

Indo Cotspin Limited

BSE SCRIP CODE -538838 - ICL



26th

*Annual
Report*

2019 - 2020

26th Annual Report 2019-20
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. Arpan Aggarwal

Sh. Sahil Aggarwal

INDEPENDENT DIRECTOR

Ms. Shally Aggarwal

Sh. Shubham Singla

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-44, 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

info@indocotspin.com

cs@indocotspin.com

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NOTICE

NOTICE TO THE 26TH ANNUAL GENERAL MEETING

Notice is hereby given that the 26th Annual General Meeting of the Members of the Company will be held on Tuesday, **22nd September, 2020** at the registered office of the Company at Delhi Mile Stone 78 K.M, NH-44 , 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, 2020, including the audited balance sheet as at 31st March 2020 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. Bal Kishan Aggarwal (DIN: 00456219), who retires by rotation and, being eligible, offers himself for re-appointment.

Special Business

Item no. 3: To regularise the appointment of Mr. **Sahil Aggarwal** (DIN No: 00456260) as Director who was appointed as an Additional Director 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 Mr. **Sahil Aggarwal** (DIN No: 00456260), who was appointed as an Additional Director by the Board of Directors with effect from 30.05.2020, in terms of Section 161 of the Companies Act, 2013 and Article of Association of the Company, who holds office up to the date of this Annual General Meeting, be and is hereby appointed as Director of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all the acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

Item no. 4: To regularise the appointment of Mr. **Arpan Aggarwal** (DIN No: 00456309) as Director who was appointed as an Additional Director 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 Mr. **Arpan Aggarwal** (DIN No: 00456309), who was appointed as an Additional Director by the Board of Directors with effect from 30.05.2020, in terms of Section 161 of the Companies Act, 2013 and Article of Association of the Company, who holds office up to the date of this Annual General Meeting, be and is hereby appointed as Director of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all the acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

Item no. 5: 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 appointment of Mr. Sahil Aggarwal (DIN: 00456260) who was appointed as an additional director of the company as on 30.05.2020, as a Whole Time Director of the Company, for a period of five (5) years with effect from 22-09-2020 till 21-09-2025, 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: Appointment of 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) who was appointed as an additional director of the company as on 30.05.2020, as a Whole Time Director of the Company, for a period of five (5) years with effect from 22-09-2020 till 21-09-2025, at a remuneration of Rs. 40000/- 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.”

For and on Behalf of the Board
For Indo Cotspin Ltd.

Date:30th May, 2020
Place:Panipat

Sd/-
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.
- 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 **Monday, 21st September, 2020 to Tuesday, 22nd September, 2020** 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, Ph.- I, N.D. - 110020.
- 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.

- I. 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. 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.: 3 to 6

Mr. Sahil Aggarwal and Mr. Arpan Aggarwal are Directors of the Company. All these persons are instrumental to the growth of the Company. It is proposed to appoint 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, Tufted Carpet.
2.	Date or expected date of commencement commercial production	The Company is already in existence and is in 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 2019-20	Amount (Rs. In lakhs)
	Net Sales	972.71
	Other Income	24.66
	Total Revenue	997.37
	Total Expenditure	984.61
	Profit before tax	12.76
	Provision for tax	2.42
	Deferred Tax	-0.30
	Profit after tax	10.64
	EPS (Rs.)	0.25
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. Sahil Aggarwal	Mr. Arpan Aggarwal
(1)	Background details	Mr. Sahil Aggarwal, aged about 33 years is a graduate by qualification having 14 years of experience in non-woven fabric and other related industry.	Mr. Arpan Aggarwal, aged about 33 years is a graduate by qualification having 14 years of experience in non-woven fabric and other related industry
(2)	Recognition or wards	N.A.	N.A.
(3)	Job profile and his suitability	Mr. Sahil Aggarwal is Whole Time Director of the Company with 14 years of experience.	Mr. Arpan Aggarwal is Whole Time Director of the Company With 14 years of experience
(4)	Remuneration proposed	Rs. 40,000/- per month	Rs. 40,000/- per month
(5)	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 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.	
(6)	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 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.
(6)	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.
(7)	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 component has been disclosed in the Board's Report under the section "Corporate Governance".

The Board recommends the resolution set forth in Item no. 5 to 8 for the approval of the members.

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

For and on Behalf of the Board
For Indo Cotspin Ltd.

Date: 30th May, 2020
Place: Panipat

Sd/-
Bal Kishan Aggarwal
Chairman & Managing Director
DIN: 00456219

ANNEXURE TO ITEMS 3 & 6 OF THE NOTICE

Details of Directors seeking appointment/re-appointment or increase in remuneration at the forthcoming Annual General Meeting (in pursuance of Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 of the Listing Agreement)

Particulars	Mr. Sahil Aggarwal	Mr. Bal Kishan Aggarwal	Mr. Arpan Aggarwal
DIN	00456260	00456219	00456309
Age	33	57	33
Nationality	Indian	Indian	Indian
Date of appointment on the Board	30/05/2020	08/02/1995	30/05/2020
Father's Name	Raj Pal Aggarwal	Siri Ram Aggarwal	Bal Kishan Aggarwal
Date of Birth	17/10/1987	03/11/1962	20/06/1987
Address	H.No. 1324, Sector-12, Huda Panipat 132103	H.No. 1323, Sector-12, Huda Panipat 132103	H.No. 1323, Sector-12, Huda Panipat 132103
Designation	Whole-Time Director	Managing Director	Whole-Time Director
Education/Qualifications-	Graduate	Graduate	Graduate
Expertise in specific functional area	Mr. Sahil Aggarwal is having 14 years experience in non woven fabric and other related industry	Mr. Bal Kishan Aggarwal is having 30 years of experience in non woven fabric and other related industry	Mr. Arpan Aggarwal is having 14 years of experience in non woven fabric and other related industry
Experience	14 Years	30 Years	14 Years
Companies in which holds Directorship	Indo Non Woven Private Limited	Nil	Indo Non Woven Private Limited
Companies* in which holds membership/ chairmanship of committees	Nil	Nil	Nil
Shareholding in the Company (No. & %)	121,900 equity shares (2.90%)	495,100 equity shares (11.79%)	124,500 equity shares (2.96%)
Relationship with other Directors, Manager and other Key Managerial	Son of Raj Pal Aggarwal, Whole Time Director	Brother of Raj Pal Aggarwal, Whole Time Director	Son of Bal Kishan Aggarwal, Managing Director
No. of Board meetings attended during the Financial year 2019-20	0	5	0

* Public Companies

Subject:-Indo Cotspin Limited/ 26th Annual General Meeting (AGM)/ Delhi Mile Stone 78 K.M, NH-44 , G.T, Road, Village Jhattipur, Post Box No. 3 , Post Office, Samalkha, Panipat-132103 (Haryana), Date of AGM Tuesday, 22nd September, 2020 at 11.30 A.M.

Dear (Name of Shareholder),

Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting (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).**

The Company has approached NSDL for providing e-voting services through our e-voting platform. In this regard, your Demat Account/Folio Number has been enrolled by the Company for your participation in e-voting on resolution placed by the Company on e-Voting system.

The Notice of the Annual General Meeting (AGM) of the Company inter alia indicating the process and manner of e-Voting process along with printed Attendance Slip and Proxy Form can be downloaded from the link <https://www.evoting.nsdl.com> or <https://www.indocotspin.com>

The e-voting period commences on September 19, 2020 (9:00 am) and ends on September 21, 2020 (5:00 pm). During this period shareholders' of the Company, may cast their vote electronically. The e-voting module shall also be disabled for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the **cut-off date of 15th September, 2020.** Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 15th September, 2020, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or viren@skylinerta.com or rajpalaggarwal2000@yahoo.com or info@indocotspin.com.

The facility for voting through remote e-voting / ballot paper / Poling Paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

The procedure to login to e-Voting website consists of two steps as detailed hereunder:

Step 1 : Log-in to NSDL e-Voting system

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/>.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details will be as per details given below :
 - a) **For Members who hold shares in demat account with NSDL:** 8 Character DP ID followed by 8 Digit Client ID (For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****).
 - b) **For Members who hold shares in demat account with CDSL:** 16 Digit Beneficiary ID (For example if your Beneficiary ID is 12***** then your user ID is 12*****).
 - c) **For Members holding shares in Physical Form:** EVEN Number followed by Folio Number registered with the company (For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***).
5. Your password details are given below:
 - a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password.

- c. How to retrieve your 'initial password'?
 - i. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - ii. If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a. Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b. "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2 : Cast your vote electronically on NSDL e-Voting system.

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of the Company.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders:

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail csparveenbansal@gmail.com to with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "**Forgot User Details/Password?**" or "**Physical User Reset Password?**" option available on www.evoting.nsdl.com to reset the password.

Please note the following:

A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith

Other information:

- o Your login id and password can be used by you exclusively for e-voting on the resolutions placed by the companies in which you are the shareholder.
- o It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.

In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the Downloads sections of <https://www.evoting.nsdl.com> or contact NSDL at the following toll free no.: 1800-222-990.

Assuring you of our best services,

Regards,

e-Voting support desk

National Securities Depository Limited (www.nsdl.co.in)

BOARD'S REPORT

Dear Members

Your Directors have pleasure in presenting the 26th Annual Report of your Company together with the Audited financial Statements for the financial year ended 31st March, 2020.

1. Financial Highlights

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

Particulars	Amount (Rs. in lakhs)	
	FY 2019-20	FY 2018-19
Net Sales	972.71	1037.02
Other Income	24.66	40.06
Total Revenue	997.37	1077.08
Total Expenditure	984.61	1059.16
Profit before tax	12.76	17.92
Provision for tax	2.42	4.01
Deferred Tax	-0.30	-0.14
Profit after tax	10.64	14.05
EPS (Rs.)	0.25	0.34
Proposed Dividend	Nil	Nil
Transfer to Reserve	Nil	Nil
Paid-up Share Capital	420.05	420.05
Reserves and Surplus (excluding revaluation reserve)	214.38	203.74

2. Year in Retrospect

During the year under review, total income of the Company was Rs.997.37 lakhs as against Rs. 1077.08 lakhs in the previous year. The Company was able to earn a profit after tax of Rs.10.64 lakhs in the current financial year as against a profit of Rs. 14.05 lakhs in the financial year 2018-19. Your Directors are putting in their best efforts to improve the performance of the Company.

3. Reserves & Surplus

The net movement in the major reserves of the Company for FY 2019-20 and the previous year are as follows:

Particulars	(Rs. In lakhs)	
	FY 2019-20	FY 2018-19
Securities Premium Account	49.95	49.95
Capital Reserves	77.28	77.28
Profit & Loss A/c (Cr.)	87.15	76.51
Total	214.38	203.74

4. Public deposits

During the financial year 2019-20, your Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014.

5. Material Changes after the close of the financial year

Save as mentioned elsewhere in this Report, no material changes and commitments affecting the financial position of the Company has occurred between the end of the financial year of the Company-31st March, 2020 till the date of this report.

6. Dividend

The Board of Directors of your Company has decided to retain and plough back the profits into the business of the Company, thus no dividend is being recommended for this year.

7. Subsidiaries/ Joint Ventures/ Associates

As on 31st March 2020, the Company had no Subsidiaries, Joint Ventures (JVs) or Associate Companies. Accordingly statement containing the salient feature of the financial statement of a company's subsidiary or subsidiaries, associate company or companies and joint venture or ventures in Form AOC-1 is not applicable.

The names of companies which have become or ceased to be its Subsidiaries, joint ventures or associate companies during the year: Nil

Policy for determining material subsidiaries of the Company has been provided on the website www.incocotspin.com at the link <http://incocotspin.com/reports/policy%20for%20Determining%20Material%20Subsidiary.pdf>

8. Change in the nature of business

There has been no major change in the nature of business of your Company. Further since there is no subsidiary, joint venture and associate company, there is no question for mentioning of change in nature of business of such companies.

9. Directors and Key Managerial Personnel

In terms of Section 149 of the Companies Act, 2013, the Company has appointed the following as Independent Directors of the Company to hold office up to 5 (five) consecutive years with effect from 25th March, 2019:

- Ms. Shally Aggarwal
- Mr. Shubham Singla

In accordance with the provisions of section 149 of the Companies Act, 2013 all the independent directors are non rotational. The details of the familiarization programmes for Independent Directors are disclosed on the Company's website – www.indocotspin.com at link <http://indocotspin.com/reports/Independent%20Director%20-%20Familiarisation%20Programme.pdf>

In terms of Section 203 of the Act, the following were designated as director or/and Key Managerial Personnel of your Company by the Board during the year:

- Mr. Bal Kishan Aggarwal, Managing Director
- Mr. Raj Pal Aggarwal, Whole Time Director
- Mr. Vijay Pal, Chief Financial Officer
- Mr. Nitin Nandwani, Company Secretary*

***Mr. Nitin Nandwani has been appointed as Company secretary w.e.f April 01, 2019*

Mr. Bal Kishan Aggarwal is liable to retire by rotation in the ensuing Annual general Meeting and being eligible offer himself for re-appointment. Directors recommend his re-appointment.

Mr. Sahil Aggarwal & Mr. Arpan Aggarwal has been Appointed by the Board as an Additional Director (Executive) w.e.f 30.05.2020.

10. Declaration of Independence

Your Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the provisions of Companies Act, 2013.

11. Disclosure of commission paid to managing or Whole Time Directors

There is no commission paid or payable by your company to the managing director or the whole time director.

12. Meetings of the Board of Directors

The details of the number of Board of Directors of your Company are as below:

Meeting	No. of Meeting	Dates of Meeting
Board of Directors	Five (5)	01/04/2019, 30/05/2019, 29/07/2019, 29/10/2019, 25/01/2020

All the directors of the Company were present in all the Board Meetings of the Company held during previous year.

13. Annual Evaluation of Board performance and performance of its committees and individual directors

Pursuant to the provisions of the Companies Act, 2013 and the Listing Agreement, the Board has carried out an annual evaluation of its own performance, performance of the Directors individually as well as the evaluation of the working of its Committees. Feedback was sought from Directors about their views on the performance of the Board covering various criteria. Feedback was also taken from directors on his assessment of the performance of the other Directors. The Nomination and Remuneration Committee (NRC) then discussed the above feedback received from all the Directors. Based on the inputs received, the Chairman of the NRC also made a presentation to the Independent Directors at their meeting,

summarizing the inputs received from the Directors as regards Board performance as a whole, and of the Chairman. Post the meeting of the Independent Directors, their collective feedback on the performance of the Board (as a whole) was discussed by the Chairman of the NRC with the Chairman of the Board. Every statutorily mandated committee of the Board conducted a self-assessment of its performance and these assessments were presented to the Board for consideration. Areas on which the Committees of the Board were assessed included degree of fulfillment of key responsibilities, adequacy of Committee composition and effectiveness of meetings. Feedback was provided to the Directors, as appropriate. Significant highlights, learning and action points arising out of the evaluation were presented to the Board.

14. Remuneration Policy for the Directors, Key Managerial Personnel and other employees

In accordance with Section 178 and other applicable provisions if any, of the Companies Act, 2013 read with the Rules issued thereunder the Board of Directors of the Company has formulated the Nomination and Remuneration Policy of your Company on the recommendations of the Nomination and Remuneration Committee.

The Nomination and Remuneration Policy, covering the policy on appointment and remuneration of Directors and other matters is set-out in **Annexure-I** to this Report.

15. Committees of the Board

The Committees of the Board focus on certain specific areas and make informed decisions in line with the delegated authority. The following Committees constituted by the Board function according to their respective roles and defined scope:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee

Composition of the Committee of the Board of Directors of the Company is as below:

Audit Committee:

1. Mr. Shubham Singla – Chairman (Independent Director)
2. Ms. Shally Aggarwal – Member (Independent Director)
3. Mr. Raj Pal Aggarwal– Member (Executive Director)

There were four meetings of the Audit Committee held during the previous year on 30/05/2019 ,29/07/2019, 29/10/2019 , 25/01/2020 , where all the committee members were present.

Stakeholders Relationship Committee:

1. Mr. Shubham Singla – Chairman (Independent Director)
2. Ms. Shally Aggarwal – Member (Independent Director)
3. Mr. Raj Pal Aggarwal– Member (Executive Director)

4. There was one meeting of the Stakeholders Relationship Committee held during the previous year on 14.05.2019, where all the committee members were present.

Nomination and Remuneration Committee:

1. Mr. Shubham Singla – Chairman (Independent Director)
2. Ms. Shally Aggarwal – Member (Independent Director)
3. Mr. Raj Pal Aggarwal – Member (Executive Director)

There were three meetings of the Nomination & Remuneration Committee held during the previous year on 01/04/2019, 29/07/2019, where all the committee members were present.

16. Audit Committee Recommendations

During the year all the recommendations of the Audit Committee were accepted by the Board.

17. Conservation of Energy, Technology Absorption

The information on conservation of energy and technology absorption stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is attached as **Annexure-II**.

18. Particulars of Employees and Remuneration

The information required under Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of Directors/ employees of your Company is set out in **Annexure-III** to this Report.

19. Related Party Transactions

In line with the requirements of the Companies Act, 2013 and the Listing Agreement, the Company has formulated a Policy on Related Party Transactions and the same is uploaded on the Company's website: www.indocotspin.com at the link <http://indocotspin.com/reports/RPT%20Policy.pdf>. Details of Related Party Transactions as per AOC-2 are provided in **Annexure-IV**.

20. Loans and investments

The details of loans, guarantees and investments under Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 are as follows:

- A. Details of investments made by the Company as on 31st March,2020: As disclosed in the the Audited financial statement for the financial year ended 31st March, 2020.
- B. Details of loans given by the Company as on 31st March, 2020: Rs. 138721.00
- C. Details of guarantees issued by your Company in accordance with Section 186 of the Companies Act, 2013 read with the Rules issued thereunder: Nil

21. Extract of Annual Return

Pursuant to Section 92 of the Act and Rule 12 of The Companies (Management and Administration) Rules, 2014, the extract of Annual Return in Form MGT-9, is provided in [Annexure-V](#).

22. Auditors and auditors' report:

At the last Annual General Meeting of the Company, M/s. Manish Jain & Associates, Chartered Accountants, Panipat were appointed as the Auditors of the Company till the AGM to be held in the calendar Year 2021. Your Company has received written consent and a certificate stating that they satisfy the criteria provided under Section 141 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and that the appointment, if made, shall be in accordance with the applicable provisions of the Companies Act, 2013 and rules issued thereunder. The Audit Committee and the Board of Directors recommend the appointment of M/s. Manish Jain & Associates, Chartered Accountants as the Auditors of your Company. The Board propose to appoint them as Statutory Auditors of the company till the AGM to be held in the Year 2021.

The Auditors' Report for the financial year 2019-20, does not contain any qualification, observation or adverse remarks and accordingly no comments required by your Board of Directors on the same.

23. Secretarial Audit Report Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014; the Secretarial Audit Report provided by the Secretarial Auditors is annexed as [Annexure-VI](#).

The Secretarial Auditors' Report for the financial year 2019-20, does not contain any qualification, observation or adverse remarks and accordingly no comments required by your Board of Directors on the same.

24. Internal Control Systems and adequacy of Internal Financial Controls

The Company has a proper and adequate system of internal controls. This ensures that all transactions are authorized, recorded and reported correctly, and assets are safeguarded and protected against loss from unauthorized use or disposition. The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations.

In terms of section 138 of the Companies Act, 2013, M/s R.S. Gahlyan & Associates, Chartered Accountants has been appointed as the Internal Auditors of your Company. The Company also has an Audit Committee, who interacts with the Statutory Auditors, Internal Auditors and Management in dealing with matters within its terms of reference.

25. Risk management

Your Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner. Your Company periodically assesses risks in the internal and external environment. Your Company, through its risk management process, strives to contain impact and likelihood of the risks within the risk appetite as decided by the management.

There are no risks which in the opinion of the Board threaten the existence of your Company.

26. Cost Records and Cost Audit Report

In terms with the provisions of section 148 of the Companies act, 2013 read with the Companies (Cost records and audit) Rules 2014, maintenance of cost records and appointment of Cost Auditors are not applicable on your Company.

27. Vigil mechanism

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour.

Pursuant to Section 177(9) of the Companies Act, 2013 a vigil mechanism was established for directors and employees to report to the management instances of unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy. The copy of vigil mechanism policy is uploaded on the website of your company.

28. Management Discussion & Analysis Report

The Management Discussion & Analysis Report is annexed as [Annexure-VII](#).

29. Code of Conduct for Prevention of Insider Trading

Your Company's Code of Conduct for Prevention of Insider Trading covers all the Directors, senior management personnel, persons forming part of promoter(s)/promoter group(s) and such other designated employees of the Company, who are expected to have access to unpublished price sensitive information relating to the Company. The Directors, their relatives, senior management personnel, persons forming part of promoter(s)/promoter group(s), designated employees etc. are restricted in purchasing, selling and dealing in the shares of the Company while in possession of unpublished price sensitive information about the Company as well as during the closure of trading

window.

The Board of Directors has approved and adopted the Code of Conduct to Regulate, Monitor and Report Trading by Insiders in line with SEBI (Prohibition of Insider Trading) Regulation, 2015 and the same can be accessed through the following link:

<http://indocotspin.com/reports/New%20Insider-Trading-Code-2015.pdf>

Your Board of Directors has also approved the Code for Fair Disclosure and the same can be accessed through the following link:

<http://indocotspin.com/reports/Code%20of%20Fair%20Disclosure.pdf>

30. Corporate Social Responsibility

Provisions of the Corporate Social Responsibility as mentioned under the Companies Act, 2013 is not applicable on the Company.

31. Significant/material orders passed by the regulators

There are no significant/material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of your Company and its operations in future.

32. General

Your Board of Directors confirms that (a) Your Company has not issued equity shares with differential rights as to dividend, voting or otherwise; (b) Your Company does not have any ESOP scheme for its employees/Directors; and, (c) there is no scheme in your Company to finance any employee to purchase shares of your Company.

33. Directors' Responsibility Statement

Pursuant to Section 134(3)(c) and 134(5) of the Companies Act, 2013, the Directors confirm that:

- a. in the preparation of the annual accounts for the financial year ended 31st March, 2020, the applicable accounting standards and Schedule III of the Companies Act, 2013, have been followed and there are no material departures from the same;
- b. the Directors have 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 your Company as at 31st March, 2020 and of the profit and loss of the Company for the financial year ended 31st March, 2020;
- c. proper and sufficient care has been taken 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;
- d. the annual accounts have been prepared on a 'going concern' basis;
- e. proper internal financial controls laid down by the Directors were followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f. proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

34. Stock Exchange Listing

The shares of the Company are listed on BSE Limited (BSE). The listing fee for the financial year 2020-21 has been paid to BSE.

35. Disclosure under the sexual harassment of women at workplace (Prevention, Prohibition And Redressal) Act, 2013

Your Company has always believed in providing a safe and harassment free workplace for every individual working in the Company through various interventions and practices. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment. The Company has in place proper policy on prevention of sexual harassment at workplace. The policy aims at prevention of harassment of employees as well as contractors and lays down the guidelines for identification, reporting and prevention of sexual harassment. There is Internal Complaint Committee (ICC) which is responsible for redressal of complaints related to sexual harassment and follows the guidelines provided in the policy. During the year ended 31st March, 2020, the ICC has not received any complaints pertaining to sexual harassment.

36. Acknowledgement

Date: 30th May, 2020
Place: Panipat

Sd/-
Bal Kishan Aggarwal
Chairman & Managing Director
DIN: 00456219

For and on Behalf of the Board
For Indo Cotspin Limited

Sd/-
Raj Pal Aggarwal
Whole Time Director
DIN: 00456189

ANNEXURE-I TO THE BOARD'S REPORT

NOMINATION AND REMUNERATION POLICY

This Nomination and Remuneration Policy is formulated in compliance with Section 178 of the Companies Act, 2013 as amended from time to time. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

Definitions:

“Remuneration” means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961;

“Key Managerial Personnel” means:

- i. Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;
- ii. Chief Financial Officer;
- iii. Company Secretary; and
- iv. Such other officer as may be prescribed.

“Senior Managerial Personnel” mean the personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management, one level below the Executive Directors, including the functional heads.

Objective:

The objective of the policy is to ensure that

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

Role of the Committee:

The role of the NRC are inter alia, includes the following:

- To formulate criteria for determining qualifications, positive attributes and independence of a Director.
- To formulate criteria for evaluation of Independent Directors and the Board.
- To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- To carry out evaluation of Director's performance.
- To recommend to the Board the appointment and removal of Directors and Senior Management.
- To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- To devise a policy on Board diversity, composition, size.
- Succession planning for replacing Key Executives and overseeing.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his / her appointment, as per Company's Policy.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.
- c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.

TERM/TENURE

a) Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

b) Independent Director:

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

EVALUATION

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel yearly or at such intervals as may be considered necessary.

REMOVAL

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

RETIREMENT

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

POLICY FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL

1) Remuneration to Managing Director / Whole-time Directors:

- a) The Remuneration/ Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.

- b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.

2) Remuneration to Non- Executive / Independent Directors:

- a) The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
- b) All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.
- c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.
- d) Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
i) The Services are rendered by such Director in his capacity as the professional; and
ii) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.
- e) The Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option/ Purchase Schemes, shall determine the stock options and other share based payments to be made to Directors (other than Independent Directors).

3) Remuneration to Key Managerial Personnel and Senior Management:

- a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
- b) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from to time.
- c) The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

IMPLEMENTATION

- The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
- Company shall disclose the remuneration policy and evaluation criteria in its Annual Report.
- The Committee may Delegate any of its powers to one or more of its members.

ANNEXURE-II TO THE BOARD'S REPORT

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014

A. Conservation of energy		
(i)	The steps taken or impact on conservation of energy	
(ii)	The steps taken by the company for utilising alternate sources of energy	General measures for conservation of energy are pursued on an ongoing basis
(iii)	The Capital investment on energy conservation equipments	No Capital Investment has been made during the Year underreview
B. Technology absorption		
(i)	The efforts made forwards technology absorption	No new Technology has been adobted during the year underreview
(ii)	The benefits devided like product improvment, cost reduction, product development or import substitution	N.A.
(iii)	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)	
(a)	The details of technology imported	N.A.
(b)	The year of import	N.A.
(c)	Whether the technology been fully absorbed	N.A.
(d)	If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	N.A.
(iv)	Expenditure on Research & Development	N.A.
C. Foreign exchange earnings and Outgo		
(a)	Total Foreign Exchange Earnings in 2019-20	0.00
(b)	Total Foreign Exchange outgo in 2019-20	Rs. 1871115.12

ANNEXURE-III TO THE BOARD'S REPORT

INFORMATION REQUIRED UNDER SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

A. Ratio of remuneration of each Director to the median remuneration of all the employees of Your Company for the financial year 2019-20 is as follows:

Name of the Director	Total Remuneration* (Rs.)	Ratio of remuneration of director to the Median remuneration
Mr Bal Kishan Aggarwal	840000.00	9.30
Mr Raj Pal Aggarwal	840000.00	9.30
Mr Shally Aggarwal	Nil	NA
Mr Shubham Aggarwal	Nil	NA

* Does not include sitting fee paid to the non executive directors.

B. Details of percentage increase in the remuneration of each Director and CFO & Company Secretary in the financial year 2019-20 are as follows:

Name	Designation	Remuneration* (Rs.)		Increase
		2019-20	2018-19	%
Mr Bal Kishan Aggarwal	Managing Director	840000	480000	75
Mr Raj Pal Aggarwal	Whole Time Director	840000	480000	75
Mr Shally Aggarwal	Director	Nil	Nil	Nil
Mr Shubham Aggarwal	Director	Nil	Nil	Nil
Mr Vijay Aggarwal	Chief Financial Director	192000	192000	Nil
Mr Nitin Aggarwal	Company Secretary	144000	192000	NA

* Does not include sitting fee paid to the non executive directors.

C. Percentage increase in the median remuneration of all employees in the financial year 2019-20:

	2019-20	2018-19	Increase (%)
Median remuneration of all employees per annum	90289	192000	-53%

D. Number of permanent employees on the rolls of the Company as on 31st March, 2018:

SN	Category	Number of Employee
1	Executive Manager Cadre	4
2	Staff	3
3	Other lower level employees	7
	Total	14

E. Comparison of average percentage increase in salary of employees other than the key managerial personnel and the percentage increase in the key managerial remuneration:

(Amount in Rs.)

	2019-20	2018-19	Increase (%)
Average salary of all	82852.00	98250.00	-15.67%
Salary of MD & CEO	840000.00	480000.00	75%
Salary of CFO & CS	336000.00	384000.00	0

The increase in remuneration of employees other than the managerial personnel is in line with the increase in remuneration of managerial personnel.

F. Affirmation:

It is hereby affirmed that the remuneration paid to the Directors, Key Managerial Personnel and senior management is as per the Remuneration Policy of your Company.

ANNEXURE-IV TO THE BOARD'S REPORT

FORM NO. AOC -2

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

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

1. Details of contracts or arrangements or transactions not at Arm's length basis.

S.No.	Particulars	Details
1	Name (s) of the related party & nature of relationship	NA
2	Nature of contracts/ arrangements/ transaction	
3	Duration of the contacts/ arrangements/ transaction	
4	Silent terms of the contacts or arrangements or transaction or transaction including the value, if any	
5	Justification for entering into such contracts or arrangements or transactions	
6	Date of approval by the Board	
7	Amount paid as advance, if any	
8	Date on which the special resolution was passed in General meeting as required under first provision to section 188	

2. Details of contracts or arrangements or transactions at Arm's length basis

S. No	Particulars	Details
1	Name (s) of the related party & nature of relationship	N.A.
2	Nature of contracts/ arrangements/ transaction	
3	Duration of the contracts arrangements/ transaction	
4	Salient terms of the contracts or arrangements or transaction including the value, if any	
5	Date of approval by the Board	
6	Amount paid as advances, if any	

For and on Behalf of the Board
For Indo Cotspin Limited

Date: 30th May, 2020
Place: Panipat

Sd/-
Bal Kishan Aggarwal
Chairman & Managing Director
DIN: 00456219

Sd/-
Raj Pal Aggarwal
Whole Time Director
DIN: 00456189

ANNEXURE-V TO THE BOARD'S REPORT

FORM NO. MGT-9

Extract of Annual Return

As on the financial year ended 31st March, 2020

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

I. Registration and other details:

i)	CIN	L17111HR1995PLC032541
ii)	Registration Date	08/02/1995
iii)	Name of the Company	INDO COTSPIN LIMITED
iv)	Category/Sub Category of the Company	Public Limited Company
v)	Address of the Registered office and contact details	Delhi Mile Stone 78 K.M, G.T. Road, NH-44 , Village Jhattipur, Post Box No.3 ,Post Office: Samalkha, Panipat- 132103(Haryana)
vi)	Whether listed company (Yes/No)	Yes; Listed BSE
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Skyline Financial Services Private Limited D-153A, 1 st Floor, Okhla Industrial Area Phase – I New Delhi - 110 020 Ph:- 011-40450193 Fax:- 011-41044923 email:- viren@skylinerta.com ; website : www.skylinerta.com

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)

SN	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1.	Manufacture of other textiles/textile products n.e.c [Non-Woven Products such as Non-Woven Fabrics, Non-Woven Felts, Non-Woven Designer]	13999	100

III. Particulars of holding, subsidiary and associate companies: NIL

S. No	Name and address of the company	CIN/GLN	Holding/ subsidiary / associate	% age of shares held	Applicable section
1.					
2.					
3.					

IV. Share Holding Pattern (Equity Share Capital Breakup as Percentage of Total Equity)

(a) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31/03/2019]				No. of Shares held at the end of the year [As on 31/03/2020]				% Change during the
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	2346787	0	2346787	55.87	2358862	0	2358862	56.16	0.29
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	724000	0	724000	17.24	724000	0	724000	17.24	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A)(1)	3070787	0	3070787	73.11	3082862	0	3082862	73.39	0.28
(2) Foreign									
a) NRIs Individual	0	0	0	0.00	0	0	0	0.00	0.00
b) Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A)(1)	0	0	0	0.00	0	0	0	0.00	0.00
Total Shareholding of Promoter A=A(1)+A(2)	3070787	0	3070787	73.11	30482862	0	3082862	73.39	0.28
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(1):-	0	0	0	0.00	0	0	0	0.00	0.00
2. Non-Institutions									
a) Bodies Corporate									
i) Indian	10227	0	10227	0.24	76	0	76	0.00	-0.24
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	45490	114965	160455	3.82	44666	108990	153656	3.66	-0.16
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	931464	27375	958839	22.83	936265	27300	963565	22.94	0.11
c) Others (specify) HUF	192	0	192	0.00	341	0	341	0.01	0.01
Sub-total (B)(2):-	987373	142340	1129713	26.89	981348	136290	1117638	26.61	-0.28
Total Public Shareholding (B)=(B)(1)+ (B)(2)	987373	142340	1129713	26.89	981348	136290	1117638	26.61	-0.28

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C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	4058160	142340	4200500	100.00	4064210	136290	4200500	100.00	0.00

b) Shareholding of Promoter:

SN	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to the Shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to the Shares	
1	Rajpal Aggarwal	488900	11.64	0.00	488900	11.64	0.00	0.00
2	Balkishan Aggarwal	495100	11.79	0.00	495100	11.79	0.00	0.00
3	Anita Aggarwal	71700	1.71	0.00	76750	1.83	0.00	0.12
4	Ritu Garg	130400	3.10	0.00	130400	3.10	0.00	0.00
5	Sahil Aggarwal	121900	2.90	0.00	121900	2.90	0.00	0.00
6	Sanil Aggarwal	184200	4.39	0.00	184200	4.39	0.00	0.00
7	Vasudha Garg	115400	2.75	0.00	115400	2.75	0.00	0.00
8	Arpan Aggarwal	124500	2.96	0.00	124500	2.96	0.00	0.00
9	Sulbha Aggarwal	115400	2.75	0.00	115400	2.75	0.00	0.00
10	Balkishan Aggarwal H.U.F	117100	2.79	0.00	117100	2.79	0.00	0.00
11	Rajpal Aggarwal H.U.F	119000	2.83	0.00	119000	2.83	0.00	0.00
12	Sanjay Kumar Singla	198400	4.72	0.00	198400	4.72	0.00	0.00
13	Sanil Aggarwal HUF	36487	0.87	0.00	39187	0.93	0.00	0.06
14	Sahil Aggarwal HUF	28300	0.67	0.00	30300	0.72	0.00	0.05
15	Indo Non-Woven Pvt Ltd	724000	17.24	0.00	724000	17.24	0.00	0.00
16	Arpan Aggarwal HUF	0	0	0	2325	0.06	0.00	0.06
	Total	3042487	72.43	0.00	3070787	73.11	0.00	0.68

c) Change in Promoter's Shareholding

SN	Shareholder's Name	Shareholding		Date of change	Increase/ (Decrease) in shareholding	Reason	Cumulative Shareholding during theyear (01.04.2019 to 31.03.2020)	
		No. of Shares at the beginning (01.04.2018) of the year (31.03.2019)	% of total Shares end of the Company				No. of Shares	% of total Shares of the Company
1	ARPAN AGGARWAL HUF	0	0	6/14/2019	2000	Purchase	2000	0.05
				7/26/2019	325	Purchase	2325	0.06
						Balance	2325	
2	ANITA AGGARWAL	71700	1.71	6/14/2019	2000	Purchase	73700	1.75
				6/28/2019	3050	Purchase	76750	1.83
						Balance	76750	
3	SAHIL AGGARWAL	28300	0.67	6/14/2019	2000	Purchase	30300	0.72
						Balance	30300	
4	SANIL AGGARWAL HUF	36487	0.87	6/14/2019	2000	Purchase	38487	0.92
				7/26/2019	700	Purchase	39187	0.93

d) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	Shareholder's Name	Shareholding		Date of change	Increase/ (Decrease) in shareholding	Reason	Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
		No. of Shares at the beginning (01.04.2018)/ end of the year (31.03.2019)	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
1	S L GARG	15200	0.36					
						Balance	15200	
2	ASHISH ANAND	88012	2.10					
						Balance	88012	
3	VINOD KUMAR AGGARWAL	42150	1.00	04/26/2019	-100	Sale	42050	1.00
				05/31/2019	-9000	Sale	33050	0.79
				06/07/2019	-12000	Sale	21050	0.50
				06/14/2019	-21050	Sale	0	0.00
						Balance	0	
4	RAJIV SAREEN	25000	0.60					
						Balance	25000	
5	ANKUSH	80000	1.90					
						Balance	80000	
6	RAJESH SINGLA	6100	0.15	05/17/2019	1000	Purchase	7100	0.17
				05/24/2019	733	Purchase	7833	0.19
				05/31/2019	3000	Purchase	10833	0.26
				06/07/2019	5425	Purchase	16258	0.39
				06/14/2019	5000	Purchase	21258	0.51
				08/02/2019	1000	Purchase	22258	0.53
				12/13/2019	1	Purchase	22259	0.53
						Balance	22259	
7	NEHA AGGARWAL	121604	2.89	04/12/2019	1500	Purchase	123104	2.93
				04/19/2019	194	Purchase	123298	2.94
				04/26/2019	425	Purchase	123723	2.95
				05/03/2019	100	Purchase	123823	2.95
				05/10/2019	1000	Purchase	124823	2.97
				05/17/2019	177	Purchase	125000	2.98
				05/31/2019	2000	Purchase	127000	3.02
				06/07/2019	5475	Purchase	132475	3.15
				06/14/2019	5000	Purchase	137475	3.27
						Balance	137475	
8	INDU ANAND	70000	1.67					
						Balance	70000	

9	MONIKA SINGLA	208600	4.97					
						Balance	208600	
10	PALAK AGGARWAL	90125	2.15	04/05/2019	-75	Sale	90050	2.14
				04/12/2019	1	Purchase	90051	2.14
				04/19/2019	423	Purchase	90474	2.15
				04/26/2019	399	Purchase	90873	2.16
				05/03/2019	422	Purchase	91295	2.17
				05/10/2019	1351	Purchase	92646	2.21
				05/31/2019	1000	Purchase	93646	2.23
				06/07/2019	1025	Purchase	94671	2.25
				06/14/2019	4050	Purchase	98721	2.35
				08/02/2019	150	Purchase	98871	2.35
						Balance	98871	

e) Shareholding of Directors and Key Managerial Personnel:

SN	Name of the Directors and KMPs	Shareholding		Date of change	Increase/ (Decrease) in shareholding	Reason	Cumulative Shareholding during the year (01.04.2019 to 31.03.2020)	
		No. of Shares at the beginning (01.04.2018)/ end of the year (31.03.2019)	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
1	Mr. Bal Kishan Aggarwal	495100	11.79	N.A.	N.A.	N.A.	495100	11.79
2	Mr. Raj Pal Aggarwal	488900	11.64	N.A.	N.A.	N.A.	488900	11.64
3	Mr. Shubham Singla	0	0	N.A.	N.A.	N.A.	0	0
4	Mrs. Shelly Aggarwal	0	0	N.A.	N.A.	N.A.	0	0
5	Mr. Vijay Pal CFO	0	0	N.A.	N.A.	N.A.	0	0
6	Mr. Nitin Nandwani CS	0	0	N.A.	N.A.	N.A.	0	0

V) Indebtedness of the company including interest outstanding/ accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Deposits Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	1011357.00	0	0	1011357.00
(ii) Interest due but not paid	0	0	0	0
(iii) Interest accrued but not due	0	0	0	0
Total(i+ii+iii)	1011357.00	0	0	1011357.00

Change in Indebtedness during the financial year				
· Addition	0	0	0	0
· Reduction (Repayments)	872637.00	0	0	872637.00
Net Change	0	0	0	0
Indebtedness at the end of the financial year				
i) Principal Amount	138721.00	0	0	138721.00
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	138721.00	0	0	138721.00

VI. Remuneration of directors and key managerial personnel

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount (in Rs.)
		Mr. Bal Kishan Aggarwal	Mr. Raj Pal Aggarwal	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	840000	840000	16800000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission	0	0	0
	- as % of profit	0	0	0
	- others, specify...	0	0	0
5	Others, please specify	0	0	0
	Total (A)	840000	840000	16800000
	Ceiling as per the Act	It is in accordance with the ceiling as specified under section 197 read with Schedule V of the Companies Act, 2013.		

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

SN.	Particulars of Remuneration	Name of Directors		Total Amount (in Rs.)
		Mr. Shubham Singla	Mr. Shally Aggarwal	
1	Independent Directors			
	Fee for attending board committee meetings	12000	12000	24000
	Commission	0	0	0
	Others, please specify	0	0	0
	Total (1)	12000	12000	24000
2	Other Non-Executive Directors	N.A.	N.A.	N.A.
	Fee for attending board committee meetings	N.A.	N.A.	N.A.
	Commission	N.A.	N.A.	N.A.
	Others, please specify	N.A.	N.A.	N.A.
	Total (2)	N.A.	N.A.	N.A.
	Total (B)=(1+2)	12000	12000	24000
	Total Managerial Remuneration	12000	12000	24000
	Overall Ceiling as per the Act	It is in accordance with the ceiling as specified under section 197 read with Schedule V of the Companies Act, 2013.		

C. Remuneration to key managerial personnel other than MD/Manager/WTD

(Amount in Rs.)

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	N.A.	1,44,000	1,92,000	3,36,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	N.A.	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	N.A.	0	0	0
2	Stock Option	N.A.	0	0	0
3	Sweat Equity	N.A.	0	0	0
4	Commission	N.A.	0	0	0
	- as % of profit	N.A.	0	0	0
	others, specify...	N.A.	0	0	0
5	Others, please specify	N.A.	0	0	0
	Total	N.A.	1,44,000	1,92,000	3,36,000

VII. Penalties/ punishment/ compounding of offences: Nil [No penalties/punishment/compounding of offences were levied under the Companies Act, 2013.]

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made if any (give Details)
A. Company					
Penalty					
Punishment					
Compounding					
B. Directors					
Penalty					
Punishment					
Compounding					
C. Other officers in default					
Penalty					
Punishment					
Compounding					

Kumar Dinesh & Associates
Company Secretaries

ANNEXURE-VI TO THE BOARD'S REPORT

FORM NO. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

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

To
The Members
INDO COTSPIN LIMITED

In terms of the provisions of section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014, and other applicable provisions, if any, I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **INDO COTSPIN LIMITED**, a Company incorporated under the provisions of the Companies Act, 1956, vide **CIN L17111HR1995PLC032541** and having its registered office at Delhi Mile Stone 78 KM, NH-44, G.T Road, Village Jhattipur, Post Box No. 3, Post Office, Samalkha, Panipat-132103 (Haryana) (hereinafter referred to as "**the Company**").

Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the Secretarial Audit, I hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2020**, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31st March, 2020**, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable to the Company during the Audit Period);
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a. The Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015;
 - b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

- d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the Company during the Audit Period);
 - e. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28th October, 2014 (Not applicable to the Company during the Audit Period);
 - f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the Audit Period);
 - g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - h. The Securities and Exchange Board of India (De-listing of Equity Shares) Regulations, 2009; (Not applicable to the Company during the Audit Period);
 - i. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998; (Not applicable to the Company during the Audit Period);
- vi. Other laws, applicable to the Company as per the representation given by the Company
I have also examined compliance with the applicable clauses of the following:
- i. Secretarial Standards issued by The Institute of Company Secretaries of India;
 - ii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendment thereof; During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that During the period under review, the Board of Directors of the Company was duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices were given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent adequately in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes, wherever applicable.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, the Company has entered into/carried out the following specific events/actions which may have a major bearing on the Company's affairs: N.A.

For **Kumar Dinesh & Associates**
Company Secretaries

Place: Panipat
Date: 30th May, 2020

Sd/-
Lalita Bansal
ACS - 32489; C.P. No. 12307

This Report is to be read with our letter of even date which is annexed as **Annexure-A** and forms an integral part of this report.

'Annexure A'

To
The Members
INDO COTSPIN LIMITED

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Kumar Dinesh & Associates**
Company Secretaries

Place: Panipat
Date: 30th May, 2020

Sd/-
Lalita Bansal
ACS - 32489; C.P. No. 12307

ANNEXURE-VII TO THE BOARD'S REPORT

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Cautionary Statement:

The management Discussion and Analysis Report may contain certain statements that might be considered forward looking. These statements are subject to certain risks and uncertainties. Actual results may differ materially from those expressed in the statement as important factors could influence Company's operations such as Government policies, economic development, political factors and such other factors beyond the control of the Company.

Industry Overview:

The Textile industry is a major export earner for the country by export of cotton yarn, garments, fabrics including non-woven fabrics. The Indian textile industry is one the most important industries for the Indian economy considering its contribution to employment generation, industrial output and foreign exchange earnings. The textile industry occupies a unique position in the Indian economy being one of the oldest and largest industries in India and is highly fragmented. It is divided in four segments spinning, weaving or knitting, processing and garmenting. It provides one of the most basic needs of people.

The Indian economy including the Textile Industry has been facing unprecedented period of difficulty, due to slowing down of GDP growth rate, rupee depreciation and increasing current account deficit. Considering the importance of the textile sector, the Central Government has implemented important policies that are expected to catalyse the growth of the Indian textile. Under the 'Make in India' initiative, investment opportunities for foreign companies and entrepreneurs are available across the entire value chain of synthetics, value-added and specialty fabrics, fabric processing setups for all kinds of natural and synthetic textiles, technical textiles, garments, and retail brands.

Our Industry Segment:

The primary business of our company is manufacturing of non woven fabric products. Nonwoven fabric is a fabric-like material made from long fibres, bonded together by chemical, mechanical, heat or solvent treatment. The term is used in the textile manufacturing industry to denote fabrics, such as felt, which are neither woven nor knitted. Nonwoven materials typically lack strength unless densified or reinforced by a backing. In recent years, nonwovens have become an alternative to polyurethane foam. Nonwoven fabrics are engineered fabrics that may be a have a limited life, single-use fabric or a very durable fabric. Nonwoven fabrics provide specific functions such as absorbency, liquid repellence, resilience, stretch, softness, strength, flame retardancy, wash ability, cushioning, thermal insulation, acoustic insulation, filtration, use as a bacterial barrier and sterility. These properties are often combined to create fabrics suited for specific jobs, while achieving a good balance between product use-life and cost. They can mimic the appearance, texture and strength of a woven fabric and can be as bulky as the thickest paddings. In combination with other materials they provide a spectrum of products with diverse properties, and are used alone or as components of apparel, home furnishings, health care, engineering, industrial and consumer goods.

A large number of fibers are available in the market, but the Nonwovens market is mainly dominated by three fibers, namely polyolefin's, polyester, and rayon. These three fiber types make up a substantial part of the overall Nonwovens markets for fibers.

Nonwovens find numerous applications ranging from baby diapers to industrial high performance textiles. Some of the important areas where nonwovens are treated as primary alternative for traditional textiles as Geotextiles, materials for building, thermal and sound insulating materials, hygienic and health care textiles and automotive industries. Nonwovens are also used in cover stocks, agriculture, aerospace, home furnishings etc

With the nonwovens successfully moving into more technical end-uses, the fiber requirements have also become more important with regard to the fiber properties. The cooperation between fiber supplier and fabric producers is now seen as important criteria for more advancement to come about in the nonwovens field.

Business

Incepted in the year 1995, the Company is one of a significant player in Non-Woven Products such as Non-Woven Fabrics, Non-Woven Carpets, Non-Woven Felts, Non-Woven Designer Carpets, Tufted Carpets and many others.

Product Range

- Non-Woven Fabrics
- Non-Woven Carpets
- Non-Woven Felt
- Non-Woven Designer Carpets
- Non-Woven Geo Textiles
- Tufted Carpets

Factory Location

The Company has its manufacturing plant located at Delhi Mile Stone 78 K.M, G.T, Road, NH-44, Village Jhattipur ,Post Box No. 3 , Post Office, Samalkha, Panipat-132103(Haryana)

Our Quality

Maintaining high quality standards in every stage of business is the trademark of our company. We do obey quality dimensions from the beginning of collecting raw materials to delivering the products. Exporting premium quality of products is the hallmark of our corporate entity.

For manufacturing the products, our production team normally uses pp, polyester staple fiber as the raw materials. Our export quality inspection team is well equipped with our in-house latest tools and techniques as well. We usually import products like latex chemicals, textile material and stock lots of textiles, etc.

Infrastructure

Our well-arranged infrastructure includes expert manufacturing team and experienced production unit. Here, our engineers use several equipments like raw material processing machines, designing machines, quality checking machines and many useful tools.

We also have high-tech lab, quality control room, site office in order to strengthening our business. We make different design of carpet items at affordable price, so that customers from across the world get benefited by our creativity.

Product wise performance

Product wise performance of the Company has been mentioned in the attached balance sheet of the Company.

Opportunities & Threats

The future for the Indian textile industry looks promising, buoyed by both strong domestic consumption as well as export demand. The new age Indian consumer, the organized retail potential, which is creating the huge consumption opportunity, is by far the biggest Opportunity for companies like us. With the aspirational and rich class in India having a better penetration, our product led growth will help the company in both the immediate and long run. Also, with the rural India being revisited by marketers through the modern retail philosophy, the opportunity is huge.

Competition from Indian and global players remain a matter of concern and probable threat; while the company is well prepared to tackle such issues on an ongoing basis.

Risks & Concern

There is stiff competition in the Non-woven fabrics market with new national and international entrants. On a macro level business continues to be impacted by changes in Government Policy and International Markets.

- i. Factors that may affect results of operations
- ii. Fluctuation and increase in raw material prices.
- iii. Non-availability of raw material and other resources
- iv. Supply of Power
- v. New Competitive products
- vi. Government rules and regulations relating to Textiles Industry
- vii. Any slowdown in the economic growth in general in particular

The Company continues to follow a suitable strategy to modify its risk profile by eliminating and significantly reducing key business risks.

Outlook

From the reports available in public domain, it is believed that the global economic recovery is in its way. It is only hoped that the growth momentum gathers, steam soon and fast. Indian textile industry is generally competitive and considering the positive business conditions developing, outlook for cotton textiles appears to be good.

Human resource / Industrial relations

The Company recognizes the importance and contribution of its human resources for its growth and development and is committed to the development of its people.

The Company has cordial relations with employees and staff. There are no industrial relations problems during the year and the Company does not anticipate any material problems on this count in the current year. The management is also committed to help the employees and workers to sharpen their skills and to improve their knowledge base.

Internal Control Systems and Adequacy

The Company has disciplined approach to cost and follows prudential norms in every sphere of its activities. The Profit making is put at the center of decision making. The cost are budgeted, reviewed and monitored. The Company has established internal control systems for ensuring optimum use of resources and safeguarding the assets. The Internal Control Systems and procedure are adequate and commensurate with the size of the Company. These business control procedures ensure efficient use and protection of the resources and compliance with the policies, procedures and status.

INDEPENDENT AUDITOR'S REPORT

To
The Shareholders
Indo Cotspin Limited
Panipat

Report on Financial Statements

We have audited the accompanying financial statements of Indo Cotspin Limited ("the company") which comprise of the Balance Sheet as at 31st March, 2020, the Profit & Loss Statement, Cash Flow Statement for the year ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for 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 Standards notified under section 133 of the Companies Act 2013 and the Companies (Indian Accounting Standards) Rules, 2015 ('Ind AS Rules') and its amendments, of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control 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 conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 misstatement.

An audit involves performing procedures to obtain audit evidence, on a test basis, 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March ,2020
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Matters

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.

-
2. We have inquired into the matters specified under section 143(1) and based on the information and explanations given to us, there is no matter to be reported under this section.
3. As required by section 143(3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief 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 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 Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards notified under section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) In our opinion and based on the information and explanations given to us, there are no financial transactions or matters which have any adverse effect on the functioning of the company.
 - f) On the basis of written representations received from the directors as on 31st March, 2020 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of subsection (2) of Section 164 of the Companies Act, 2013.
 - g) There is no qualification, reservation or adverse remark relating to the maintenance of accounts and other matters connected therewith.
 - h) With regards to the adequacy and operating effectiveness of the internal financial controls over financial reporting system in place and their operating effectiveness, a report as “**Annexure B**” giving our responsibilities and opinion has been annexed herewith.
 - i) Such other matters as are prescribed by the Companies (Audit and Auditors) Rules, 2014 namely:-
 - i) The company has disclosed the impact, if any, of pending litigations on its financial position in its financial statements.
 - ii) The company has made provision, as required under any law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
 - iii) There has been no any delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.

For **Manish Jain & Associates.**
Chartered Accountants

Sd/-
FCA Manish Jain
Partner
M. No. 096014
Firm Regd. No. 015608N
Panipat: 30th May, 2020

“Annexure A” to Auditor’s Report

[Referred to in above the Auditor’s Report of even date for M/s Indo cotspin Limited on the Financial Statements for the year ended 31st March, 2020]

1. a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.

b) As explained to us, the fixed assets have been physically verified by the management during the year, in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the company and nature of its fixed assets. No material discrepancies were noticed on such physical verification.

c) According to the information and explanation given to us and on verification, the title deeds of immovable properties are held in the name of the company.
2. In respect of its Inventories:
As per the information provided to us, Inventory has been physically verified by the management during the year and no material discrepancies were noticed.
3. a) According to information and explanation given to us, the Company has not granted any secured or unsecured loans to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act.

In view of the above, provisions of clause 3(iii) (b) and (c) are not applicable to the company.
4. In our opinion and according to information and explanation given to us, the company has, in respect of loans, investments, guarantees, and security provisions, complied with section 185 and 186 of the Companies Act, 2013.
5. According to the information and explanation given to us, the company has not accepted any deposits, whether 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. Hence the provisions of clause 3(v) are not applicable to the company.
6. Pursuant to the rules made by the Central Government, the maintenance of Cost Records have been prescribed u/s 148(1) of the Companies Act, 2013. We are of the view that prima facie the prescribed accounts and records have been maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
7. In respect of Statutory Dues:
a) According to the books and records as produced and examined by us in accordance with generally accepted auditing practices in India and also management representations, undisputed statutory dues in respect of Provident fund, employees’ state insurance, Income Tax, Sales Tax, Service tax, Custom duty, Excise duty, Value added tax, Cess and other statutory dues, if any, applicable to it, has been regularly deposited with the appropriate authorities.

b) According to the information and explanations given to us, no disputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2020 for a period of more than six months from the date of becoming payable.
8. In our opinion and according to the information and explanation given to us and the books of accounts

- verified by us, the company has not defaulted in repayment of dues to a financial institution, bank, Government or dues to debenture holders.
9. The Company has neither raised moneys by way of public issue/ follow-on offer (including debt instruments) nor taken any term loans during the year. Accordingly, the provisions of clause 3(ix) are not applicable to the Company.
 10. During the course of our examination of the books of account carried in accordance with the generally accepted auditing standards in India, we have neither come across any instance of fraud on or by the Company, either noticed or reported during the year, nor have we been informed of such case by the Management.
 11. According to the information and explanation given to and the books of accounts verified by us, 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.
 12. The Company is not a Nidhi Company, hence the provision of clause 3(xii) are not applicable to the company.
 13. According to the information and explanation given to us and the record produced before us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
 14. According to information and explanation given to us, the Company during the year, has not made any preferential allotment or private placement of shares or fully or partly convertible debentures, hence the provision of clause 3(xiv) are not applicable to the company.
 15. According to the information and explanation given to us and the books of accounts verified by us, the company has not entered into any non-cash transactions with directors or persons connected with him.
 16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Manish Jain & Associates.**
Chartered Accountants

Sd/-
FCA Manish Jain
Partner
M.No. 096014
Firm Regd. No. 015608N
Panipat: 30th May,2020

“Annexure B” to Auditor’s Report

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

To
The Shareholders
Indo Cotspin Limited
Panipat

We have audited the internal financial controls over financial reporting of Indo Cotspin Limited (“the Company”) as of 31st March, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on financial reporting criteria established by the Company considering the essential components of internal controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting

principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March ,2020 based on 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.

For **Manish Jain & Associates.**
Chartered Accountants

Sd/-
FCA Manish Jain
Partner
M.No. 096014
Firm Regd. No. 015608N
Panipat: 30th May, 2020

REPORT OF AUDITORS ON CORPORATE GOVERNANCE

To
The Shareholders
Indo Cotspin Limited
Panipat

We have examined the compliance of the conditions of Corporate Governance by Indo Cotspin Limited for the year ended 31st March,2020 as stipulated in Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations, as applicable

We further state that such compliance is neither an assurance as to the future viability of the Company nor as to the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Manish Jain & Associates.**
Chartered Accountants

Sd/-
FCA Manish Jain
Partner
M.No. 096014
Firm Regd. No. 015608N
Panipat: 30th May, 2020

BALANCE SHEET AS AT 31ST MARCH, 2020

PARTICULARS	Sch. No.	AS AT	
		31.03.2020	31.03.2019
I. ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	1	31,105,589.08	2,95,08,659.56
(b) Capital Work in Progress		0.00	0.00
(c) Non Current Investments	2	59,998.00	39,248.00
(d) Intangible Assets Under Development		0.00	0.00
(e) Financial Assets			
(i) Long Term Loans and Advances	3	13,62,494.00	13,62,494.00
(ii) Other Non- Current Financial Assets		0.00	0.00
(f) Deferred Tax Assets (Net)	4	6,76,417.52	6,46,377.61
(g) Other Non-Current Assets		0.00	0.00
		33,204,498.60	31,556,779.17
(2) Current Assets			
(a) Inventories	5	13,331,921.40	8,788,247.66
(b) Financial Assets			
(i) Trade Receivables	6	1,40,01,024.00	1,95,50,004.80
(ii) Cash and Cash Equivalents	7	99,89,151.95	1,65,51,235.92
(iii) Bank Balances other than (iii) above		0.00	0.00
(iv) Short Term Loans and Advances	8	24,01,871.99	24,56,943.55
(c) Current Investments	9	3,89,07,456.91	3,98,62,014.18
(d) Other Current Assets	10	16,766.00	4,334.00
		7,86,48,192.25	8,72,12,780.11
Total Assets		11,18,52,690.85	11,87,69,559.27
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share Capital	11	4,20,05,000.00	4,20,05,000.00
(b) Other Equity	12	2,14,38,136.11	2,03,74,297.57
		6,34,43,136.11	6,23,79,297.57
(2) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Long Term Borrowings	13	0.00	1,38,720.96
(ii) Non current Financial Liabilities	14	0.00	0.00
(b) Other Non Current Liabilities	15	0.00	0.00
(c) Long Term Provisions	16	7,50,656.30	9,65,958.00
		7,50,656.30	11,04,678.96
(3) Current Liabilities			
(a) Financial Liabilities			
(i) Short Term Borrowings	17	1,38,721.00	8,72,636.32
(ii) Trade Payables	18	4,69,78,939.42	5,34,61,845.42
(b) Other Current Liabilities	19	3,42,249.74	6,06,275.00
(c) Short Term Provisions		0.00	0.00
(d) Current Tax Liabilities (Net)	20	1,98,988.28	3,44,826.00
		4,76,58,898.44	5,52,85,582.74
Total Equity & Liabilities		11,18,52,690.85	11,87,69,559.27
		0.00	0.00

As per our separate report of even date.

For **Manish Jain & Associates**
Chartered Accountants

Sd/-
(FCA MANISH JAIN)
Partner
Membership No. 096014
Firm's Regn. No. 015608 N

Place : Panipat
Date : 30-05-2020

For **Indo Cotspin Limited**

Sd/-
(Raj Pal Aggarwal)
Whole Time Director
DIN: 00456189

Sd/-
(Vijay Pal)
Chief Financial Officer
Pan: AAPP6485R

Sd/-
(Bal Kishan Aggarwal)
Managing Director
DIN: 00456219

Sd/-
(Nitin Nandwani)
Company Secretary)
ACS No. 44756

INDO COTSPIN LIMITED
CIN NO.: L17111HR1995PLC032541

ANNUAL REPORT 2019-20

Indo Cotspin Limited
 CIN: L17111HR1995PLC032541

MANUFACTURING , TRADING & PROFIT & LOSS ACCOUNT
FOR THE YEAR ENDED ON 31ST MARCH,2020

PARTICULARS	Sch NO.	Year Ended	Year Ended
		31.03.2020	31.03.2019
I. Revenue from Operations	21	9,72,71,336.00	10,37,02,713.56
II. Other Income	22	24,65,596.47	40,06,050.87
Total Income		9,97,36,932.47	10,77,08,764.43
III. Expenses			
Cost of Material Consumed	23	7,42,70,091.28	7,71,23,794.49
Purchase of Stock-in-Trade	24	52,21,917.62	68,26,756.76
(Increase)/Decrease in F.G.,WIP & Stock in Trade	25	-31,90,767.90	9,84,110.00
Employee Benefit Expenses	26	43,10,978.20	40,57,285.00
Finance Costs	27	50,560.16	1,43,393.02
Depreciation & Amortisation Expense	28	54,19,275.18	43,86,608.53
Other Expenses	29	1,23,79,312.02	1,23,94,582.59
Total Expenses		9,84,61,366.56	10,59,16,530.39
IV Profit/(Loss) for the year Before Exceptional Items & Tax		12,75,565.91	17,92,234.04
Exceptional Items- (Income)/ Expenses- Net		0.00	0.00
V Profit/(Loss) for the year Before Tax		12,75,565.91	17,92,234.04
VI Tax Expense:			
(1) Current Tax		1,98,988.28	3,44,826.00
(2) Previous Year Tax		42,779.00	56,720.00
(3) Deferred Tax		-30,039.91	-14,490.35
VII Profit/(Loss) for the year After Tax		10,63,838.54	14,05,178.39
VIII Other Comprehensive Income			
i) Items that will not be reclassified to profit or loss		0.00	0.00
ii) Income tax relating to Items that will not be reclassified to profit or loss		0.00	0.00
iii) Items that will be reclassified to profit or loss		0.00	0.00
iv) Income tax relating to Items that will be reclassified to profit or loss		0.00	0.00
		0.00	0.00
IX Total Comprehensive Income (VII+VIII)		10,63,838.54	14,05,178.39
X Earning Per Equity Share:			
Basic/Diluted		0.25	0.34

As per our separate report of even date.

For **Manish Jain & Associates**
 Chartered Accountants

Sd/-
 (FCA MANISH JAIN)
 Partner
 Membership No. 096014
 Firm's Regn. No. 015608N

Place : Panipat
 Date : 30.05.2020

For Indo Cotspin Limited

Sd/-
 (Raj Pal Aggarwal) (Bal Kishan Aggarwal)
 Whole Time Director Managing Director
 DIN: 00456189 DIN: 00456219

Sd/-
 (Vijay Pal) (Nitin Nandwani)
 Chief Financial Officer Company Secretary
 Pan: AAPPP6485R ACS No. 44756

Notes to Accounts Forming Integral Part of the Balance Sheet As At 31st March, 2020.

NOTE : 1

CORPORATE INFORMATION

Indo Cotspin Limited "The Company" is domiciled in India and was incorporated under the provisions of The Companies Act, 1956. The Company is having its registered office and manufacturing at Delhi Mile Stone 78 KM, GT Road, NH-44
Village: Jhattipur, Post Box No. 3, Post Office: Samalkha Panipat-132103 (Haryana) The Company is primarily engaged in the business of Non Woven Fabric/ Tufted Carpet manufacturing & trading of textile goods., Etc.

NOTE : 2

SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Preparation of Financial Statements

The financial statements of the company have been prepared in accordance with Indian Accounting Standards (IndAS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Companies Act, 2013 "the Act". For all periods upto and including the year ended March 31, 2017, Financial Statements were prepared in accounting standards notified under the section 133 of the Companies Act, 2013 and other relevant provisions of the Act. The financial statements for the year ended March 31, 2019 and March 31, 2020 are financial statements under Ind AS. The financial statements are prepared on a historical cost basis, except where the financial assets and liabilities had to be measured at fair value.

B. Use of estimates

The preparation of financial statements is in conformity with the Ind AS which requires the management to make judgements, estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amount of assets or liabilities in future periods.

C. Fixed Assets

(i) Tangible Assets

Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any.

(ii) Intangible Assets

There is no intangible asset.

D. Depreciation and Amortisation

Depreciation on fixed assets is provided to the extent of depreciable amount on the basis of useful life prescribed in Schedule II to the Companies Act, 2013

E. Investments

Long term investments are stated at cost. Short term investments in SBI Mutual Fund are stated at cost Rs 37095857.01

F. Inventories

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing Overheads incurred in bringing them to their respective present location and condition. Stock in process is determined at cost upto

G. Revenue Recognition

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers.

H. Provision for Current and Deferred Tax

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. Deferred tax assets are recognised and carried forward only to the extent that there is a virtual certainty that the asset will be realised in future

I. Contingent Liabilities and Contingent Assets

There is no contingent liability & assets.

Notes to Accounts Forming Integral Part of the Balance Sheet As At 31st March, 2020.

Schedule : 2 Non Current Investments

1 Investment In Popular Plant	59,998.00	39,248.00
Total	59,998.00	39,248.00

1.1 Reconciliation of Investment In Plots at the beginning and at the end of the year.

Investment in Plots at the beginning of the year	0.00	81,49,987.00
Add : Installments paid during the year	0.00	3,13,202.00
Less : Refund for Non Acceptation of Booking	0.00	0.00
Less : Plot sold during the year	0.00	1,19,23,910.00
Profit on sale	0.00	34,60,721.00
Less : Transferred to other Income	0.00	34,60,721.00
Total	0.00	0.00

1.2 The above investments are stated at cost.

Schedule : 3 Long Term Loans & Advances

1 Security Deposits

(a) Secured Considered Good (Electricity Security)	13,62,494.00	13,62,494.00
(b) Unsecured Considered Good	0.00	0.00
(c) Doubtful	0.00	0.00
Total	13,62,494.00	13,62,494.00

Schedule : 4 Deferred Taxation

Deferred Taxation

Particulars	Year Ended 31st March, 2020	Year Ended 31st March, 2019
Computation of Deferred Tax Assets/ Liabilities		
Deferred Tax Liabilities on Account of Depreciation Difference	-6,76,417.52	-6,46,377.61
Less : Deferred Tax Assets on Account of Disallowances under Income Tax Act, 1961	0.00	0.00
Net Deferred Tax Liabilities	-6,76,417.52	-6,46,377.61

Schedule : 5 Inventories

(At lower of cost and net realisable value)

1 Raw Materials	47,86,684.00	33,19,919.50
2 Work-In-Progress	37,480.00	40,980.00
3 Finished Goods	72,49,759.90	40,55,492.00
4 Trading Stock	0.00	0.00
5 Consumable Stores & Spares	8,77,650.00	10,00,700.00
6 Power & Fuel	2,95,339.50	3,71,156.16
7 Machinery Repair & Spares	85,008.00	0.00
Total	1,33,31,921.40	87,88,247.66

Schedule : 6 Trade Receivables

1 Outstanding for more than six months

(a) Secured Considered Good	0.00	0.00
(b) Unsecured Considered Good	0.00	0.00
(c) Doubtful	0.00	0.00
Less: Provision for doubtful trade receivables	0.00	0.00
Sub Total (A)	0.00	0.00

2 Others

(a) Secured Considered Good	1,40,01,024.00	1,95,50,004.80
(b) Unsecured Considered Good	0.00	0.00

(c) Doubtful	0.00	0.00
Less: Provision for doubtful trade receivables	<u>0.00</u>	<u>0.00</u>
Sub Total (B)	<u>1,40,01,024.00</u>	<u>1,95,50,004.80</u>
Total (A + B)	<u>1,40,01,024.00</u>	<u>1,95,50,004.80</u>
Schedule : 7 Cash & Cash Equivalents		
1 Cash-in-Hand		
Cash-in-Hand	<u>1,50,968.82</u>	<u>1,42,522.02</u>
Sub Total (A)	<u>1,50,968.82</u>	<u>1,42,522.02</u>
2 Bank Balances		
Balance with Scheduled Banks		
Union Bank of India - 19054	0.00	46,054.39
State Bank of India	6,26,065.64	44,75,305.64
HDFC Bank Limited	42,12,117.49	1,14,39,665.70
Axis Bank Limited	0.00	27,688.17
3 FDR's	50,00,000.00	4,20,000.00
4 Accrued Interest on FDR's	0.00	0.00
Sub Total (B)	<u>98,38,183.13</u>	<u>1,64,08,713.90</u>
Total (A + B)	<u>99,89,151.95</u>	<u>1,65,51,235.92</u>
Schedule : 8 Short Term Loans & Advances		
1 Other Advances (Secured)		
(a) Balance with Income Tax(Advance Tax)	1,35,000.00	0.00
(b) Other Advances	0.00	0.00
(c) Prepaid Insurance	2,96,737.00	1,92,108.00
(d) TDS Receivable	1,863.00	85,190.00
(e) TCS Receivable	67,027.00	0.00
(f) VAT Receivable	0.00	25,026.23
(g) GST Receivable	19,01,244.99	21,54,619.32
Total	<u>24,01,871.99</u>	<u>24,56,943.55</u>
Schedule : 9 Current Investments		
1 Investments in Quoted Shares	9,78,991.36	10,43,050.76
2 PCJ Share Investment Account	8,32,608.54	9,41,411.44
3 SBI Premier Liquid Fund Account	3,70,95,857.01	3,78,77,551.98
	<u>3,89,07,456.91</u>	<u>3,98,62,014.18</u>
Schedule : 10 Other Current Assets		
1 Income Tax Refund		
Interest on UHBVN Security F.Y. 2016-17	16,766.00	0.00
	0.00	4,334.00
Total	<u>16,766.00</u>	<u>4,334.00</u>
Schedule : 11 Share Capital		
A. AUTHORISED SHARE CAPITAL		
50,00,000 Equity Shares of Rs. 10/- each	<u>5,00,00,000.00</u>	<u>5,00,00,000.00</u>
	<u>5,00,00,000.00</u>	<u>5,00,00,000.00</u>
ISSUED & SUBSCRIBED SHARE CAPITAL		
42,00,500 Equity Shares of Rs. 10/- each	<u>4,20,05,000.00</u>	<u>4,20,05,000.00</u>
	<u>4,20,05,000.00</u>	<u>4,20,05,000.00</u>
PAID UP SHARE CAPITAL		
42,00,500 Equity Shares of Rs. 10/- each. Fully Paid-Up	<u>4,20,05,000.00</u>	<u>4,20,05,000.00</u>
	<u>4,20,05,000.00</u>	<u>4,20,05,000.00</u>
Total	<u>4,20,05,000.00</u>	<u>4,20,05,000.00</u>
The Company has only one class of Equity Share having Par Value of Rs.10 per Share and Each Shareholder is eligible for One Vote Per Share.		
B. Reconciliation of Number of Equity Shares outstanding at the beginning and at the end of the year.		
Number of Shares Outstanding at the beginning of the year	42,00,500.00	42,00,500.00
Add: Number of Shares allotted & paid up during the year	0.00	0.00
	<u>42,00,500.00</u>	<u>42,00,500.00</u>
Less: Number of Shares Bought Back during the year	0.00	0.00
Number of Shares outstanding at the end of the year	<u>42,00,500.00</u>	<u>42,00,500.00</u>

C. Details of Shares held by Shareholders having more than 5% of the aggregate share in the company

Name of Shareholder	As at 31st March, 2020		As at 31st March, 2019	
	No. of Shares Held	% of Shareholding	No. of Shares Held	% of Shareholding
Indo Non Woven Pvt. Ltd.	7,24,000	17.24	7,24,000	17.24
Bal Kishan Aggarwal	4,95,100	11.78	4,95,100	11.78
Raj Pal Aggarwal	4,88,900	11.64	4,88,900	11.64

Schedule : 12 Share Capital

1. Securities Premium Reserve	49,95,000.00	49,95,000.00
Sub Total (A)	49,95,000.00	49,95,000.00
2. Capital Reserve	77,28,036.00	77,28,036.00
Sub Total (B)	77,28,036.00	77,28,036.00
3. Surplus (Profit & Loss Account)		
Balance Brought forward from Previous Year	76,51,261.57	62,46,083.18
Add: Profit for the year	10,63,838.54	14,05,178.39
Sub Total(C)	87,15,100.11	76,51,261.57
Total (A+B+C)	2,14,38,136.11	2,03,74,297.57

Schedule : 13 Long Term Borrowings

1 Car Loan	0.00	1,38,720.96
	0.00	1,38,720.96

Schedule : 14 Long Term Provisions

1 Retirement Benefits (Gratuity)	7,50,656.30	9,65,958.00
	7,50,656.30	9,65,958.00

Schedule : 15 Short Term Borrowings

1 Secured		
(a) Loan Repayble on Demand		
- From Banks	0.00	0.00
- From Other Parties	0.00	0.00
(b) Current Liabilities of Long Term Debt (Car Loan) (Due within one year)	1,38,721.00	8,72,636.32
Sub Total (A)	1,38,721.00	8,72,636.32
2 Unsecured		
(a) Loan Repayble On Demand		
- From Directors	0.00	0.00
- From Other Parties	0.00	0.00
Sub Total (B)	0.00	0.00
Total (A+B)	1,38,721.00	8,72,636.32

Schedule : 16 Trade Payables

1 Micro, Small and Medium Enterprises	0.00	0.00
2 Others	4,62,38,563.42	5,30,29,816.42
3 Advances from Customers	7,40,376.00	4,32,029.00
Total	4,69,78,939.42	5,34,61,845.42

Schedule : 17 Other Current Liabilities

1 Statutory Dues		
(a) Auditor Remuneration Payble	0.00	40,500.00
(b) T.D.S. Payable	0.00	0.00
(c) Stock Exchange Fees Payable	0.00	0.00
(d) Electricity Charges Payable	3,23,805.00	5,41,652.00

2 Employee Expenses

(a) Wages Payable	0.00	0.00
(b) Salary Payable	0.00	0.00
(c) Labour Welfare Payable	7,059.00	6,495.00
(d) EPF Payable	3,570.00	9,294.00
(e) ESI Payable	1,816.00	2,334.00

3 Creditors for Other Expenses

(a) Telephone Bill Payable	0.00	0.00
(b) Security Service Exp. Payable	0.00	0.00
(c) Fees & Taxes Payable	6,000.00	6,000.00

4 Advance from Customers

	0.00	0.00
Total	3,42,249.74	6,06,275.00

Schedule : 18 Short Term Provisions

1 Provision for Taxation	1,98,988.28	3,44,826.00
Total	1,98,988.28	3,44,826.00

Schedule : 19 Revenue from Operations

1 Domestic Sales	9,72,71,336.00	10,37,02,713.56
Total	9,72,71,336.00	10,37,02,713.56

Schedule : 20 Short Term Provisions

1 Interest on FDR'S	1,151.00	37,800.00
2 Profit on Sale of Poplar plant	0.00	0.00
3 Profit on Sale of VEHICLES	2,51,767.29	0.00
4 Profit on Sale of Machinery	0.00	0.00
5 Profit/Interest on Mutual Funds	17,18,305.04	9,98,149.23
6 Rebate & Discount	0.00	0.00
7 Dividend Income	1,080.00	5,200.00
8 Profit on Sale of Plot	0.00	34,60,721.00
9 Interest accrued on Mutual Funds	0.00	0.00
10 Interest on Income Tax Refund	0.00	1,36,450.00
11 PROFIT on Sale of Shares (PCJ Shares)	0.00	-6,32,269.36
12 Interest accrued on Electric Security UHBVN	18,629.00	0.00
13 Discount on LLDP	3,02,975.00	0.00
14 Profit on sale of PCJ shares	1,71,689.14	0.00
Total	24,65,596.47	40,06,050.87

CALCULATION OF PROFIT ON SALE OF VEHICLES

	Motor Cycle	Chevrolt	Jeta
Sales Value	1,000.00	20,000.00	3,50,000.00
Less:WDV	853.22	37,736.00	80,643.49
Profit/Loss	146.78	(17,736.00)	2,69,356.51
NET PROFIT/LOSS			2,51,767.29

Schedule : 21 Cost of Material Consumed

1 Raw Material Consumed		
Opening Stock	33,19,919.50	14,27,400.50
Add: Purchases	6,11,72,098.68	7,17,60,252.49
Less: Closing Stock	47,86,684.00	33,19,919.50
Less: Trading Stock	3,89,916.20	38,41,174.00
Total	5,93,15,417.98	6,60,26,559.49
2 Consumable Stores & Spares		

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Opening Stock	10,00,700.00	4,00,970.00
Add: Purchases	1,80,84,528.30	1,37,99,428.81
Less: Closing Stock	8,77,650.00	10,00,700.00
Less: Trading Stock	32,52,905.00	21,02,463.81
	<u>1,49,54,673.30</u>	<u>1,10,97,235.00</u>
Total (1+2)	<u>7,42,70,091.28</u>	<u>7,71,23,794.49</u>
<u>Schedule : 22 Purchase Of Stock-in-Trade</u>		
1 Finished Goods	15,79,096.42	8,83,118.95
2 Raw Material	3,89,916.20	38,41,174.00
3 Stores & Spares	32,52,905.00	21,02,463.81
Total	<u>52,21,917.62</u>	<u>68,26,756.76</u>
<u>Schedule : 23 (Increase) / Decrease in Finished Goods, WIP & Stock in Trade</u>		
1 Inventories at the beginning of the year		
(a) Finished Goods		
Manufactured Goods	40,55,492.00	50,39,602.00
Trading Stock	0.00	0.00
(b) Work in Progress		
	40,980.00	40,980.00
	<u>40,96,472.00</u>	<u>50,80,582.00</u>
2 Inventories at the end of the year		
(a) Finished Goods		
Manufactured Goods	72,49,759.90	40,55,492.00
Trading Stock	0.00	0.00
(b) Work in Progress		
	37,480.00	40,980.00
	<u>72,87,239.90</u>	<u>40,96,472.00</u>
Total (1-2)	<u>-31,90,767.90</u>	<u>9,84,110.00</u>
<u>Schedule : 24 Employee Benefit Expenses</u>		
1 Direct Expenses		
(a) Wages	8,28,521.00	7,60,905.00
(b) E.P.F. on Wages	35,368.00	46,292.00
(c) E.S.I. on Wages	21,320.00	25,474.00
2 Indirect Expenses		
(a) Salaries	16,41,000.00	6,49,599.00
(b) Director's Remuneration	16,80,000.00	24,00,000.00
(c) Sitting Fees of Directors	24,000.00	60,000.00
(d) Gratuity	80,769.20	1,15,015.00
Total	<u>43,10,978.20</u>	<u>40,57,285.00</u>
<u>Schedule : 25 Finance Costs</u>		
1 Interest on Car Loan	48,759.53	1,38,342.81
2 Bank & Financial Charges	1,800.63	5,050.21
Total	<u>50,560.16</u>	<u>1,43,393.02</u>
<u>Schedule : 26 Depreciation & Amortisation Expenses</u>		
1 Depreciation	54,19,275.18	43,86,608.53
2 Amortisation	0.00	0.00
Total	<u>54,19,275.18</u>	<u>43,86,608.53</u>

Schedule : 27 Other Expenses

1 Manufacturing Expenses		
(a) Cock/Gas	39,33,779.78	16,09,116.37
(b) Machinery Repairs & Spares	5,83,456.70	9,87,865.24
(c) Diesel Expenses	0.00	0.00
(d) Electricity Expenses	45,65,085.74	34,19,705.00
(e) Freight Expenses	1,17,400.00	20,070.00
(f) Agency Charges	20,000.00	50,650.00
(g) Custom Duty	4,63,525.00	9,41,372.00
(h) Clearing & Forwarding Charges	2,96,167.14	9,26,929.35
(i) Generator rent	0.00	20,000.00
(j) FOC Expenses	18,793.00	
Sub-Total (A)	<u>99,98,207.36</u>	<u>79,75,707.96</u>
2 Selling & Distribution Expenses		
(a) Advertisement Expenses	57,390.00	30,600.00
(b) Freight & Cartage (Outward)	0.00	10,170.00
(c) Packing Expenses	8,36,232.60	20,86,995.75
(d) Clearing Charges	0.00	0.00
(e) Rebate & Discount	9,592.63	3,45,619.08
Sub-Total (B)	<u>9,03,215.23</u>	<u>24,73,384.83</u>
3 Establishment Expenses		
(a) Auditor Remuneration	45,000.00	45,000.00
(b) Building Repair	10,429.00	73,069.48
(c) Battery Account	38,593.86	0.00
(d) Conveyance Expense	0.00	3,00,450.23
(e) Fees & Taxes	4,60,760.00	2,81,629.89
(f) Insurance	3,34,810.00	2,24,045.00
(g) Courier Expenses	9,226.00	21,398.00
(h) Printing & Stationary	0.00	9,000.00
(i) Stock Exchange Fees	0.00	2,50,000.00
(j) Travelling Expenses	4,57,812.16	6,90,851.94
(k) Telephone Charges	24,735.18	44,386.26
(l) Miscellaneous Expenses	100.00	5,659.00
(m) Electric Exps.	4,134.00	0.00
(n) Tally Software	3,600.00	0.00
(o) Previous Year Vat	88,689.23	0.00
Sub-Total (C)	<u>14,77,889.43</u>	<u>19,45,489.80</u>
Total Other Expenses (A+B+C)	<u>1,23,79,312.02</u>	<u>1,23,94,582.59</u>

30 Provision for Taxation of financial year 2019-20 is Rs 198988.28/- .

31Based on the information given by the with the company, in respect of MSME (as defined in the Micro Small & Medium Enterprises Development Act, 2006) there are no outstanding payments to such companies at the end of the year. This has been relied upon by the auditor.

32 Remuneration paid/payable to Managing Director and Whole Time Directors.

Particulars	Year Ended 31st March, 2020	Year Ended 31st March, 2019
Director's Remuneration	16,80,000.00	24,00,000.00
SH. BAL KISHAN AGGARWAL	8,40,000.00	4,80,000.00
SH. RAJ PAL AGGARWAL	8,40,000.00	4,80,000.00
SH. ARPAN AGGARWAL	0.00	4,80,000.00
SH. SAHIL AGGARWAL	0.00	4,80,000.00
SH. SANIL AGGARWAL	0.00	4,80,000.00

33 Remuneration paid / payable to Auditors

Particulars	Year Ended 31st March, 2020	Year Ended 31st March, 2019
Payment to Auditor	45,000.00	45,000.00

34 In the opinion of the Board, the Current Assets, Loans & Advances are approximately of the value stated, if realised, in the ordinary course of business.

35 Related Party Disclosures for the Year Ended 31st March, 2020.

(a)	Particulars	Year Ended 31st March, 2020	Year Ended 31st March, 2019
1	Key Management Personnel	Sh. Bal Kishan Aggarwal	Sh. Bal Kishan Aggarwal
		Sh. Raj Pal Aggarwal	Sh. Raj Pal Aggarwal
	Independent directors	Sh. Shubham Singla	Sh. Shubham Singla
		Smt. Shelly Aggarwal	Smt. Shelly Aggarwal
2	Relative of Key Management Personnel	Nil	Nil
3	Enterprises that directly/indirectly through one or more intermediaries control or controlled by, or under common control with, the company.	Nil	Nil
4	Associate Company	Indo Non Woven Pvt Ltd.	Indo Non Woven Pvt Ltd.
5	Members or their relatives having significant influence over the company by having an interest in the voting power of the company.	Nil	Nil
6	Enterprises in which substantial interest in the voting power is owned directly/ indirectly by the key management personnel or their relatives including directors and senior management of the company.	Nil	Nil

(b) Details of Transaction with the Related Parties

Particulars		Year Ended 31st March, 2020	Year Ended 31st March, 2019
1	Key Management Personnel	Rs. 16,80,000.00 (Remuneration Paid)	Rs. 24,00,000.00 (Remuneration Paid)
	SH. BAL KISHAN AGGARWAL	8,40,000.00	4,80,000.00
	SH. RAJ PAL AGGARWAL	8,40,000.00	4,80,000.00
	Sh. Shubham Singla (appointed on 25/03/2019)	0.00	0.00
	Smt. Shelly Aggarwal (appointed on 25/03/2019)	0.00	0.00
	SH. ARPAN AGGARWAL	0.00	4,80,000.00
	SH. SAHIL AGGARWAL	0.00	4,80,000.00
	SH. SANIL AGGARWAL	0.00	4,80,000.00
2	Relative of Key Management Personnel	Nil	Nil
3	Enterprises where Control Exists	Nil	Nil
4	Associate Company	Nil	Nil
5	Members or their relatives having significant influence	Nil	Nil
6	Enterprises in which substantial interest	Nil	Nil

36 Earning per Share

Particulars	Year Ended 31st March, 2020	Year Ended 31st March, 2019
Profit After Tax	10,76,577.63	14,47,408.04
Weighted Average No. of Equity Shares	42,00,500.00	42,00,500.00
Basics/ Diluted EPS	0.25	0.34

37 Statement of Finished Goods

S.No.	Particulars	Opening Stock as on 01.04.2019	Purchase/ Production	Sales/ Consumed	Closing Stock as on 31.03.2020
	Manufactured				
1	Non Woven Fabrics	70,089.69	13,41,051.15	13,10,825.00	1,00,315.84
2	Tufted Carpet	23,426.80	8,29,720.12	7,72,356.92	80,790.00
3	MONOFILAMENT YARN	0.00	18,863.40	15,588.90	3,274.50

38 Cost of Material Consumed

(Amount in Rupees)

Particulars	Unit	Year Ended 31st March, 2020	
		Quantity	Amount
Poly Fiber	KGS	5,33,676.10	1,95,37,040.95
Backing cloth	MTRS	1,06,191.20	9,91,881.12
Polyster Yarn	KGS	71,210.00	48,67,988.40
Mono Filament Yarn	KGS	11,131.30	6,41,186.73
Fabrics	KGS	2,76,957.66	1,25,82,154.20
Marble Powder	KGS	7,07,550.00	9,27,505.00
Jute Yarn	KGS	1,43,521.00	1,17,40,498.58
Paper	ROLLS	112.00	7,09,500.00
Oil & Chemicals	KGS	1,79,846.50	1,33,17,668.30
Plastic Dana	KGS	1,11,048.70	89,54,663.00
Total			7,42,70,086.28

39 Details of consumption of imported and indigenous items:-

(Amount in Rupees)

Particulars	Year Ended 31st March, 2020	
	%	Amount
Imported	2.35	18,71,115.12
Indigenous	97.65	7,76,20,893.78
Total	100.00	7,94,92,008.90

40 Expenditure in Foreign Currency (on payment basis)

Particulars	Year Ended 31st March, 2020
Raw Material	18,71,115.12

41 Earnings in Foreign Currency -Nil

Amount remitted during the year in foreign currency on dividends and number of non-resident Shareholders - Nil.

42 Value of Imports Calculated on CIF basis by the Company during the financial year in respect of:

S.No.	Particulars	Amount
1	Raw Material & Stock-in-Trade	\$ 25,919.23
2	Capital Goods	Nil
3	Components & Spare Parts	Nil

A. Registration Details

Registration Number	32541	32541
State Code	5	5
Balance Sheet Date	31.03.2020	31.03.2019

B. Position Of Mobilisation & Development of Funds

Total Equity & Liabilities	11,18,52,690.85	11,87,69,559.27
Total Assets	11,18,52,690.85	11,87,69,559.27
Equity & Liabilities		
Paid Up Capital	4,20,05,000.00	4,20,05,000.00
Other Equity	2,14,38,136.11	2,03,74,297.57
Non Current Liabilities	7,50,656.30	11,04,678.96
Current Liabilities	4,76,58,898.44	5,52,85,582.74
Assets		
Net Fixed Assets	3,11,65,587.08	2,95,47,907.56
Non Current Assets other than Fixed Assets	20,38,911.52	20,08,871.61
Net Current Assets	7,86,48,192.25	8,72,12,780.11

C. Performance of Company

Revenue From Operations	9,72,71,336.00	10,37,02,713.56
Other Income	24,65,596.47	40,06,050.87
Total Expenditure	9,84,61,366.56	10,59,16,530.39
Profit before tax	12,75,565.91	17,92,234.04
Provision for Taxation		
- Current Tax	1,98,988.28	3,44,826.00
- Previous Year Tax	42,779.00	56,720.00
- Deferred Tax	-30,039.91	-14,490.35
Profit after Tax	10,63,838.54	14,05,178.39

D. Generic Name of the Principal Product of Co.

(As per monetary Terms)
Item Code No.
Product Description

N.A.

Manufacturing & Trading of Textiles Goods

For **Manish Jain & Associates**
Chartered Accountants

For **Indo Cotspin Limited**

Sd/-

(FCA MANISH JAIN)

Partner

Membership No. 096014

Firm's Regn. No. 015608 N

Place : Panipat

Date : 30.05.2020

Sd/-

(Raj Pal Aggarwal)

Whole Time Director

DIN: 00456189

Sd/-

(Vijay Pal)

Chief Financial Officer

Pan: AAPPP6485R

Sd/-

(Bal Kishan Aggarwal)

Managing Director

DIN: 00456219

Sd/-

(Nitin Nandwani)

Company Secretary)

ACS No. 44756

Indo Cotspin Limited
 CIN: L17111HR1995PLC032541

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31.03.2020

PARTICULARS	(Amount in Rupees)	
	Year Ended 31st March 2020	Year Ended 31st March 2019
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit / (Loss) after extraordinary items and tax	10,63,838.54	14,05,178.39
Add: Depreciation	54,19,275.18	43,86,608.53
Financial Cost	50,560.16	1,43,393.02
Provision for Current Taxation	1,98,988.28	3,44,826.00
Provision for Previous Year Taxation	42,779.00	56,720.00
Provision For Gratuity	80,769.20	1,15,015.00
Deferred Tax Liability	(30,039.91)	(14,490.35)
	<u>68,26,170.45</u>	<u>64,37,250.59</u>
Less: Profit on sale of Fixed Assets/ Plots	2,51,767.29	34,60,721.00
Less: Profit/Interest on Mutual Funds	17,18,305.04	9,98,149.23
Less: Interest on FDR	1,151.00	37,800.00
Less: Dividend Received	1,080.00	5,200.00
Less: Profit on Sale of PCJ Shares	1,71,689.14	(6,23,269.36)
Operating Profit before working capital changes	<u>46,82,177.98</u>	<u>13,03,111.00</u>
Less: Increase/(Decrease) in Current Assets		
Inventories	45,43,673.74	18,79,295.16
Trade receivables	(55,48,980.80)	39,32,497.67
Short-term loans and advances	(55,071.56)	1,92,637.48
Other current assets	12,432.00	(6,02,470.00)
Add: Increase/(Decrease) in Current Liabilities		
Trade payables	(64,82,906.00)	2,05,82,039.42
Other current liabilities	(2,64,025.26)	1,61,289.13
Operating Profit After Working Capital Changes	<u>(10,16,806.66)</u>	<u>1,66,44,479.24</u>
Add: Net income tax (paid) / refunds	3,44,826.00	6,401.00
Previous Year Expenses	42,779.00	56,720.00
Net Cash from Operating Activities	<u>(14,04,411.66)</u>	<u>1,65,81,358.24</u>
B. CASH FROM INVESTING ACTIVITIES		
Purchase of Poplar Plants	(20,750.00)	0.00
Sale of Plant & Machinery	0.00	0.00
Interest on FDR	1,151.00	37,800.00
Dividend	1,080.00	5,200.00
Sale of Vehicles	3,71,000.00	-
Sale of Mutual Funds	1,10,00,000.00	1,25,19,213.87
Purchase of Mutual Funds	(85,00,000.00)	(1,40,00,000.00)
Sale of Shares	8,53,106.57	15,11,657.64
Purchase of Shares	0.00	(30,85,338.40)
Additions to Building	0.00	(9,55,564.00)
Purchase of Furniture	(1,19,154.39)	(1,01,510.20)
Purchase of Fire Extinguisher	0.00	0.00
Purchase of Vehicle	(70,14,122.00)	0.00
Purchase of Plant & Machinery	0.00	(1,54,22,468.33)
Purchase of Computer	(2,161.02)	(13,474.58)
Purchase of Shares	(5,08,555.13)	0.00
Plot Installment	0.00	(3,13,202.00)

INDO COTSPIN LIMITED
CIN NO.: L17111HR1995PLC032541

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Sale of Plots	0.00	1,19,23,910.00
Net Cash from Investing Activities	<u>(39,38,404.97)</u>	<u>(78,93,776.00)</u>
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Share Capital	0.00	0.00
Net Cash from Financing Activities	0.00	0.00
Less: Repayment of Loans	0.00	0.00
Less: Repayment of Car Loan	9,99,275.75	11,01,180.00
Less: Financial Charges	50,560.16	1,43,393.02
Net Cash Flow from Financing Activities	<u>(10,49,835.91)</u>	<u>(12,44,573.02)</u>
Net increase in Cash & Cash Equivalents	(63,92,652.54)	74,43,009.22
Cash & Cash Equivalents at the Beginning of the Year	1,63,81,804.49	89,38,795.27
Cash & Cash Equivalents at the End of the Year	<u>99,89,151.95</u>	<u>1,63,81,804.49</u>

For Manish Jain & Associates
Chartered Accountants

Sd/-
(FCA MANISH JAIN)
Partner
Membership No. 096014
Firm's Regn. No. 015608N

Place : Panipat

Date : 30.05.2020

Sd/-
(Raj Pal Aggarwal)
Whole Time Director
DIN: 00456189

Sd/-

(Vijay Pal)
Chief Financial Officer
Pan: AAPPP6485R

For Indo Cotspin Limited

Sd/-
(Bal Kishan Aggarwal)
Managing Director
DIN: 00456219

Sd/-

(Nitin Nandwani)
Company Secretary
ACS No. 44756

1231-A, BINDLE BHAWAN,
I.B. SCHOOL LANE, G.T. ROAD,
PANIPAT-132103.

INDO COTSPIN LIMITED
Notes to Accounts Forming Integral Part of the Balance Sheet As At 31st March, 2019.

Note : 1 Property, Plant and Equipment

FIXED ASSETS

(Amount in Rupees)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK		
	AS ON 01.04.2019	ADDITION DURING THE YEAR	DEDUCTIONS DURING THE YEAR	AS ON 31.03.2020	AS ON 01.04.2019	ADDITION DURING THE YEAR	ADJUSTED AGAINST RESERVES	DEDUCTIONS DURING THE YEAR	AS ON 31.03.2020	WDV AS ON 31.03.2020	WDV AS ON 31.03.2019
A. TANGIBLE ASSETS											
Land	45,48,411.00	0.00	0.00	45,48,411.00	0.00	0.00	0.00	0.00	0.00	45,48,411.00	45,48,411.00
Building	86,65,138.30	0.00	0.00	86,65,138.30	58,17,631.62	2,91,968.55	0.00	0.00	61,09,600.36	25,55,537.94	28,47,506.48
Plant & Machinery	43,956.00	0.00	0.00	43,956.00	43,956.00	0.00	0.00	0.00	43,956.00	0.00	0.00
Plant & Machinery (New)	2,86,90,875.97	0.00	0.00	2,86,90,875.97	93,48,535.31	35,76,052.64	0.00	0.00	1,29,24,587.94	1,57,66,288.03	1,93,42,340.66
Furniture & Fixtures	87,5,356.92	1,19,154.39	0.00	9,94,511.31	5,27,244.38	1,08,413.12	0.00	0.00	6,35,657.50	3,58,853.81	3,48,11,254
Vehicles	1,23,23,704.00	70,14,122.00	24,26,263.00	1,68,11,363.00	98,43,982.27	14,15,471.98	0.00	23,07,030.29	90,52,403.96	78,59,158.04	23,79,74,173
Computer	1,51,366.11	2,16,102	0.00	1,53,527.13	1,13,601.93	25,207.31	0.00	0.00	1,38,809.24	14,717.89	37,764.18
Fire Extinguishers	29,181.00	0.00	0.00	29,181.00	24,398.03	2,161.59	0.00	0.00	26,559.62	2,621.38	4,782.97
Total	5,53,27,989.30	71,35,437.41	24,26,263.00	6,00,37,163.71	2,58,19,329.74	54,19,275.18	-	23,07,030.29	2,89,31,874.63	3,11,05,589.08	2,95,06,659.56

A) Fixed assets are stated at cost less depreciation.

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CIN NO.: L17111HR1995PLC032541

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INDO COTSPIN LIMITED

Regd. Off.: Delhi Mile Stone, 78 K.M., NH-44, G.T. Road, Village Jhattipur, Post Box-3,
 Post Office Samalkha, Panipat-132103 Haryana (INDIA)

PROXY FORM

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

Name of Member:
Registered Address:
Regd. Folio No./ D.P. ID / Client ID:
E-mail Id:

I / WE, being a member(s) of _____ equity shares of the above named Company, hereby appoint

Name: _____ Email: _____
 Address: _____

Signature: _____ or failing him/her
 Name: _____ Email: _____
 Address: _____

Signature: _____ or failing him/her
 Name: _____ Email: _____
 Address: _____

Signature: _____

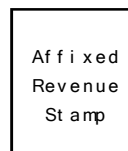
as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual general meeting of the company, to be held on the 22nd September, 2020 at 11.30 A.M. at the registered office of the Company at Delhi Mile Stone 78 K.M, NH-44 , G.T. Road, Village Jhattipur, Post Box No. 3 , Post Office, Samalkha, Panipat-132103(Haryana) and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution number	Resolution
	<u>Ordinary Business</u>
1	Adoption of Financial Statements for the year ended March, 31 2020
2	Appointment of Director
	<u>Special Business</u>
3	To regularise the appointment of Mr. Sahil Aggarwal
4	To regularise the appointment of Mr. Arpan Aggarwal
5	Re-appointment of Mr. Sahil Aggarwal, Whole Time Director
6	Re-appointmentof Mr. Arpan Aggarwal, Whole Time Director

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

Signature of shareholder

Signature of Proxy holder(s)



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

INDO COTSPIN LIMITED
CIN NO.: L17111HR1995PLC032541

ANNUAL REPORT 2019-20

INDO COTSPIN LIMITED

Regd. Off.: Delhi Mile Stone, 78 K.M., NH-44, G.T. Road, Village Jhattipur, Post Box-3,
Post Office Samalkha, Panipat-132103 Haryana (INDIA)
Website : www.indocotspin.com

Attendance Slip for Attending Annual General Meeting

Name of Member:

Registered Address:

Regd. Folio No./ D.P. ID / Client ID:

No. of Shares held:

I certify that I am a member / proxy for the member(s) of the Company.

I hereby record my presence at the Annual General Meeting of the Company to be held on 22nd September, 2020 at 11.30 A.M. at the registered office of the Company at Delhi Mile Stone 78 K.M., NH-44, G.T. Road, Village Jhattipur, Post Box No. 3, Post Office, Samalkha, Panipat-132103 (Haryana).

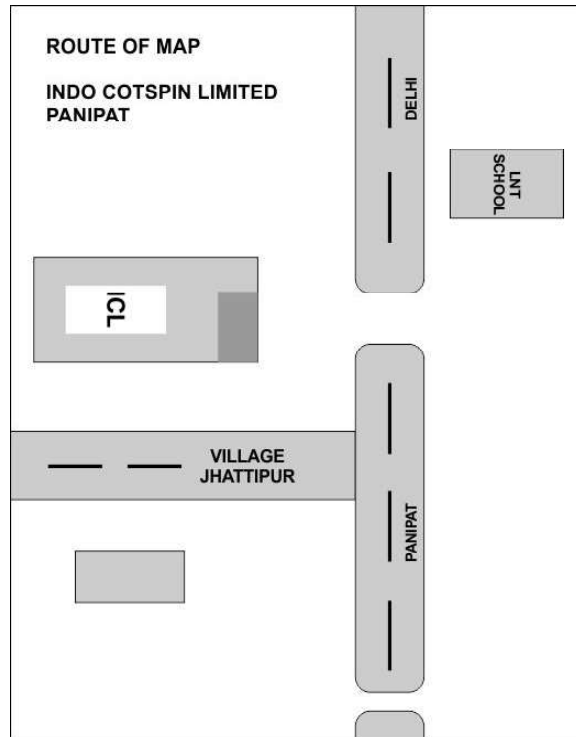
.....
Member's / Proxy's Name in Block Letters

.....
Signature of Member/ Proxy

Note: Please fill up this attendance slip and hand over at the entrance of the meeting hall.

NOTE: IN CASE ANY SHAREHOLDER WISH TO CAST HIS/ HER VOTE THROUGH EVOTING, PLEASE REFERE TO THE DETAILS MENTIONED IN THE NOTICE OF THE ANNUAL GENERAL MEETING.

Book Post



If undelivered please return to :

Indo Cotspin Limited

Delhi Mile Stone, 78 K.M., NH-44, 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
info@indocotspin.com
cs@indocotspin.com