

INDO COTSPIN LIMITED

REGD. OFF: DELHI MILE STONE 78 K.M, G.T, ROAD,N.H-1 VILLAGE JHATTIPUR
POST BOX NO. 3 ,POST OFFICE SAMALKHA, PANIPAT-132103(HARYANA) INDIA

CIN: L17111HR1995PLC032541 , ISIN: INE407P01017

SCRIP CODE: 538838 , SCRI P ID: ICL , PAN NO. AAACI4596A

EMAIL ID: rajpalaggarwal2000@yahoo.com , www.indocotspin.com

EMAIL ID : info@indocotspin.com , 9896034879

17th October, 2018

To,
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai- 400001

Sub: Submission of Annual report under Regulation 34 of the SEBI (LODR) Regulations, 2015

Dear Sirs,

In terms of the provisions of Regulation 34 the SEBI (LODR) Regulations, 2015, Please find enclosed herewith the Annual Report for the FY 2017-18 as approved in the AGM held on 29-09-2018.

This is for your information and record please.

Thanking you

For Indo Cotspin Limited


Raj Pal Aggarwal
DIRECTOR

Indo Cotspin Limited

BSE SCRIP CODE -538838 - ICL



24th *Annual Report*

2017 - 2018

INDO COTSPIN LIMITED
CIN NO.: L17111HR1995PLC032541

ANNUAL REPORT 2017-18

24th Annual Report 2017-18

Indo Cotspin Limited

ISIN/INE 407P01017, BSE SCRIP CODE - 538838-ICL

BOARD OF DIRECTORS

CHAIRMAN CUM MANAGING DIRECTOR

Sh. Bal Kishan Aggarwal

WHOLE TIME DIRECTOR

Sh. Raj Pal Aggarwal

Sh. Sahil Aggarwal

Sh. Arpan Aggarwal

Sh. Sanil Aggarwal

DIRECTOR

Sh. Ankush Aggarwal

Sh. Anil Aggarwal

Sh. Vinod Kumar Garg

Sh. Pawas Aggarwal

Mrs. Saroj Garg

AUDITORS

M/s Manish Jain & Associates
Chartered Accountants

RTA

Skyline Financial Services Pvt. Ltd.

D-153 A, 1st Floor, Okhla Industrial Area,
Phase-I, New Delhi-110020

Ph:- 011-40450193 - 97, Fax:- 011-41044923

Email Id : viren@skylinerta.com

Website : www.skylinerta.com

REGISTERED OFFICE & WORKS

Delhi Mile Stone, 78 K.M., NH-1, G.T. Road,
Village Jhattipur, Post Box-3,

Post Office Samalkha,

Distt. Panipat-132103 Haryana (INDIA)

Website : www.indocotspin.com

Email Id : rajpalaggarwal2000@yahoo.com

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NOTICE

NOTICE TO THE 24TH ANNUAL GENERAL MEETING

Notice is hereby given that the 24th Annual General Meeting of the Members of the Company will be held on **Saturday, 29th September, 2018** at 11.30 A.M. at the registered office of the Company at Delhi Mile Stone 78 K.M, NH-1 , G.T. Road, Village Jhattipur, Post Box No. 3 , Post Office, Samalkha, Panipat-132103 (Haryana) to transact the following business:

Ordinary Business

Item no. 1: Adoption of Financial Statements

To receive, consider and adopt the audited financial statements of the Company for the year ended 31st March, 2018, including the audited balance sheet as at 31st March 2018 and Statement of Profit and Loss Account for the year ended on that date together with the Reports of the Auditors and Directors' thereon.

Item no. 2: Appointment of Director

To appoint a Director in place of Mr. Sanil Aggarwal (DIN 03073407), who retires by rotation and, being eligible, offers himself for re-appointment.

Item no. 3: Ratification of Appointment of Auditors

To appoint the Statutory Auditors of the Company and to authorize the Board to fix their remuneration and to pass the following resolution thereof, as an **Ordinary Resolution**

"Resolved that, pursuant to the provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, pursuant to the recommendations of the audit committee of the Board, the company hereby ratifies the appointment of M/s. Manish Jain & Associates, Chartered Accountants, Panipat (Firm Registration No. 015608N) as the Auditors of the company to hold office till the conclusion of the Annual General Meeting (AGM) to be held in the calendar year 2019 at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors."

Special business

Item no. 4: Re-appointment of Mr. Bal Kishan Aggarwal as Managing Director

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

"Resolved That pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the members be and is hereby accorded to the re-appointment of Mr. Bal Kishan Aggarwal (DIN: 00456219) as Managing Director of the Company, for a period of three (3) years with effect from 1st October, 2018 till 30th September, 2021, at a remuneration of Rs. 40,000/- (Rupees Forty Thousand only) per month, whether paid as salary, allowance(s), perquisites or a combination thereof.

Resolved further that payment towards the following statutory perquisites will not be included in the afore-said remuneration:

- a. Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961;

- b. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
- c. Encashment of leave at the end of tenure.

Resolved Further That Mr. Bal Kishan Aggarwal as Managing Director of the Company shall not be paid any sitting fees for attending the meetings of the Board of Directors or committee thereof.

Resolved Further That in case of inadequate or absence of profits during any financial year of the tenure of the Managing Director; the aforesaid remuneration will be the Minimum Remuneration.

Resolved Further That the Board of Directors and the Remuneration Committee of the Company be and are hereby severally authorized to fix such remuneration and to work out various components of the remuneration package as it may deem fit and proper within the overall limits of the remuneration as approved above.

Resolved Further That the office of Mr. Bal Kishan Aggarwal as Managing Director of the Company shall not be liable for determination through retirement by rotation.

Resolved Further That the Board of Directors be and is hereby authorized to do all such acts, deeds and things and to take such other steps as may be necessary in this regard."

Item no. 5: Re-appointment of Mr. Raj Pal Aggarwal as a Whole Time Director

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

"**Resolved That** pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the members be and is hereby accorded to the re-appointment of Mr. Raj Pal Aggarwal (DIN: 00456189) as a Whole Time Director of the Company, for a period of three (3) years with effect from 1st October, 2018 till 30th September, 2021, at a remuneration of Rs. 40,000/- (Rupees Forty Thousand only) per month, whether paid as salary, allowance(s), perquisites or a combination thereof.

Resolved further that payment towards the following statutory perquisites will not be included in the aforesaid remuneration:

- a. Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961;
- b. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
- c. Encashment of leave at the end of tenure.

Resolved Further That the aforesaid Whole Time Director shall not be paid any sitting fees for attending the meetings of the Board of Directors or committee thereof.

Resolved Further That in case of inadequate or absence of profits during any financial year of the tenure of the Whole Time Director; the aforesaid remuneration will be the Minimum Remuneration.

Resolved Further That the Board of Directors and the Remuneration Committee of the Company be and are hereby severally authorized to fix such remuneration and to work out various components of the remuneration package as it may deem fit and proper within the overall limits of the remuneration as approved above.

Resolved Further That the office of Whole Time Director shall be liable for determination through retirement by rotation.

Resolved Further That the Board of Directors be and is hereby authorized to do all such acts, deeds and things and to take such other steps as may be necessary in this regard.”

Item no. 6: Re-appointment of Mr. Sahil Aggarwal as a Whole Time Director

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“**Resolved That** pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the members be and is hereby accorded to the re-appointment of Mr. Sahil Aggarwal (DIN: 00456260) as a Whole Time Director of the Company, for a period of three (3) years with effect from 1st October, 2018 till 30th September, 2021, at a remuneration of Rs. 40,000/- (Rupees Forty Thousand only) per month, whether paid as salary, allowance(s), perquisites or a combination thereof.

Resolved further that payment towards the following statutory perquisites will not be included in the aforesaid remuneration:

- a. Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961;
- b. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
- c. Encashment of leave at the end of tenure.

Resolved Further That the aforesaid Whole Time Director shall not be paid any sitting fees for attending the meetings of the Board of Directors or committee thereof.

Resolved Further That in case of inadequate or absence of profits during any financial year of the tenure of the Whole Time Director; the aforesaid remuneration will be the Minimum Remuneration.

Resolved Further That the Board of Directors and the Remuneration Committee of the Company be and are hereby severally authorized to fix such remuneration and to work out various components of the remuneration package as it may deem fit and proper within the overall limits of the remuneration as approved above.

Resolved Further That the office of Whole Time Director shall be liable for determination through retirement by rotation.

Resolved Further That the Board of Directors be and is hereby authorized to do all such acts, deeds and things and to take such other steps as may be necessary in this regard.”

Item no. 7: Re-appointment of Mr. Arpan Aggarwal as a Whole Time Director

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“Resolved That pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the members be and is hereby accorded to the re-appointment of Mr. Arpan Aggarwal (DIN: 00456309) as a Whole Time Director of the Company, for a period of three (3) years with effect from 1st October, 2018 till 30th September, 2021, at a remuneration of Rs.40,000/- (Rupees Forty Thousand only) per month, whether paid as salary, allowance(s), perquisites or a combination thereof.

Resolved further that payment towards the following statutory perquisites will not be included in the aforesaid remuneration:

- a. Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961;
- b. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
- c. Encashment of leave at the end of tenure.

Resolved Further That the aforesaid Whole Time Director shall not be paid any sitting fees for attending the meetings of the Board of Directors or committee thereof.

Resolved Further That in case of inadequate or absence of profits during any financial year of the tenure of the Whole Time Director; the aforesaid remuneration will be the Minimum Remuneration.

Resolved Further That the Board of Directors and the Remuneration Committee of the Company be and are hereby severally authorized to fix such remuneration and to work out various components of the remuneration package as it may deem fit and proper within the overall limits of the remuneration as approved above.

Resolved Further That the office of Whole Time Director shall be liable for determination through retirement by rotation.

Resolved Further That the Board of Directors be and is hereby authorized to do all such acts, deeds and things and to take such other steps as may be necessary in this regard.”

Item no. 8: Approval of limits for the Loans, Guarantees and Investment by the Company as per Section 186 of the Companies Act,2013

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as a Special Resolution:

“Resolved That pursuant to the provisions of Section 186 and any other applicable provisions of the Companies Act,2013 (“the Act”) and Rules made there under (including any statutory modification(s) thereof for the time being in force and as may be enacted from time to time), the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company(‘hereinafter referred as Board’) and the Board be and is hereby authorised to give any loan to any person or other body corporate; acquire by way of subscription, purchase or otherwise, the securities of any other body corporate and extend/give any guarantee(s) in one or more tranches or provide security in connection with a loan to any other body corporate or person as may be decided by the Board of Directors, upto a sum not exceeding Rs. 10 crores (Rupees Ten crores only) or equivalent amount in foreign currency, remaining outstanding at any point of time, notwithstanding that aggregate amount of all the loans /guarantees/ securities / investments

so far made together with the proposed loans /guarantees/ securities / investments to be made exceeds the sixty per cent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more as prescribed limit under Companies Act, 2013.

Resolved Further That the Board of Directors of the Company (including any Committee thereof) be and is hereby authorized to do all such acts, deeds and things as may be appropriate and necessary in the best interest of the Company and its shareholders for the purpose of making loans/ investments/ giving guarantees etc. on behalf of the Company, from time to time or may authorize the officials of the company to give effect to the foregoing resolution.”

For and on Behalf of the Board
For Indo Cotspin Limited

Date:12th May, 2018
Place:Panipat

Bal Kishan Aggarwal
Chairman & Managing Director
DIN: 00456219

NOTES:

- a. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
- b. **APPOINTMENT OF PROXY: A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/PROXIES TO ATTEND AND VOTE IN THE MEETING INSTEAD OF HIMSELF / HERSELF, AND THE PROXY/PROXIES NEED NOT BE A MEMBER OF THE COMPANY.THE INSTRUMENT APPOINTING THE PROXY, DULY COMPLETED, MUST BE DEPOSITED AT THE COMPANY'S REGISTERED OFFICE DULY COMPLETED AND SIGNED, NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY FORM FOR THE ANNUAL GENERAL MEETING (AGM) IS ENCLOSED.**
- c. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
- d. **Corporate Members:** Corporate Members intending to send their authorized representatives are requested to send a duly certified copy of the Board Resolution authorizing the representatives to attend and vote at the Annual General Meeting.
- e. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- f. Members/Proxies attending the meeting are requested to bring their copy of Annual Report to the Meeting.

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- g. **Queries at the Annual General Meeting:** Queries proposed to be raised at the Annual General Meeting may be sent to the Company at its registered office at least seven days prior to the date of AGM to enable the management to compile the relevant information to reply the same in the meeting.
- h. **Book Closure:** The Register of Members and Share Transfer Books of the Company will remain closed from **Friday, 28th September, 2018 to Saturday, 29th September, 2018** for the purpose of the Annual General Meeting.
- i. All the documents, transfers, dematerialization requests and other communications in relation thereto should be addressed direct to the Company's Registrar and Transfer Agent, M/s. Skyline Financial Services Private Limited at D-153A, 1st Floor, Okhla Industrial Area, Phase – I, New Delhi - 110 020.
- j. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form shall submit their PAN details to the Company.
- k. The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose e-mail IDs are registered with the Company or the Depository Participant(s) unless the Members have registered their request for a hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their e-mail IDs with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit duly filled Attendance Slip at the registration counter to attend the AGM.
- l. In compliance with provisions of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and the SEBI (ICDR) Regulations, 2015, the Company is pleased to provide Members facility to exercise their right to vote on resolutions proposed to be considered at the AGM by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the Members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL). Members who have not cast their vote through remote e-voting facility may cast the vote at the annual general meeting Company the Company through Polling Paper. Resolution(s) passed by Members through Polling Papers or e-voting is / are deemed to have been passed as if they have been passed at the AGM. Detailed instructions with regard to remote e-voting process are enclosed with this AGM Notice.

Explanatory statement pursuant to section 102 of the Companies Act, 2013 annexed to the notice

Item No. 4 to 7:

Mr Bal Kishan Aggarwal is the Managing Director and one of core promoters of the Company. Similarly, Mr Raj Pal Aggarwal, Mr Sahil Aggarwal and Mr Arpan Aggarwal are Whole Time Directors of the Company. All these persons are instrumental to the growth of the Company. It is proposed to re-appoint Mr Bal Kishan Aggarwal as the Managing Director and Mr Raj Pal Aggarwal, Mr Sahil Aggarwal & Mr Arpan Aggarwal as the Whole Time Directors of the Company and make payment of remuneration under section 196 and 197 read with Schedule V of the Companies Act, 2013. Proposed payment of remuneration has already been approved by the Nomination and Remuneration Committee of the Board of Directors of the Company.

Further details as required under Section II of Part-II of Schedule V of the Companies Act, 2013 are as below:

I. General Information

1.	Nature of Industry	Manufacture of Non-Woven Products such as Non-Woven Fabrics, Non-Woven Felts, Non-Woven Designer
2.	Date or expected date of commencement commercial production	The Company is already in existence and is in of operation since February, 1995.
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	N.A.
4.	Financial Performance in the FY 2017-18 Net Sales Other Income Total Revenue Total Expenditure Profit before tax Provision for tax Deferred Tax Profit after tax EPS (Rs.)	Amount (Rs. In lakhs) 1102.47 17.31 1119.78 1112.29 7.50 1.45 -3.01 9.05 0.14
5.	Export performance and net foreign exchange collaborations	Nil
6.	Foreign investments or collaborators, if any	Nil

II. Information about the Appointee

Sr.no.	Particulars	Mr. Bal Kishan Aggarwal	Mr. RajPal Aggarwal	Mr. Sahil Aggarwal	Mr. Arpan Aggarwal
(1)	Background details	Mr. Bal Kishan Aggarwal, aged about 56 years is a graduate by qualification having 32 years of experience in non-woven fabric and	Mr. RajPal Aggarwal, aged about 53 years is a graduate by qualification having 28 years of experience in nonwoven fabric and other related industry.	Mr. Sahil Aggarwal, aged about 31 years is a graduate by qualification having 13 years of experience in nonwoven fabric and other related industry.	Mr. Arpan Aggarwal, aged about 31 years is a graduate by qualification having 13 years of experience in nonwoven fabric and other related industry.

		other related industry. He is Managing Director of the Company.			
(3)	Recognition or awards	N.A.	N.A.	N.A.	N.A.
(4)	Job profile and his suitability	Mr. Bal Kishan Aggarwal, being the Managing Director of the Company is entrusted with substantial powers in relation to normal business matters. He is having rich experience of over 32 years in the Industry.	Mr. RajPal Aggarwal is Whole Time director of the Company with 28 years of experience.	Mr. Sahil Aggarwal is Whole Time director of the Company with 13 years of experience.	Mr. Arpan Aggarwal is Whole Time director of the Company with 13 years of experience.
(5)	Remuneration proposed	Rs. 40,000/- per month	Rs. 40,000/- per month	Rs. 40,000/- per month	Rs. 40,000/- per month
(6)	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)	The exact figures are not readily available. However, the proposed remuneration is reasonably justified in comparison with the general market trends and remuneration package of top-level managerial persons having comparative qualifications and experience.			
(7)	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	The appointees are promoters of the Company. Save as the managerial remuneration and their shareholding in the Company they do not have any other material pecuniary relationship with the Company.			

III. Other Information

(1)	Reasons for loss or inadequate profits	The Company is in profit. However fixed remuneration is proposed to be paid as minimum remuneration in the event of loss/absence/inadequacy of profits due to unavoidable circumstances.
(2)	Steps taken or proposed to be taken for improvement	The Board of directors of the Company is taking their best efforts to improve the business and profitability of the Company.
(3)	Expected increase in productivity and profits in measurable terms	The company is expected to have improved sales and profitability figures in the next financial years.

IV. Disclosures

Necessary disclosure regarding the remuneration is as below:

Name of Director	Designation	Sitting fees (In Rs.)	Salaries & Perquisites (In Rs.)	Commission, Bonus Ex-gratia	Total Amount (In Rs.)	No. of Shares held & %
Mr. Sahil Aggarwal	Whole Time Director	Nil	462000	Nil	462000	121900 (2.90)%
Mr. Bal Kishan Aggarwal	Managing Director	Nil	462000	Nil	462000	495100 (11.79)%
Mr. RajPal Aggarwal	Whole Time Director	Nil	462000	Nil	462000	488900 (11.64)%
Mr. Arpan Aggarwal	Whole Time Director	Nil	462000	Nil	462000	124500 (2.96)%

The Board recommends the resolution set forth in Item no. 4 to 7 for the approval of the members.

None of the directors, key managerial personnel or their relatives, except Mr. Bal Kishan Aggarwal, Mr. RajPal Aggarwal, Mr. Sahil Aggarwal, Mr. Arpan Aggarwal and Mr. Sanil Aggarwal are interested or concerned in the resolution.

Item No. 8:

In order to make optimum use of funds available with the Company and also to achieve long term strategic and business objectives, the Board of Directors of the Company proposes to make use of the same by making investment in other bodies corporate or granting loans, giving guarantee or providing security to other persons or other body corporate or as and when required.

Pursuant to the provisions of section 186(3) of the Companies Act, 2013 and rules made there under, the Company needs to obtain prior approval of shareholders / members by way of special resolution passed at the General Meeting in case the amount of investment, loan, guarantee or security proposed to be made is more than the higher of sixty percent of the paid up share capital, free reserves and securities premium account or one hundred percent of free reserves and securities premium account.