,271.03	12,91,39,583.72
<b>3.LONG TERM BORROWINGS</b>		
(a) <b>Secured Loans from Bank</b>		
Punjab National Bank Term Loan		
Term Loan 346700IC00000031	12,21,06,524.50	16,40,52,065.50
Term Loan 346700IC000000103	0.00	12,78,812.00
(Secured by way of first charge/ mortgage on Immovable Properties of the Co.)		
Punjab National Bank Credit limit	1,51,12,795.00	0.00
(Secured by hypothecation of Inventory)		
HDFC Bank Car Loan	23,07,703.71	0.00
(Secured by hypothecation of Vehicles)		
HDFC Bank Canter Loan	8,93,259.09	0.00
(Secured by hypothecation of Vehicles)		
	14,04,20,282.30	16,53,30,877.50
(b) <b>Unsecured Loans</b>		
<b>a) Due To Directors &amp; Relatives</b>		
Deepak Garg	70,71,930.59	27,10,339.59
Seema Garg	43,72,210.00	44,66,995.00
Deepak Garg HUF	22,87,719.00	17,91,139.00
Shimla Devi W/O Sh. Manohar Lal, .	6,21,330.00	0.00
Manohar Lal S/O Daulat Ram, .	35,89,730.00	0.00
Pooja Garg W/O Sh. Deepak Garg, Goniana	27,19,240.00	0.00
Ramesh Goyal S/O Sh. Mansa Ram, Bathinda	1,90,978.00	0.00
Daulat Ram Manohar Lal	27,18,350.00	51,78,650.00
TOTAL (a)	2,35,71,487.59	1,41,47,123.59
<b>b) Due To Members/Others</b>		
Sanya Jindal	2,58,247.00	40,10,620.00
Garg Acrylics Limited (Usl) Ludhiana, .	2,31,030.00	0.00
Prestige Oils Pvt. Ltd., .	1,97,064.00	0.00
Isha Global Pvt. Ltd	3,11,07,268.00	3,85,55,014.00
Diamond Traexim Private Limited	4,67,359.00	0.00
TOTAL (b)	3,22,60,968.00	4,25,65,634.00
GRAND TOTAL (a+b)	5,58,32,455.59	5,67,12,757.59



**M/S AB COTSPIN INDIA LTD, JAITU**

**NOTE TO AND FORMING PART OF BALANCE SHEET AS AT 31st MARCH, 2018**

PARTICULARS	AMOUNT AS AT 31.03.2018	AMOUNT AS AT 31.03.2017
<b>4. CURRENT LIABILITIES</b>		
(a) <b>Short Term Borrowings</b>		
<b>Secured Loans from Bank</b>		
PNB CC Limit from Bank	14,37,04,934.44	3,74,10,507.33
(Secured by hypothecation of Inventory, Book Debts etc.)		
Yes Bank Ltd - Pledge Limit	8,01,54,982.20	2,47,75,755.76
(Secured by Pledge of Inventory)		
	<u>22,38,59,916.64</u>	<u>6,21,86,263.09</u>
(b) <b>Trade Payables</b>		
Sundry Creditors	4,48,84,568.00	1,85,59,990.00
	<u>4,48,84,568.00</u>	<u>1,85,59,990.00</u>
(c) <b>Other Current Liabilities</b>		
Salary & Wages Payable	74,78,734.00	50,41,394.00
TDS/TCS Payable	9,34,072.00	10,23,770.00
VAT/CST Payable	0.00	4,24,048.16
EPF Payable	62,508.00	56,775.00
IGST (RCM)	10,800.00	0.00
CGST (RCM)	20,94,529.00	0.00
SGST (RCM)	20,94,529.00	0.00
Security Payable	25,000.00	25,000.00
Audit Fee Payable	25,000.00	25,000.00
Electricity Bill Payable	74,47,391.00	75,32,490.00
Telephone Bill Payable	12,393.00	15,134.00
Legal & Professional Fee Payable	38,532.00	25,000.00
Bonus Payable	9,50,730.00	5,86,800.00
Market & RDF Payable	0.00	45,352.56
Advances Received from Customers	26,23,951.00	2,59,08,915.00
Cheque Issued But Not Presented	17,01,172.00	79,53,838.00
TOTAL (b)	<u>2,54,99,341.00</u>	<u>4,86,63,516.72</u>
(d) <b>Short Term Provisions</b>		
Income Tax	28,75,000.00	15,92,000.00
	<u>28,75,000.00</u>	<u>15,92,000.00</u>





**M/S AB COTSPIN INDIA LTD, JAITU**

**NOTE TO AND FORMING PART OF BALANCE SHEET AS AT 31st MARCH, 2018**

**5. FIXED ASSETS**

PARTICULARS	GROSS BLOCK AT COST			DEPRECIATION		NET BLOCK		
	AS AT 01.04.2017	ADDITIONS DURING YEAR	DELETION DURING YEAR	AS AT 31.03.2018	AS AT 01.04.2017	DURING THE YEAR	AS AT 31.03.2018	AS AT 31.03.2017
PLANT & MACHINERY	42,17,79,290.11	1,17,972.00	0.00	42,18,97,262.11	20,36,19,667.61	2,58,51,155.00	19,24,26,439.50	21,81,59,622.50
PLANT & MACHINERY (KNITTING)	2,13,08,536.00	0.00	0.00	2,13,08,536.00	82,07,092.96	23,76,088.00	1,07,25,355.04	1,31,01,443.04
FORK	9,70,955.00	0.00	0.00	9,70,955.00	5,27,058.81	82,013.00	6,09,071.81	4,43,896.19
STP	5,51,920.00	0.00	0.00	5,51,920.00	2,57,858.70	54,051.00	3,11,909.70	2,94,061.30
WATER FILTER	1,98,500.00	0.00	0.00	1,98,500.00	73,477.00	22,701.00	96,178.00	1,25,023.00
AIR CONDITIONER	5,00,818.00	0.00	0.00	5,00,818.00	2,88,625.41	39,494.00	3,28,119.41	2,12,192.59
BUILDING	8,67,60,876.13	0.00	0.00	8,67,60,876.13	3,55,66,922.46	48,35,821.00	4,63,58,132.67	5,11,93,953.67
LAND	98,21,715.00	0.00	0.00	98,21,715.00	0.00	0.00	98,21,715.00	98,21,715.00
FURNITURE	11,27,282.46	0.00	0.00	11,27,282.46	7,46,587.34	1,01,144.00	8,47,731.34	3,80,695.12
ELECTRICAL EQUIPMENTS	11,50,412.00	0.00	0.00	11,50,412.00	8,73,800.86	67,729.00	9,41,529.86	2,76,611.14
MOBILE	3,86,980.00	0.00	0.00	3,86,980.00	1,70,253.12	52,497.00	2,22,750.12	1,64,229.88
LAB (SPINNING)	97,49,257.00	0.00	0.00	97,49,257.00	71,66,963.90	7,42,925.00	79,09,888.90	18,39,368.10
MOTOR CAR	40,35,963.00	40,52,974.00	0.00	80,88,937.00	31,94,856.64	10,30,973.00	42,25,829.64	25,82,293.10
TRACTOR	41,03,738.00	0.00	0.00	41,03,738.00	35,73,286.72	1,67,220.00	37,40,506.72	8,41,106.36
TARPAL	3,19,298.00	0.00	0.00	3,19,298.00	1,78,089.83	26,422.00	2,04,511.83	5,30,451.28
SCOOTER	68,805.00	0.00	0.00	68,805.00	57,158.89	2,813.00	59,971.89	1,41,208.17
COMPUTER	11,81,642.99	26,032.34	0.00	12,07,675.33	11,07,320.98	35,831.00	11,43,151.98	11,646.11
CANTER	0.00	8,46,875.00	0.00	8,46,875.00	0.00	1,37,693.00	1,37,693.00	74,322.01
<b>TOTAL</b>	<b>56,40,15,988.69</b>	<b>50,43,853.34</b>	<b>0.00</b>	<b>56,90,59,842.03</b>	<b>26,56,09,021.23</b>	<b>3,56,26,570.00</b>	<b>26,78,24,250.80</b>	<b>29,84,06,967.46</b>
Previous Year Figure	55,89,61,833.69	50,54,155.00	0.00	56,40,15,988.69	22,57,28,560.23	3,98,80,461.00	26,56,09,021.23	33,32,33,273.46



**M/S AB COTSPIN INDIA LTD, JAITU**

**NOTE TO AND FORMING PART OF BALANCE SHEET AS AT 31st MARCH, 2018**

PARTICULARS	AMOUNT AS AT 31.03.2018	AMOUNT AS AT 31.03.2017
<b><u>6. NON CURRENT INVESTMENTS</u></b>		
UTI Mutual Fund	0.00	50,000.00
Religare Securities Ltd. (Mutual Fund)	1,00,000.00	0.00
Religare Securities Ltd	1,500.00	0.00
	<u>1,01,500.00</u>	<u>50,000.00</u>
<b><u>7. DEFERRED TAX ASSETS (NET)</u></b>		
Opening Balance (Liability)/Assets	4,89,878.56	0.00
Deferred Tax (Liability) during the year	6,44,293.08	4,89,878.56
Deferred Tax (Liabilities)/ Assets	<u>11,34,171.64</u>	<u>4,89,878.56</u>
<b><u>8. OTHER NON-CURRENT ASSETS</u></b>		
<b><u>Preliminary Expense</u></b>		
Opening Balance	0.00	0.00
Less Written Off	<u>0.00</u>	<u>0.00</u>
Closing Balance	0.00	0.00
<b><u>Other Non-Current Assets</u></b>		
Security Deposits	37,36,916.00	39,66,086.00
TOTAL	<u>37,36,916.00</u>	<u>39,66,086.00</u>
<b><u>8A. CURRENT ASSETS</u></b>		
<b><u>Inventories</u></b>		
Raw Material	16,92,54,692.24	6,65,22,117.02
Stock in Process	71,89,504.66	71,82,379.79
Finished Goods	10,00,30,405.75	3,85,00,239.22
Stores, Chemicals and Packing Material	12,74,493.50	17,00,000.00
Machinery Stores/ Parts	20,00,000.00	25,00,000.00
TOTAL	<u>27,97,49,096.15</u>	<u>11,64,04,736.03</u>
<b><u>9. TRADE RECEIVABLES</u></b>		
<b>Debtors outstanding for a period exceeding six months</b>		
- Unsecured Considered Good	6,44,679.00	1,23,06,620.00
- Secured Considered Good	0.00	0.00
<b>Other Debtors</b>		
- Unsecured Considered Good	7,38,26,477.44	5,55,77,621.00
- Secured Considered Good	0.00	0.00
<b>Debts Due by directors or other officers</b>	0.00	0.00
TOTAL	<u>7,44,71,156.44</u>	<u>6,78,84,241.00</u>





**M/S AB COTSPIN INDIA LTD, JAITU****NOTE TO AND FORMING PART OF BALANCE SHEET AS AT 31st MARCH, 2018**

PARTICULARS	AMOUNT AS AT 31.03.2018	AMOUNT AS AT 31.03.2017
<b><u>10.CASH &amp; CASH EQUIVALENTS</u></b>		
<b><u>Cash In Hand</u></b>		
Head Office	3,29,377.00	2,53,302.00
<b><u>Bank Balance</u></b>		
(a) <b><u>Term Deposits</u></b>		
(i) Marked	7,67,000.00	7,67,000.00
(ii) Unmarked	0.00	0.00
(iii) Accrued FDR Interest	2,71,017.00	2,09,643.00
(b) <b><u>In Current Accounts</u></b>		
PNB - Jaitu (0246002100301669)	8,093.99	6,467.84
PNB -Bathinda (0050002100054328)	10,311.89	10,506.84
PNB -Bathinda (3467002101001791)	9,984.28	11,885.40
PNB -GNA (6839002100000559)	10,530.04	10,858.99
PNB -Bathinda (3467002101002064)	3,817.89	4,146.84
<b>TOTAL</b>	<b>14,10,132.09</b>	<b>12,73,810.91</b>
<b><u>11.SHORT TERM LOANS &amp; ADVANCES</u></b>		
Advances recoverable in Cash or in Kind	8,20,818.20	5,88,491.18
Prepaid Insurance	10,28,363.00	7,56,954.23
Sunrise Commodities Pvt. Ltd	0.00	29,28,856.00
Hari Om Udyog	0.00	93,50,000.00
<b>TOTAL</b>	<b>18,49,181.20</b>	<b>1,36,24,301.41</b>
<b><u>12.OTHER CURRENT ASSETS</u></b>		
Advance Income Tax	10,00,000.00	13,00,000.00
TDS/TCS	1,22,320.00	1,39,954.00
Duty Drawback/ Excise Duty Receivable	5,61,663.25	5,61,663.25
TUFS Subsidy/ Export Interest Incentive Receivables	10,29,527.00	44,40,180.00
Cheque Deposited but not Collected	1,80,00,140.00	12,635.00
CGST	22,47,194.00	0.00
SGST	73,02,586.00	0.00
Punjab State Power Corporation Limited	0.00	2,84,535.00
<b>TOTAL</b>	<b>3,02,63,430.25</b>	<b>67,38,967.25</b>



**M/S AB COTSPIN INDIA LTD, JAITU**

**NOTE TO AND FORMING PART OF BALANCE SHEET AS AT 31st MARCH, 2018**

PARTICULARS	AMOUNT	AMOUNT
	AS AT 31.03.2018	AS AT 31.03.2017

**13. REVENUE FROM OPERATIONS**

(a) <b><u>Sale of Products</u></b>		
Cotton Seed Cake	7,92,35,843.00	5,76,73,303.00
Cotton Seed Oil	2,99,28,303.00	1,85,88,510.00
Cotton Seed	2,91,80,045.00	4,72,61,221.00
Cotton Waste	4,51,60,333.00	5,52,33,519.00
Cotton Yarn - Export	2,55,26,068.00	4,86,33,311.00
Cotton Yarn - Direct Export	34,74,292.50	0.00
Cotton Yarn - Domestic	67,63,41,006.00	53,33,37,094.00
Cotton	1,55,27,989.00	3,47,10,632.00
Oil Gad	92,245.00	41,744.00
Cloth	30,49,68,482.00	28,26,13,459.00
TOTAL	<u>1,20,94,34,606.50</u>	<u>1,07,80,92,793.00</u>
(b) <b><u>Operating revenue</u></b>		
Weigh Bridge Charges	2,20,300.00	1,59,435.00
Cash Discounts / Rebate etc/Scheme	8,55,264.35	0.00
Labour Charges Recovered/ Trash Income	19,42,561.80	8,80,263.00
Realized Exchange Fluctuation Gain	1,17,253.90	2,30,750.00
Job Work Receipt	2,33,245.00	0.00
Duty Drawback	41,575.00	0.00
TOTAL	<u>34,10,200.05</u>	<u>12,70,448.00</u>
GRAND TOTAL (a+b)	<u>1,21,28,44,806.55</u>	<u>1,07,93,63,241.00</u>

**14. OTHER INCOME**

Interest Received	3,76,033.83	9,11,745.00
Fluctuation Gain on Monetary Items	0.00	9,94,212.00
TOTAL	<u>3,76,033.83</u>	<u>19,05,957.00</u>

**15. MATERIAL CONSUMED/COST OF OPERATIONS**

Opening Stock	6,82,22,117.02	5,65,56,504.67
Purchases	83,21,69,590.97	64,40,61,275.28
Freight and Other Exp Paid	<u>97,84,020.00</u>	<u>57,03,997.00</u>
	91,01,75,727.99	70,63,21,776.95
Closing Stock		
Narma/ Cotton	16,92,54,692.24	6,65,22,117.02
Packing Material	12,74,493.50	17,00,000.00
Material Consumed	<u>73,96,46,542.25</u>	<u>63,80,99,659.93</u>

**16. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK IN PROGRESS**

<b><u>Opening Stock</u></b>		
Finished Goods	3,85,00,239.22	4,91,01,031.79
Stock in Process	<u>71,82,379.79</u>	<u>55,74,420.00</u>
	4,56,82,619.01	5,46,75,451.79
<b><u>Closing Stock</u></b>		
Finished Goods	10,00,30,405.75	3,85,00,239.22
Stock in Process	<u>71,89,504.66</u>	<u>71,82,379.79</u>
	10,72,19,910.41	4,56,82,619.01
	<u>-6,15,37,291.39</u>	<u>89,92,832.78</u>





**M/S AB COTSPIN INDIA LTD, JAITU****NOTE TO AND FORMING PART OF BALANCE SHEET AS AT 31st MARCH, 2018**

PARTICULARS	AMOUNT AS AT 31.03.2018	AMOUNT AS AT 31.03.2017
<b>17.EMPLOYEE BENEFIT EXPENSES</b>		
Salary & Wages	3,37,41,698.00	3,85,71,640.00
Bonus	9,50,730.00	5,86,800.00
Staff Welfare Exp.	3,73,838.00	82,081.00
EPF	3,60,620.00	1,69,979.00
<b>TOTAL</b>	<b>3,54,26,886.00</b>	<b>3,94,10,500.00</b>
<b>18.FINANCIAL COSTS</b>		
Bank Charges	7,12,531.33	6,14,374.83
Interest	3,13,72,813.04	4,64,07,443.33
<b>TOTAL</b>	<b>3,20,85,344.37</b>	<b>4,70,21,818.16</b>
<b>19.OTHER EXPENSES</b>		
Freight (Others)	52,98,428.00	54,52,213.00
Insurance Exp	12,92,581.23	15,97,825.77
Directors Remuneration	13,27,500.00	8,75,000.00
Legal Fee	35,000.00	35,000.00
Telephone Exp	1,73,560.00	3,11,856.00
Audit Fee	25,000.00	25,000.00
Travelling Exp.	1,00,527.00	1,66,713.00
Godown Rent	5,71,000.00	1,80,000.00
Income Tax Paid	0.00	6,860.00
Machinery Repair & Maintenance	88,08,721.78	1,11,35,123.79
Building/Other Repair & Maintenance	1,98,782.00	3,45,261.00
<b>Power &amp; Fuel</b>		
Oil & Fuel	16,90,963.00	16,69,347.00
Electricity Exp	8,91,76,726.00	9,05,02,296.00
<b>Conveyance Expenses</b>		
Tempo/ Canter/Tractor Exp.	48,36,863.25	32,32,352.00
Scooter Exp	58,783.00	36,891.00
Vehicle Running Expenses	5,64,608.00	5,00,673.00
<b>Others</b>		
Donation	11,000.00	61,900.00
Brokerage	38,49,108.00	9,91,868.00
Shortage & Quality Cut	0.00	6,08,350.00
Fees Rates & Taxes	4,53,425.00	7,32,359.00
Packing Expenses	95,61,933.98	87,17,719.00
Lab Testing	0.00	52,185.00
Gardening Expenses	0.00	21,229.00
Printing & Stationary	1,96,836.00	1,82,833.00
Kitchen Expenses	3,26,545.00	3,58,221.00
Cash Discount	0.00	2,89,939.00
Postage & Telegram	24,938.00	28,036.00
Miscellaneous Expenses	94,064.73	1,27,274.00
Round Off	1,006.90	161.78
Carrying Charges	10,45,305.00	0.00
LOSS ON COMM. MCX/NCDX TRADING PROFIT, .	86,438.40	0.00
Export Expenses	92,421.50	0.00
Int on TDS	155.00	0.00
TDS Demand Paid	1,200.00	0.00
Moisture Allowance	0.00	10,084.00
<b>TOTAL</b>	<b>12,99,03,420.77</b>	<b>12,82,54,570.34</b>



**M/S AB COTSPIN INDIA LTD, JAITU**

**NOTE TO AND FORMING PART OF BALANCE SHEET AS AT 31st MARCH, 2018**

**20. CONTINGENT LIABILITIES AND COMMITMENTS**

(To the extent not provided for)

PARTICULARS	As at 31 March, 2018	As at 31 March, 2017
<b><u>Contingent Liabilities</u></b>		
(a) Claims against the Company not acknowledged as debt	0.00	0.00
(b) Guarantees		
(i) Foreign Trade Ministry of Commerce	7,17,000.00	6,55,000.00
(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-21 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 or net realizable value whichever is less.

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 valued at Cost or Net Realizable Value whichever is less.

**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**

As Reported by the Management ESIC Provisions are not Applicable in the case of company.

**c) Gratuity Fund**

As reported by the Management 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 through out 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 & company Law Matters	<u>31-03-2018</u> Rs. 25000 /-
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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 31.03.2018.

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
Shimla Devi	Interest	23700.00	Director Mother
Deepak Garg HUF	Interest	246200.00	Director HUF
Deepak Garg	Interest	303100.00	Director
Seema Garg	Interest	401400.00	Director Sister
Daulat Ram Manohar Lal	Interest	383000.00	Director Father's HUF
Manohar Lal	Interest	99700.00	Director Father
Pooja Garg	Interest	243600.00	Director Wife
Ramesh Kumar	Interest	9420.00	Director
Deepak Garg	Directors Remuneration	1000000.00	Director
Ramesh Kumar	Directors Remuneration	327500.00	Director

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. 6,44,293.08/- has been recognized as deferred tax Asset on account of timing difference of depreciation. Difference of Depreciation is Rs. 20,85,090.87/- (As depreciation as per companies Act is Rs. 3,56,26,570.00/- and as per Income Tax it works out to be Rs. 3,35,41,479.13/-). Deferred Tax Asset on the difference comes to Rs. 6,44,293.08/-. 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 in 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.

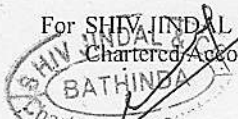
20. TRANSACTION IN FOREIGN CURRENCY :

Particulars of Payment	Amount( Foreign Currency)	Amount (INR)
Expenditure in Foreign Currency	Euro 2500 /-	Rs. 189500/-
Earnings In Foreign Exchange	USD 53658/-	Rs. 3480795/-
Imports	Nil	Nil

Signature to Note 1 to 20  
Place: BATHINDA.

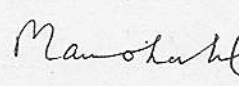
Dated: 16/08/2018

For SHIV JINDAL & CO.  
Chartered Accountants

  
(SHIV K. JINDAL)  
PARTNER  
M.No. - 090090

For & on behalf of Board

  
(DEEPAK GARG)  
DIRECTOR  
DIN:00843929

  
(MANOHAR LAL)  
DIRECTOR  
DIN: 02406686



**A B COTSPIN INDIA LIMITED**

Regd. Office: 176, Homeland Enclave, Bathinda, Punjab-151001 India

E-Mail ID: info@abcotspin.in, CIN: U17111PB1997PLC020118

**NOTICE OF 21<sup>ST</sup> ANNUAL GENERAL MEETING**

NOTICE is hereby given that the 21<sup>st</sup> Annual General Meeting of the members of "A B COTSPIN INDIA LIMITED" will be held on Saturday, 29<sup>th</sup> Day of September, 2018 at 02:30 P.M. at the Registered Office of the company situated at 176, Homeland Enclave, Bathinda, Punjab-151001 India, to transact the following businesses:

**ORDINARY BUSINESS:-****1. Adoption of Financial Statements for the period ended on 31<sup>st</sup> March, 2018:**

To receive, consider and adopt the financial statement of the Company for the year ended on 31<sup>st</sup> March, 2018, including the audited Balance Sheet as on 31<sup>st</sup> March, 2018 and the statement of Profit and Loss for the year ended on that date along with schedules and notes of accounts, Cash Flow Statement and Reports of the Directors and Auditors thereon.

**2. Ratification of Statutory Auditor and to fix their remuneration:**

To ratify the appointment of Statutory Auditor of the Company and fix their remuneration and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as an 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 framed thereunder, as amended from time to time, M/s. Shiv Jindal & Co. (Firm Registration No. 011316N), Chartered Accountants, be and is hereby ratified as Statutory Auditor of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the Annual General Meeting (AGM) of the Company to be held in the year 2020, at such remuneration, as may be mutually agreed between the Board of Directors of the Company and the Auditors."


**SPECIAL BUSINESS:-****3. Regularization of Mr. Manohar Lal as the Director of the Company:**

To regularize the Additional Director, Mr. Manohar Lal (DIN: 02406686) and in this regard to consider and if thought fit, to pass the following resolution with or without modification as an Ordinary Resolution:


"RESOLVED THAT pursuant to Sections 149 & 152 of the Companies act, 2013 and any other applicable provisions if any, and subject to the approval of shareholders in general meeting, Mr. Manohar Lal who was appointed as an Additional Director in the meeting of the Board of Directors held on 01<sup>st</sup> Day of August, 2018 whose term expires at the ensuing Annual General Meeting of the company for the office of the Director, be and is hereby appointed as a Director of the Company who is not liable to retire by rotation.

"RESOLVED FURTHER THAT the Board of Directors of the Company or the Company Secretary, be and are hereby authorised to do all, deeds and things which are necessary for the aforesaid appointment and to send the necessary intimation in prescribed form to Registrar of Companies".

For AB Cotspin India Ltd.

  
Director

For AB Cotspin India Ltd.

  
Director



4. **Regularization of Mr. Ramesh Kumar as the Director of the Company:**

To regularize the Additional Director, Mr. Ramesh Kumar (DIN: 07684009) and in this regard to consider and if thought fit, to pass the following resolution with or without modification as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to Sections 149 & 152 of the Companies act, 2013 and any other applicable provisions if any, and subject to the approval of shareholders in general meeting, Mr. Ramesh Kumar who was appointed as an Additional Director in the meeting of the Board of Directors held on 3<sup>rd</sup> Day of September, 2018 whose term expires at the ensuing Annual General Meeting of the company for the office of the Director, be and is hereby appointed as a Director of the Company who is not liable to retire by rotation.

**“RESOLVED FURTHER THAT** the Board of Directors of the Company or the Company Secretary, be and are hereby authorised to do all , deeds and things which are necessary for the aforesaid appointment and to send the necessary intimation in prescribed form to Registrar of Companies”.

5. **Ratification of Remuneration of Cost Auditor Named as “M/s Khushwinder Kumar & Co., Cost Accountants**

To ratify the remuneration of the Cost Auditors for the financial year ending March 31, 2018 & to Consider and if thought fit, to pass, with or without modification(s), the following resolution as ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 148(3) and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration fixed by Board of Directors and to be paid to **M/s Khushwinder Kumar & Co.** (having Firm Registration No.: 100123) the Cost Auditor, appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year ending March 31, 2019, amounting Rs. 30,000/- (Rupees Thirty Thousand Only) plus out of pocket expenses, etc. incurred at actuals by them in connection with the aforesaid audit, be and is hereby ratified and confirmed.”

By and on behalf of the Board of Directors

**“A B COTSPIN INDIA LIMITED”**

For AB Cotspin India Ltd.

For AB Cotspin India Ltd.

Director

Director

Deepak Garg  
Director  
DIN: 00843929

Manohar Lal  
Director  
DIN: 02406686

Date: 03/09/2018  
Place: Bathinda, Punjab

**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON POLL, TO VOTE ON BEHALF OF SELF. SUCH A PROXY NEED NOT TO BE A MEMBER OF THE COMPANY.** The enclosed proxy form should be deposited at the registered office of the company not less than 48 hours before the commencement of the AGM.
2. Members are requested to bring their copy of the Annual Report to the Annual General Meeting.



## ANNEXURE:

Explanatory Statement as per section 102 of the companies act, 2013

As required by Section 102 of the Companies Act, 2013 ("Act"), the following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 3, 4 & 5 in the accompanying Notice:

**ITEM NO. 3:**

Mr. Manohar Lal was appointed as an Additional Directors w.e.f. 01<sup>st</sup> Day of August, 2018, in accordance with the provisions of Section 161 of the Companies Act, 2013 and Articles of Association of the Company.

And he holds office up to the date of the ensuing Annual General Meeting. The Board feels that presence of Mr. Manohar Lal on the Board is desirable and would be beneficial to the company and hence recommend resolution No. 03, for Regularisation of Mr. Manohar Lal as a Director of The Company

**ITEM NO. 4:**

Mr. Ramesh Kumar was appointed as an Additional Directors w.e.f. 3<sup>rd</sup> Day of September, 2018, in accordance with the provisions of Section 161 of the Companies Act, 2013 and Articles of Association of the Company.

And he holds office up to the date of the ensuing Annual General Meeting. The Board feels that presence of Mr. Ramesh Kumar on the Board is desirable and would be beneficial to the company and hence recommend resolution No. 04, for Regularisation of Mr. Manohar Lal as a Director of The Company

**ITEM NO. 5**

The Board on the recommendation of the Audit Committee has approved the appointment of M/s Khushwinder Kumar & Co., Cost Auditors at remuneration of Rs. 30,000/- (Thirty thousand) to conduct the audit of the cost records of the Company for the financial year ending March 31, 2018. In accordance with the provisions of the Sec 148 of the Act read with the Companies (Audit & Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company. Accordingly consent of the members is sought.

The Board recommends resolutions under Item No.03, 04 and 05 to be passed as an Ordinary resolution.

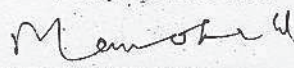
By and on behalf of the Board of Directors

"A B COTSPIN INDIA LIMITED"

For AB Cotspin India Ltd.

For AB Cotspin India Ltd.

  
Deepak Garg Director  
DIN: 00843929

  
Manohar Lal Director  
DIN: 02406686

Date: 03/09/2018  
Place: Bathinda, Punjab