

Date: September 05, 2026

To, Listing Compliance Department National Stock Exchange of India Ltd, Exchange Plaza, C-1 Block G, Bandra Kurla Complex, Bandra (East), Mumbai– 400051 NSE Symbol: ABCOTS	To, The General Manager- Listing BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001 BSE Scrip Code: 544522
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ISIN: INE08PH01015

Subject: Annual Report of the Company for financial year 2025-26, inter-alia, including Notice of 29th Annual General Meeting (“AGM”)

Dear Sir/ Madam,

Pursuant to Regulations 30 and 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’) read with Schedule III thereto, and in furtherance to our letter dated September 4, 2026, informing about convening of the 29th Annual General Meeting (‘AGM’) of the Company, please find attached herewith a copy of Annual Report for the financial year 2025-26, which is being sent through electronic mode to those Members whose e-mail addresses are registered with the Company/Registrar to Issue & Share Transfer Agent (‘RTA’) / Depository Participant(s) (‘DPs’) / Depositories, inter-alia, including the Notice convening the 29th AGM of the Company scheduled to be held on Tuesday, September 29, 2026 at 12:00 P.M (IST) through Video Conferencing (‘VC’) /other audio visual means (‘OAVM’), in accordance with the General Circular No. 14/2020 dated April 08, 2020 and subsequent circulars in this regard, latest being General Circular No. 03/2025 dated September 22, 2025, issued by the Ministry of Corporate Affairs (‘MCA Circulars’) and applicable circulars issued by the Securities and Exchange Board of India, in this regard, from time to time.

Notice of AGM and Annual Report are also available on the Company’s website at:

Notice of the 29 th AGM	https://abcotspin.co.in/shareholders-meeting/
Annual Report for Financial Year 2025-26	https://abcotspin.co.in/annual-report/

Further, a letter in compliance with Regulation 36(1)(b) of the Listing Regulations, which is being sent to the Shareholders whose e-mail addresses are not registered with the Company / RTA / DPs /

A B COTSPIN INDIA LIMITED

CIN: L17111PB1997PLC020118, Registered Address: Bathinda Road, Jaitu, Faridkot, Punjab-151202, Website: www.abcotspin.co.in, Email: info@abcotspin.in, Ph.: 01635-232670

Depositories, providing web link and exact path from where the Annual Report for the financial year 2025-26 and Notice of the 29th AGM can be accessed on the website of the Company.

The facility to cast vote by electronic means (through remote e-voting and e-voting at the AGM) on all the resolutions set out in the AGM notice, will be provided to the shareholders of the Company who are holding equity shares as on the cut-off date i.e. Tuesday, September 22, 2026. The remote e-voting will commence on Saturday, September 26, 2026 (09:00 a.m. IST) and ends on Monday, September 28, 2026 (5:00 p.m. IST). Detailed instructions, inter alia, for registering e-mail address(s) and e-voting/ attendance at the AGM are provided in the AGM notice.

We request you to take the above on record.

Thanking you,

For A B Cotspin India Limited

NIDHI Digitally signed
by NIDHI
Date: 2026.09.05
16:21:16 +05'30'

Nidhi

Company Secretary & Compliance Officer

Encl.: as above

ANNUAL REPORT

FINANCIAL YEAR
2025-2026

*Crafting Excellence,
Thread by Thread*



QUALITY
AT EVERY STEP



INNOVATION
IN EVERY FIBER



SUSTAINABILITY
FOR TOMORROW



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ANNUAL REPORT

2025-26

CORPORATE INFORMATION

BOARD OF DIRECTORS

Our Board brings together a balance of experience, expertise and independent judgment to guide the Company's growth and governance.

CHAIRMAN & MANAGING DIRECTOR

Mr. Deepak Garg

WHOLE-TIME DIRECTOR

Mr. Manohar Lal

NON-EXECUTIVE DIRECTOR

Mr. Ramesh Kumar

INDEPENDENT DIRECTORS

Mr. Puneet
Bhandari

Ms. Preet Kamal
Kaur Bhatia

Mr. Rajesh
Tuteja

(Appointed w.e.f.
August 05, 2025)

KEY MANAGERIAL PERSONNEL



CHIEF FINANCIAL OFFICER

Mr. Rajinder Prashad Garg



COMPANY SECRETARY

- Ms. Nidhi Sharma — Appointed w.e.f. August 12, 2026
- Mr. Rahul Kapasiya — Resigned w.e.f. July 17, 2026



AUDITORS

STATUTORY AUDITORS

M/s P L Mittal & Company
21368 (Old No. 3050), Power House Road,
Bathinda-151001

SECRETARIAL AUDITORS

M/s DR Associates
607, 6th Floor, Rattan Jyoti Building,
Rajendra Place, New Delhi-110008

COST AUDITORS

M/s Jain Sharma & Associates
4430/2 Arya Pura Subzi Mandi,
New Delhi-110007



CORPORATE OFFICES & OPERATIONS

REGISTERED OFFICE

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

MANUFACTURING UNIT

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

BRANCH OFFICE

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



REGISTRAR & SHARE TRANSFER AGENT

MUFG Intime India Private Limited

C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083

☎ Telephone: 011 - 49411000 | 📠 Fax: +91 22 4918 6060

✉ Email: delhi@in.mpms.mufg.com 🌐 Website: www.in.mpms.mufg.com



BANKERS

HDFC Bank Limited | Axis Bank | Yes Bank



SPINNING EXCELLENCE.
WEAVING TRUST.



QUALITY



INTEGRITY



PEOPLE



SUSTAINABILITY

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Twenty-Ninth (**29th**) Annual General Meeting of the Members of A B Cotspin India Limited will be held on **Tuesday, the 29th day of September, 2026 at 12:00 P.M. IST** through Video Conferencing (“VC”)/ Other Audio-Visual Means (“OAVM”) (hereinafter referred to as electronic mode), for which purpose registered office situated at Bathinda Road, Jaitu, Faridkot, Punjab, India- 151202, will be deemed venue, to transact the following businesses:

ORDINARY BUSINESS:

- 1) **To consider and adopt the audited standalone and consolidated financial statements of the Company for the financial year ended March 31, 2026 together with the Reports of the Board of Directors and Auditor’s thereon and in this regard, to consider and if thought fit, to pass the following resolution as an *Ordinary Resolution*:**

“RESOLVED THAT the audited standalone and consolidated financial statements of the Company comprising of the balance sheet as at March 31, 2026, the statement of profit and loss, cash flow statement and statement of equity, for the financial year ended on March 31, 2026, together with notes thereto, and the Reports of Board of Directors and Auditors thereon, as circulated to the members and laid before the meeting, be and are hereby approved and adopted.”

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

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

SPECIAL BUSINESS:

- 3) **Ratification of remuneration payable to M/s Jain Sharma & Associates, Cost Auditors, for the financial year 2026-27 and in this regard, to consider and if thought fit, to pass the following resolution, as *Ordinary Resolution*:**

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to the recommendation of the Audit Committee and approval of the Board of Directors of the Company, remuneration of Rs. 50,000/- (Rupees Fifty Thousand only) plus taxes as applicable and reimbursement of reasonable out-of-pocket expenses, as may be incurred during the course of cost audit, to be paid to **M/s Jain Sharma & Associates (Firm Registration No.: 000270), Cost Accountants**, appointed by the Board of Directors of the Company as the Cost Auditor for conducting the Audit of the Cost records of the Company for the financial year 2026-27, be and is hereby ratified.

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

- 4) **Approval for material Related Party Transactions with Ab Cotton Textiles Private Limited, and in this regard, to consider and, if thought fit, to pass the following resolution as *Ordinary Resolution*:**

“RESOLVED THAT pursuant to Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“Listing Regulations”) as amended from time to time and the applicable provisions of the Companies Act, 2013 (“the Act”) and Rules framed thereunder and other applicable laws/statutory provisions, if any

(including any statutory modification(s), amendment(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force), and the Company's Policy on Related Party Transactions, and as per the approval and recommendation of the Audit Committee and the Board of Directors of the Company, approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include, unless the context otherwise required, any committee which the Board may have constituted or hereinafter constitute or any officer(s) authorised by the Board to exercise the powers conferred on the Board by this Resolution), to enter into, contract(s)/ arrangement(s)/ transaction(s) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) as mentioned in the explanatory statement annexed hereto, with AB Cotton Textiles Private Limited, a related party under section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, on such terms and conditions detailed in the explanatory statement annexed hereto and as may be agreed between the Company and AB Cotton Textile Private Limited, whether by way of entering into new contract(s) / agreement(s) / arrangement(s) / transaction(s) or renewal(s) or extension(s) or modification(s) of earlier contract(s) / agreement(s) / arrangement(s)/ transaction(s) or otherwise, for an aggregate value of up to Rs. 120,00,00,000 /- (Rupees One Hundred Twenty Crores only), notwithstanding the fact that such aggregate value exceeds the prescribed thresholds for it to be considered as material related party transaction as per provisions of the Listing Regulations as applicable from time to time, for a period of one year from the date of approval of this resolution, subject to such contract(s)/ arrangement(s)/transaction(s) being carried out at arm's length and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT the Board, be and is hereby authorised, to do and perform all such acts, deeds, matters and things, as may be necessary, including finalising the terms and conditions, methods and modes in respect thereof and finalising and executing necessary documents, including contract(s), agreement(s) and such other documents, as may be required, seeking all necessary approvals and take necessary steps as the Board may, in its absolute discretion deem necessary, desirable or expedient to give effect to this resolution, for and on behalf of the Company and settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions powers herein conferred to without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board, be and is hereby authorised to delegate all or any of the powers herein conferred to the Committee of the Board or to any Director(s) or Officer(s) / Authorised Representative(s) of the Company, to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to the aforesaid resolution."

5) Approval of change of name of the Company and consequent alteration in the Memorandum of Association and Articles of Association of the Company and in this regard, to consider and, if thought fit, to pass the following resolution, as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section(s) 4, 5, 13, 14, 15 and all other applicable provisions, if any, of the Companies Act, 2013 ("Act"), read with Rule 29 of the Companies (Incorporation) Rules, 2014, Regulation 45 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and any other applicable law(s), regulation(s), rule(s) or guideline(s) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the enabling provisions of the Memorandum of Association and the Articles of Association of the Company upon recommendation of the Board of Directors of the Company and subject to the approval permissions, consents and sanctions as may be required from the Registrar of Companies ("ROC") and/or other statutory, regulatory or governmental authorities, as may be applicable, consent of the shareholders of the Company be and is hereby accorded to change the name of the Company from "A B COTSPIN INDIA LIMITED" to "ABC INDUSTRIES INDIA LIMITED".

RESOLVED FURTHER THAT consequent upon the change of name of the Company and upon issuance of the fresh Certificate of Incorporation by the ROC, the existing Name Clause of the Memorandum of Association of the Company be and is hereby substituted with the following clause:

"I. The name of the Company is ABC INDUSTRIES INDIA LIMITED."

RESOLVED FURTHER THAT upon receipt of the fresh certificate of incorporation by the ROC, consequent upon change of name, the old name “A B Cotspin India Limited” wherever appearing in the Memorandum of Association and Articles of Association of the Company and other statutory records, documents, agreements, papers and places of the Company, be substituted with the new name “ABC Industries India Limited” as per the provisions of applicable laws.

RESOLVED FURTHER THAT any Director and Company Secretary of the Company, be and are hereby severally authorized to file all the necessary forms and / or returns and make application(s) to the ROC and / or to Central Government, stock exchanges and / or any other statutory or regulatory or governmental authorities, to act, represent and/or appear before any statutory or regulatory or governmental authorities for and on behalf of the Company, to appoint and engage consultants, professionals or other persons, to obtain all necessary approvals, permissions, consents and sanctions in connection with the aforesaid change of name and consequential alterations to the constitutional documents of the Company, to delegate all or any of the aforesaid powers in favor of any person(s) / official(s) etc., to settle any question, doubt or difficulty which may arise in this regard and to do all such acts, deeds, matters and things as may be considered necessary, expedient, usual or proper to give effect to this Resolution.”

6) Approval to make investments, give loans, guarantees and security in excess of limits specified under section 186 of the Companies Act, 2013, and in this regard, to consider and, if thought fit, to pass the following resolution, as a *Special Resolution*:

“RESOLVED THAT pursuant to the provisions of Section 186 and other applicable provisions, if any, of the Companies Act, 2013 and relevant rules made thereunder including any statutory modifications or re-enactments thereof and in accordance with the Memorandum and Articles of Association of the Company and subject to such approvals, consents, sanctions and permissions as may be necessary, approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include, unless the context otherwise requires, any Committee constituted by the Board or any person(s) authorized by the Board to exercise its powers, including the powers conferred by this Resolution) to (a) give any loan to any person or other body corporate; (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate from time to time in one or more tranches as the Board of Directors as in their absolute discretion deem beneficial and in the interest of the Company, that the aggregate of the loans and investments so far made, the amount for which guarantees or securities so far provided to or in all other bodies corporate along with the investments, loans, guarantees or securities proposed to be made or given or provided by the Company, from time to time, in future, shall not exceed a sum of Rs.2,50,00,00,000/- (Rupees Two Hundred Fifty Crores Only), or the limits as prescribed under Section 186 of the Act, (i.e., 60% of the paid-up share capital, free reserves and securities premium account of the Company or 100% of free reserves and securities premium account of the Company, whichever is more) whichever is higher. .

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things including but not limited to authorising signatories, taking from time to time all decisions and steps in respect of the above loans, guarantees, securities and investment(s), including the timing, amount and other terms and conditions of such loans, guarantees, securities and investment(s) and varying the same either in part or in full as it may deem appropriate and to negotiate, finalise and execute agreement(s) or such other document(s), by whatever name called and to do all acts, matters and things as may be necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members and to delegate all or any of the powers or authorities herein conferred to any director(s) or other officer(s) of the Company, and to engage any advisor, consultant, agent or intermediary, as may be deemed necessary.”

7) To approve the creation of charge, mortgage, hypothecation on or otherwise encumbering the movable and immovable properties of the Company, and in this regard, to consider and, if thought fit, to pass the following resolution, as a *Special Resolution*

“RESOLVED THAT pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 read with relevant rules framed thereunder and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) (including any statutory modification(s) or re-enactment thereof for the time being in force) and in accordance with the Articles of Association of the Company, consent of the Members of the Company be and is hereby accorded to authorize the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include, unless the context otherwise requires, any Committee constituted by the Board or any person(s) authorized by the Board to exercise its powers, including the powers conferred by this Resolution) to sell, lease, transfer or otherwise dispose of, from time to time, the whole or substantially the whole of the undertaking of the Company in any manner as they may deemed necessary and in the best interest of the Company, including but not limited to pledge, hypothecate, mortgage and/or create charge and/or other encumbrances on the whole or substantially the whole of the Company’s properties and assets, whether immovable or movable, tangible or intangible, present or future, comprised in any undertaking of the Company in favour of banks, financial institutions, debenture trustees, or any other lenders or creditors, hereinafter collectively referred to as “Lenders,” for the purpose of securing the financial assistance in the form of loans, term loans, working capital facilities, issuance of non-convertible debentures, bonds, or other financial instruments, including borrowings in foreign currency (including any additional amounts that may arise on account of revaluation, devaluation, foreign exchange rate fluctuations, or other financial adjustments), raised from time to time by the Company in the ordinary course of its business or for strategic and expansion purposes, subject to terms and conditions as may be mutually agreed with the Lenders, including but not limited to, interest (simple or compound), additional interest, liquidated damages, commitment charges, prepayment/redemption premiums, and other costs, charges, and expenses as may be applicable under the respective financing agreements or instruments executed by the Company, not exceeding Rs. 250 Crore (Rupees Two Hundred Fifty Crore).

RESOLVED FURTHER THAT the mortgage and/or charge to be created by the Company aforesaid may rank prior/pari passu/ subservient with/ to the mortgages and/or charges already created or to be created in the future by the Company and as may be agreed to between the Company and the Lenders.

RESOLVED FURTHER THAT the Board, be and is hereby authorized to do all acts, deeds, matters and things as may be deemed necessary and/or expedient in connection therewith or incidental thereto including but not limited to delegating all or any of its powers herein conferred to any Director(s)/officials of the Company to give effect to the aforesaid resolutions.”

8) Approval the borrowing limits in terms of Section 180(1)(c) of the Companies Act, 2013 and in this regard, to consider and, if thought fit, to pass the following resolution, as a *Special Resolution*

“RESOLVED THAT pursuant to the provisions of Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and in accordance with the Articles of Association of the Company, consent of the Members of the Company be and is hereby accorded to authorize the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include, unless the context otherwise require, any Committee constituted by the Board or any person(s) authorized by the Board to exercise its powers, including the powers conferred by this Resolution) for borrowing any sum or sums of money from time to time (including non-fund-based limits) for the purpose of the business of the Company, from any one or more of the Company’s Bankers and / or from any one or more other persons, firms, bodies corporate, or financial institutions or from any

other source in India or outside India in any form including but not limited to by way of cash credit, advance or deposits, loans or bills discounting or issue of debentures, bonds or other instruments or otherwise, with or without security, in Indian or foreign currency, on such terms and conditions as the Board may deem fit notwithstanding that the moneys to be borrowed together with moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-share capital of the Company its free reserves and securities premium account, that is to say, reserves not set apart for any specific purpose by the Company, provided however, the same shall not exceed at any point in time a sum equivalent to Rs. 250 Crore (Rupees Two Hundred Fifty Crore).

RESOLVED FURTHER THAT the Board, be and is hereby authorized to do all acts, deeds, matters and things as may be deemed necessary and/or expedient in connection therewith or incidental thereto including but not limited to delegating all or any of its powers herein conferred to any Director(s)/officials of the Company to give effect to the aforesaid resolutions.”

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

Sd/-
Nidhi

Membership No.: A74591

Company Secretary & Compliance Officer

Date: September 03, 2026

Place: Bathinda, Punjab

Registered Office

Bathinda Road, Jaitu, Faridkot, Punjab- 151202

Email: cs@abcotspin.in

Website: www.abcotspin.co.in

Tel: +1635232670

NOTES:

1. Pursuant to the General Circular Nos. 14/2020 dated April 08, 2020 and subsequent circulars issued in this regard, latest being General Circular No. 3/2025 dated September 22, 2025, by the Ministry of Corporate Affairs (MCA), applicable provisions of the Companies Act, 2013 (“**Act**”) and the rules made thereunder and in accordance with the relevant Circulars issued by the SEBI in this regard (collectively referred to as “**Circulars**”) read with applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”), companies are allowed to hold Annual General Meeting (“**AGM**”) through Video Conferencing (“**VC**”) / Other Audio-Visual Means (“**OAVM**”), without the physical presence of members at a common venue. Hence, in compliance with the above mentioned provisions and Circulars, 29th AGM of the Company is being held through VC/OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.
2. **Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. Since this AGM is being held through VC / OAVM pursuant to the aforementioned Circulars and provisions of Act and SEBI Listing Regulations, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed hereto.** However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
3. An Explanatory Statement pursuant to Section 102 of the Act read with the Companies (Management and Administration) Rules, 2014, setting out the material facts and reasons for the resolutions in respect of the special businesses set out above is annexed hereto.
4. The relevant details as required under Regulation 36(3) of SEBI Listing Regulations and Secretarial Standard on General Meetings (“**SS-2**”), issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/reappointment at this AGM is also annexed hereto.
5. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.
6. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of Listing Regulations (as amended), and Circulars, the Company is providing facility of e-voting and remote e voting to its Members in respect of the businesses to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting’s agency. The facility of casting votes by a member using remote e voting as well as the e-voting system during the AGM will be provided by CDSL.
7. The Members can join the AGM in the VC/OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to the members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
8. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Act.
9. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.

10. The members, whose names appear in the Register of Members/list of Beneficial Owners on **September 22, 2026**, being the cut-off date, are entitled to vote on the resolutions set forth in this Notice. The voting right of members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date. A person who is not a member as on the cut-off date should treat this Notice of AGM for information purpose only.
11. Institutional/Corporate members (i.e., other than individuals/HUF, NRI etc.) are required to send a scanned copy (PDF/ JPEG format) of its Board or Governing Body resolution/authorization etc. authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting pursuant to Section 113 of the Act. The said resolution/authorization shall be sent to the Company before 24th September, 2026 via email through its registered email address at cs@abcotspin.in with a copy marked to office@drassociate.org.

DISPATCH OF ANNUAL REPORT THROUGH ELECTRONIC MODE

12. In compliance with the Circulars read with provisions of Act and SEBI Lising Regulations, the Notice of this AGM along with the Annual Report for the Financial Year 2025-26 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories/ Depository Participants (DPs) or Registrar to issue and Share Transfer Agent ("RTA") of the Company. Any member seeking hard copy of the same may write to us at cs@abcotspin.in.
13. In line with the Circulars and applicable provisions of the Act and SEBI Listing Regulations, the Notice calling the AGM along with the Annual Report for the Financial Year 2025-26 has been uploaded on the website of the Company at www.abcotspin.co.in. The Notice can also be accessed from the websites of the Stock Exchanges i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
14. Additionally, as per Regulation 36(1)(b) of SEBI Listing Regulations, the Company is also sending a letter to shareholders whose e-mail addresses are not registered with Company/ RTA/ Depositories/ Depository Participants (DPs) providing the weblink, including the exact path of Company's website where the complete details of the Notice and Annual Report for F.Y. 2025-26 is available.
15. For receiving all communication (including Annual Report) from the Company electronically:
 - a) Members holding shares in physical mode and who have not registered / updated their email address with the Company are requested to register / update the same by sending signed request letter mentioning your name, email-id, folio number, number of shares held, certificate number, distinctive number and Complete Address along with self-attested copy of PAN card to the Company's Registrar and Share Transfer Agent i.e. MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited) on delhi@in.mpms.mufg.com.
 - b) Members holding shares in dematerialised mode are requested to register / update their email addresses with the relevant Depository Participant.
 - c) For temporary registration of email for the purpose of receiving of this notice along with Annual Report for Financial Year 2025-26 members may write to MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited) along with requisite proof of his/her membership.

Contact details of Share Transfer Agent of the Company is as under:

MUFG Intime India Private Limited
(formerly known as Link Intime India Private Limited),
Address: Plot No NH-2, C-1 Block, LSC, Near Savitri Market, Janakpuri, New Delhi - 110058
Website: www.in.mpms.mufg.com
E-mail Id: delhi@in.mpms.mufg.com

Phone: 011 - 49411000

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

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) The voting period begins on Saturday, September 26, 2026 at 9.00 A.M. and ends on Monday, September 28, 2026 at 5.00 P.M. During this period shareholders of the Company, as on the cut-off date **(record date) of September 22, 2026** may cast their vote electronically. The e voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated 30.06.2026, under Regulation 44 of LODR Regulations, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non institutional shareholders/ retail shareholders is at a negligible level.

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

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

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (iv) In terms of SEBI Circular No. SEBI/HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated 30.06.2026 on e-Voting facility provided by the Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual shareholders holding securities in Demat mode with CDSL	Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsi website www.cdslindia.com and click on login icon & My Easi New (Token) Tab. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &

	voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. If the user is not registered for Easi/Easiest, option to register is available at cdsi website www.cdslindia.com and click on login & My Easi New (Token) Tab and then click on registration option. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders Holding securities in demat mode with NSDL	1) f you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) f the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) isit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4) or OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed

	to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login Type	Helpdesk Details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

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

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on “Shareholders” module.
- 3) Now enter your User ID
 - a) For CDSL: 16 digits beneficiary ID,
 - b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c) Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

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

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) Click on the EVSN A B COTSPIN INDIA LIMITED on which you choose to vote.
- (ix) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (x) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xi) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xiv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xv) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- Non-Individual shareholders (i.e., other than Individuals, HUF, and NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.

- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; cs@abcotspin.in (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY / DEPOSITORIES.:

- a) For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.
- b) For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
- c) For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

18. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
19. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
20. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e- Voting system available during the AGM.
21. Members who have not registered their email address with the Depository or any person who acquires shares of the Company and becomes a Member of the Company after the Notice has been sent electronically by the Company, and holds shares as on the cut-off date, i.e., Tuesday, September 22, 2026, he/she may write to the CDSL on the E-mail ID: helpdesk.evoting@cdslindia.com. However, if a member is already registered with CDSL for e-voting then existing User ID and password can be used for casting vote.

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

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

25. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

PROCEDURE TO RAISE QUESTIONS / SEEK CLARIFICATIONS

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

GENERAL INFORMATION FOR SHAREHOLDERS

30. If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911.
31. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 21 09911.
32. The Board of Directors of the Company has appointed Mr. Deepak Gupta (Membership No. F5339; COP No. 4629) Partner at DR Associate, Practicing Company Secretaries as Scrutinizer to scrutinize the remote e-voting process and e-voting during the AGM in a fair and transparent manner and they have communicated their willingness to be appointed and will be available for the said purpose.
33. The voting results will be declared within 2 working days from the conclusion of the AGM and shall along with the report of the scrutinizer be placed on the Company's website cs@abcotspin.in and on the website of the voting agency, CDSL and communicated to the Stock exchange where the Company's Equity Shares are listed viz. The National Stock Exchange of India Limited ('NSE') and BSE Limited (BSE) immediately after the declaration of result by the Chairman or a person authorized by him in writing.
34. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act and the Register of Contracts and arrangements as maintained under Section 189 of the Act and the relevant documents referred to in the Notice, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available electronically for inspection without any fee by the members on all working days, during normal business hours from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to cs@abcotspin.in.

35. Members holding shares in dematerialised mode are requested to intimate all changes pertaining to their bank details/NECS/mandates, nominations, power of attorney, change of address/name, e-mail address, Permanent Account Number ('PAN') details, etc. to their Depository Participant only and not to the Company's RTA. Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and its RTA to provide efficient and better service to the members.
36. All existing investors are encouraged, in their own interest, to provide 'choice of nomination' for ensuring smooth transmission of securities held by them as well as to prevent accumulation of unclaimed assets in securities market. However, all new investors shall continue to be required to mandatorily provide the 'Choice of Nomination' for demat accounts except for jointly held demat accounts.
37. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the members in respect of the shares held by them. Member(s) holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's Registrar and Share Transfer Agent, MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited) (RTA). In respect of shares held in dematerialized form, the nomination form may be filed with the respective Depository Participant.
38. Non-Resident Indian Members are requested to inform the Company's Registrar & Transfer Agent (RTA) immediately:
- The particulars of the Bank Account maintained in India with complete name, branch, account-type, account number and address of the Bank, if not furnished earlier.
 - Any change in their residential status on return to India for permanent settlement.
39. The Securities and Exchange Board of India ('SEBI') has mandated the submission of Permanent Account Number ('PAN') by every participant in securities market. Members holding shares in electronic mode are, therefore, requested to submit their PAN to their Depository Participant with whom they are maintaining their demat accounts.
40. In all correspondence with the Company and/or the RTA, members are requested to quote their DP ID and Client ID number for easy reference and speedy disposal thereof.

Online Dispute Resolution Mechanism

41. With a view to safeguard the interests of the investors and to streamline the resolution mechanism in the Indian Securities Market, SEBI vide its circular no. SEBI/HO/OIAE/OIAE_IAD-3/P/CIR/2023/195 dated December 28, 2023 as amended from time to time, mandated establishment of common Online Dispute Resolution Portal ("ODR Portal"), by Market Infrastructure Institutions, which harnesses online conciliation and online arbitration for resolution of disputes arising between investors/clients and listed companies (including their RTAs) or specified intermediaries/regulated entities, in Indian Securities Market.

The ODR Portal allows the investors/shareholders to enrol themselves, file unresolved grievance, upload documents and get status updates pertaining to the unresolved grievances filed against listed entities/ its RTA.

The process for initiation of Dispute Resolution process is enumerated below:

- An investor/client shall first take up his/her grievance with the Market Participant by lodging a complaint directly with the concerned Market Participant.
- If the grievance is not redressed satisfactorily the investor/shareholder may escalate the same through the SCORES Portal (www.scores.gov.in) in accordance with SCORES Guidelines in accordance with the process laid out.
- If the investor/client is still not satisfied with the outcome, he/she can initiate dispute resolution through the ODR Portal.

Alternatively, the investor/client may initiate dispute resolution through the ODR Portal if the grievance lodged with the concerned Market Participant was not satisfactorily resolved or at any stage of the subsequent escalations (prior to or at the end of such escalation(s)).

- The concerned Market Participant may also initiate dispute resolution through the ODR Portal after having given due notice of at least 15 calendar days to the investor/client for resolution of the dispute which has not been satisfactorily resolved between them.
- The SMART ODR Portal can be accessed at: <https://smartodr.in/login> and for more information shareholders are requested to visit the weblink [•].

KYC Compliance

42. Securities and Exchange Board of India ('SEBI'), vide its Master circular bearing reference nos. SEBI/HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 6, 2026, mandated that the security holders (holding securities in physical form) whose folio(s) are not updated with the KYC details (any of the details viz., PAN (linked with Aadhaar); Contact Details; Postal Address with Pin code, Mobile Number, Bank Account Details and signature, if any), are required to update following details for their corresponding folio numbers:

- a) PAN (Linked with Aadhaar)
- b) Contact Details: Postal Address with PIN and Mobile Number
- c) Bank Account Details (Bank and Branch name, bank account number, IFS code)
- d) Specimen signature

The security holder(s), whose folio(s) do not have all the above details updated, shall be eligible:

1. to lodge grievance or avail any service request from the RTA only after furnishing PAN, Contact Details including Mobile Number, Bank Account Details and Specimen Signature.
2. for any payment including dividend, interest or redemption in respect of such folios, only through electronic mode with effect from April 01, 2024.

Updation of PAN and KYC shall be made through Form ISR-1 and in case of registration/updation of specimen signature additional, Form ISR-2 for Banker's attestation of the signature of the same bank account, along with the necessary attachments / documents as stated in the forms itself is required to be furnished. The said form can be downloaded from the website of our RTA viz www.in.mpms.mufg.com. While filling up the form, please strike out the portion(s), which are not applicable to you.

Further, PAN to be furnished should be linked with Aadhaar. In case the same is not so linked, it is requested to do the same immediately. In the event such linkage is not done then PAN will be deemed to be invalid and consequently folio of such physical security holders will be treated in the same manner as applicable in case of folios for which no PAN has been furnished.

It is also requested to provide/update 'choice of nomination' for ensuring smooth transmission of securities, if required and as well as to prevent accumulation of unclaimed assets in securities market. While updating Email ID is optional, the security holders are requested to register email id also to avail online services.

For appointing a nominee, it is requested to furnish Form SH-13. A copy of the said form is available at our RTA's website viz. www.in.mpms.mufg.com. While filling up the form, please strike out the portion(s) which are not applicable to you.

In case a shareholder do not wish to nominate any person as nominee with respect to the physical shares held by you, then please furnish declaration for opting out of nomination in Form ISR -3, which can be downloaded from our RTA's website viz. www.in.mpms.mufg.com.

For cancelling / change of nomination at a later date with respect to the physical shares held, please furnish Form SH-14. A copy of the said Form can also be downloaded from our RTA's website at www.in.mpms.mufig.com

A copy of the above mentioned forms can also be downloaded from the website of the Company cs@abcotspin.in.

43. SEBI mandate on issuance of securities only in demat mode

As per Regulation 40(1) of the SEBI Listing Regulations, as amended, read with SEBI Master Circular no. HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 06, 2026 has mandated the listed companies to issue securities in dematerialized form only while processing service requests, viz. issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. In view of the above and to eliminate risk associated with physical shares and to avail various benefits of dematerialisation, members are advised to dematerialise their shares held in physical form. Members are accordingly requested to get in touch with any Depository Participant having registration with SEBI to open a Demat account or alternatively, contact RTA to seek guidance in the demat procedure. Members may also visit website of the depositories, NSDL viz. <https://nsdl.co.in/faqs/faq.php> or CDSL viz. <https://www.cdslindia.com/investors/open-demat.html> for further understanding of the demat procedure.

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

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

Item No. 3

Pursuant to section 148 of the Companies Act, 2013 (“Act”) read with the Companies (Cost Records & Audit) Rules, 2014 (“Rules”) as amended from time to time, the Company is required to have its cost records audited by a cost accountant in practice. Accordingly, the Board of Directors (“Board”) of the Company, on the recommendation of audit committee, at its meeting held on September 03, 2026, approved the appointment of M/s Jain Sharma & Associates (Firm Registration No.: 000270), as the Cost Auditors to conduct the audit of cost records maintained by the Company for the financial year ending March 31, 2027 at a remuneration of Rs.50,000/- (Rupees Fifty Thousand Only) plus applicable taxes, if any and reimbursement of reasonable out of pocket expenses as may be incurred during the period of cost audit. The proposed remuneration of Cost Auditor for the financial year 2026-27 is in line with the guidelines issued by the Institute of Cost Accountants of India on remuneration of Cost Auditors. Further, The remuneration approved by the Board of Directors on the recommendation of the Audit Committee of the Board of the Company is after considering work & time involved, size of audit team and frequency of audit.

Further, in accordance with the provisions of section 148(3) of the Act read with the Companies (Audit and Auditors) Rules, 2014 as amended from time to time, the remuneration payable to the Cost Auditor needs to be ratified by the members of the Company at a general meeting. Accordingly, consent of the members is being sought for ratification of the remuneration payable to the Cost Auditor for the financial year ending March 31, 2027.

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

None of the Directors, Key Managerial Personnel, or their relatives (except to the extent of their shareholding in the Company, if any) are, in any way, concerned or interested, financially or otherwise, in this resolution.

Item No. 4

The Board on recommendation of the Audit Committee in their meeting held on September 03, 2026, has approved the proposal for entering into transactions relating to Purchase & Sale of Goods and Availing & Rendering of Services as may be required in the course of business with AB Cotton Textile Private Limited, (private company in which Mr. Deepak Garg and Mr. Manohar Lal, Directors of A B Cotspin India Limited (“Company”) are Director & Member and Director, respectively) a Related Party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) subject to the condition that the total value of all transactions with AB Cotton Textile Private Limited shall not exceed Rs. 1,20,00,00,000 /- (Rupees One Hundred Twenty Crores only) for a period of one year from the date of member’s approval and such transactions shall be at arms’ length basis.

In terms of the provision of Regulation 23(1) read with Schedule XII of the Listing Regulations as amended, any transaction with a related party shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transaction(s) during a financial year, exceeds the materiality thresholds specified therein as determined based on the annual consolidated turnover of the listed entity as per its last audited financial statements. Further, all material related party transactions shall require prior approval of members of the listed entity where no related party shall vote to approve such resolution whether the entity is a related party to the particular transaction or not.

Such approval shall be required even if such transactions are in the ordinary course of business of the concerned company and at an arm’s length basis.

Accordingly, consent of the Members is sought for passing the Ordinary Resolution as set out in resolution no. 4 of the Notice for approval of material Related Party Transactions to be entered into with AB Cotton Textile Private Limited.

Further, SEBI vide its circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2025/93 dated June 26, 2025 read with the SEBI Master Circular no. HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated January 30, 2026 ('SEBI Circular') has issued the Industry Standards on "Minimum information to be provided for review of the Audit Committee and shareholders for approval of a related party transaction" ('Standards') to facilitate uniform approach and assist listed companies in complying with the provisions of Regulation 23 of the Listing Regulations. The Standards inter alia require the listed entity to provide minimum information, in a specified format, relating to the proposed related party transactions, to the Audit Committee and to the shareholders, while seeking approval.

The management of the Company placed before the Audit Committee and subsequently to the Board with the relevant details (as required under the Standards) about the proposed related party transactions as detailed in the **Annexure I**, including but not limited to the basis of pricing, rationale, material terms, justification as to why the proposed related party transactions are in the interest of the Company. The Audit Committee and the Board reviewed such details and as required under the Standards reviewed and noted the certificate provided by Mr. Deepak Garg, Managing Director ("MD"), and Mr. Rajender Prashad Garg, Chief Financial Officer ("CFO") of the Company, confirming that the terms of proposed related party transactions are in the best interest of the Company.

Further, the duly certified financial extracts of AB Cotton Textiles Private Limited as on March 31, 2026, as relevant to/for the minimum information to be provided under the Standards, was also placed before the Audit Committee and the Board for its review and noting.

After considering the details on related party transactions as placed by the management, the Audit Committee and Board of Director at their respective meetings held on September 03, 2026, had reviewed and approved the related party transactions with AB Cotton Textile Private Limited, details of which are given in **Annexure I**, and such transactions shall be at arms' length basis.

S. No.	Name of Related Party	Nature of Transaction	Amount (in INR)
1.	AB Cotton Textiles Private Limited	Sale of goods and services (detailed herein below)	72,00,00,000
2.		Purchase of goods and services (detailed herein below)	45,00,00,000
3.		Rendering of services (detailed herein below)	1,50,00,000
4.		Availing of services (detailed herein below)	1,50,00,000
			120,00,00,000

The Audit Committee and Board of Directors have independently reviewed all relevant aspects of the transaction, including but not limited to, the nature of services and the commercial terms and have confirmed that the transactions will be on an arm's length basis and in the ordinary course of business and is in the best interest of the Company and will contribute to the continuous growth in sales and profits if the Company.

Accordingly, the Audit Committee and the Board of Directors have approved and recommended the proposed transactions to the Members for approval by way of ordinary resolution.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, the related parties as defined thereunder (whether such related party(ies) is a party to the aforesaid transactions or not), shall not vote to approve resolution under Item No. 04.

The Board, recommends passing of this Ordinary Resolution as set out at Item No. 04 of this Notice, for your approval.

Except Mr. Deepak Garg, Mr. Manohar Lal and their relatives, none of the other Directors, Key Managerial Personnel of the Company and / or their relatives are in any way concerned or interested in the said resolution save and except to the extent of their directorship / shareholding, if any.

Item No. 5

The Members are informed that the Board of Directors of the Company, at its meeting held on July 14, 2026, considered and approved the proposal for making an application to the Registrar of Companies, Central Registration Centre (“ROC”) for availability and reservation of the proposed name of the Company, being “ABC Industries India Limited”, in place of the existing name “A B Cotspin India Limited”.

Pursuant thereto, the Company has received a name availability letter dated August 27, 2026 from the ROC, informing that the proposed name “ABC Industries India Limited” is available and raising no objection with respect to the proposed change in the name of the Company.

The Members are informed that the Board of Directors of the Company, at its meeting held on September 03, 2026 considered and approved the proposal for change of name of the Company from “A B Cotspin India Limited” to “ABC Industries India Limited” and the consequent amendments to the Memorandum of Association and the Articles of Association of the Company, subject to obtaining the approval of the Members and such other approvals as may be required under the applicable laws.

The proposed change in the name of the Company is being undertaken with a view to reflect the diversified nature of the Company's present and proposed business activities and align the corporate name with its current business operations and future growth strategy.

The proposed name “**ABC Industries India Limited**” has been considered suitable for the Company and is intended to provide a broader corporate identity commensurate with the Company's existing and proposed business activities. The members may further note that there is no proposal to change the objects of the Company. The proposed change in name of the Company would not result in change of the legal status, constitution, turnover, operations or activities of the Company, nor would it affect any rights or obligations of the Company or the members and stakeholders.

The change of name of the Company shall be subject to the approval of the Registrar of Companies and such other statutory, regulatory or governmental authorities, as may be applicable, and shall take effect only upon issuance of the fresh Certificate of Incorporation by the Registrar of Companies consequent upon the change of name.

Consequent upon the change of name, the Name Clause of the Memorandum of Association of the Company shall be altered accordingly. The new name shall also be substituted for the existing name wherever the same appears in the Memorandum of Association, Articles of Association and other statutory records, documents and places of the Company, as may be applicable.

In terms of Sections 4, 13, 14 and other applicable provisions of the Companies Act, 2013 read with Rule 29 of the Companies (Incorporation) Rules, 2014, the change of name of the Company requires approval of the Members by way of a Special Resolution and such other approvals as may be applicable.

Accordingly, the Board of Directors recommends the resolution set out at **Item No. 05** of the accompanying Notice for approval of the Members by way of a **Special Resolution**.

The Company has complied with Regulation 45 of the SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015, to the extent they are applicable, and has also obtained a certificate from a Practicing Chartered Accountant in respect of the same, copy of which is annexed herewith as **Annexure I**.

None of the Directors, Key Managerial Personnel, or their relatives (except to the extent of their shareholding in the Company, if any) are, in any way, concerned or interested, financially or otherwise, in this resolution.

Item No. 6

In order to make optimum use of funds available with the Company and also to achieve long term strategic and business objectives, the Board of Directors of the Company proposes to make use of the same by making investment in other bodies corporate or granting loans, giving guarantee or providing security to other persons or other body corporate as and when required. The Company has been, in the ordinary course of its business, making investments, granting loans, and providing guarantees or securities to various persons and bodies corporate (including its subsidiaries), from time to time, in compliance with the applicable provisions of the Companies Act, 2013 (“the Act”).

As per the provisions of Section 186(2) of the Act, a company shall not, directly or indirectly, give any loan to any person or other body corporate, give any guarantee or provide security in connection with a loan to any other body corporate or person, or acquire securities of any other body corporate exceeding sixty per cent of its paid-up share capital, free reserves, and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more.

Further, in terms of Section 186(3) of the Act, where the aggregate of loans, investments, guarantees, and securities proposed to be made together with those already made by the Company exceeds the limits prescribed under Section 186(2), prior approval of the Members by way of a Special Resolution is required. However, the said requirement is not applicable in respect of loans, guarantees, securities, or investments made in wholly owned subsidiaries or joint ventures, or acquisition of securities of wholly owned subsidiaries by a holding company.

As on June 30, 2026, sixty per cent (60%) of the paid-up share capital, free reserves, and securities premium account of the Company amounts to INR 94.17 Crores, and one hundred per cent (100%) of free reserves and securities premium account amounts to INR 134.79 Crores. Accordingly, the maximum permissible limit available to the Company under Section 186(2) of the Act is INR 134.79 Crores.

As on June 30, the aggregate value of investments made, loans given, guarantees issued, and securities provided by the Company amounts to INR 0.09 Crores, which also includes investments and financial assistance extended to its wholly owned subsidiaries.

Members may note that, considering regulatory requirement and business needs, the Board of Directors, at its meeting held on September 3, 2026, has approved and recommended to the Members for enhancement of the Company’s limits under Section 186 of the Act to grant Loans, making Investments, providing Guarantees and Securities, up to INR 250 Crores (Indian Rupees Two Hundred Fifty Crores Only) or the limits as prescribed under section 186 of the Act, (i.e., 60% of the paid-up share capital, free reserves and securities premium account of the Company or 100% of free reserves and securities premium account of the Company, whichever is more) whichever is higher.

There is no default in repayment of loan instalments or payment of interest thereon as per the terms and conditions of loan as may be availed from the [public financial institution](#). Accordingly, prior approval of such [public financial institution](#) shall not be required.

The [Company](#) has neither accepted deposits under the Act nor has defaulted in the repayment of deposit or any payment of interest thereon.

The proposed authorization will enable the Board of Directors or its Committee to, from time to time, make investments, provide loans, give guarantees, and/or provide securities, or acquire securities of other body corporates, as may be considered necessary in the interest of the Company, subject to the said overall limit or such other limits as may be prescribed under the Act.

The proposed enhancement of such limits under Section 186 is aligned with the Company's long-term strategic and business objectives and will provide enhanced financial flexibility for timely deployment of funds into strategic investments, growth opportunities, and business expansion initiatives. This will enable the Company to respond efficiently to emerging opportunities and maintain competitiveness in the market.

All such transactions shall be undertaken in compliance with the applicable provisions of the Act and other applicable laws, and shall be executed with due care, financial prudence, and in the best interests of the Company, ensuring appropriate risk management and capital discipline.

The above proposal is in the interest of the Company and the Board recommends the Resolution as set out at Item no. 6 for approval by the members of the Company as Special Resolution.

None of the Directors, Key Managerial Personnel, or their relatives (except to the extent of their shareholding in the Company, if any) are, in any way, concerned or interested, financially or otherwise, in this resolution.

Item No. 7 and 8

To facilitate smooth business operations, the Company may have to borrow funds from time to time for various purposes, which may or may not be strategic in nature. Pursuant to the provision of Section 180(1)(c) of the Companies Act, 2013 ("**the Act**") the Board of Directors can exercise such borrowing powers only with the prior approval of the Members of the Company by way of Special Resolution where the money to be borrowed, together with the money already borrowed by the Company will exceed aggregate of its paid-up share capital, free reserves and securities premium, apart from temporary loans obtained from the Company's bankers in the ordinary course of business.

The Members of the Company, through postal ballot, passed a Special Resolution on March 05, 2023, approved and authorized the Board of Directors of the Company to borrow to borrow from time to time, any sum or sums of monies, which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business), may exceed the aggregate of the paid up capital of the Company and its free reserves provided that the total amount so borrowed by the Board shall not exceed the limit of **Rs. 250 Crores (Rupees Two Hundred Fifty Crores Only)** at any one point of time.

Considering the financial requirements of the Company and the existing unutilized borrowing limits, the total borrowings of the Company in future may exceed the borrowing limits approved by the Members of the Company through postal ballot on March 05, 2023. Accordingly the Board at its meeting held on September 3, 2026, subject to the approval of the shareholders, approved to borrow any sum or sums of money (including non-fund-based limits) for the purpose of the business of the Company, whether from any bank(s), financial institution(s), body corporate(s), or any other person(s) or from any other source in India or outside India in any form including but not limited to by way of, loans, issue of debentures, bonds or other instruments or otherwise, with or without security, in Indian or foreign currency, on such terms and conditions as the Board may deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), exceeds the aggregate of its paid-up share capital, free reserves and securities premium account that is to say, reserves not set apart for any specific purpose by the Company, provided however, the same shall not exceed at any point in time a sum equivalent to **Rs. 250,00,00,000 (Rupee Two Hundred Fifty Crores only)**.

Further, to secure the borrowing powers, the Board also proposes to seek members' approval for authorising it to sell, lease, dispose off the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings from time to time, in any manner as may be deemed necessary and in the best interest of the Company, including but not limited to creation of charges, mortgages, or hypothecations or other encumbrances on the whole or substantially the whole of the Company's properties and assets, whether movable or immovable, tangible or intangible, present or future, comprised in any undertaking of the Company, in favors of the Banks, Financial Institutions, Non-Banking Financial Companies or any other lenders from time to time for the due payment of the Principal together with interest, charges, costs, expenses and all other monies payable by the Company in respect of such borrowings.

Accordingly, the Board, at its meeting held on September 3, 2026, has considered and approved to create charges, mortgages, or hypothecations or other encumbrances on the whole or substantially the whole of the Company's properties and assets, whether movable or immovable, tangible or intangible, present or future, comprised in any undertaking of the Company for an aggregate amount of not exceeding Rs. 250,00,00,000 (Rupee Two Hundred Fifty Crores only), to support the borrowing, subject to approval of the Members of the Company.

This approval will enable the Board to respond effectively to changing market conditions, seize strategic opportunities, and support the Company's operational and financial plans through funding from various sources.

The Board recommends the resolutions set out at Item No.7 and 8 of the Notice for approval by the Members as Special Resolutions.

None of the Directors, Key Managerial Personnel, or their relatives (except to the extent of their shareholding in the Company, if any) are, in any way, concerned or interested, financially or otherwise, in this resolution.

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

Sd/-

Nidhi

Membership No.: A74591

Company Secretary & Compliance Officer

Date: September 03, 2026

Place: Bathinda, Punjab

Registered Office

Bathinda Road, Jaitu, Faridkot, Punjab- 151202

Email: cs@abcotspin.in

Website: www.abcotspin.co.in

Tel: +1635232670

Details of Director seeking re-appointment pursuant to Regulation 36(3) of the Listing Regulations and Secretarial Standards-2 on General Meetings issued by Institute of Company Secretaries of India.

Name of Director	Mr. Ramesh Kumar
DIN	07684009
Age	62 years
Date of birth	07.05.1964
Nationality	Indian
Date of first appointment on the board	02.03.2020
Qualification	He has experience of about 40 years in the Cotton industry.
Experience	He has extensive experience and knowledge of the cotton industry and has been associated with various aspects of the business, including operations, management and strategic decision-making. His industry experience and business acumen provide valuable guidance to the Company.
Nature of expertise in specific functional areas	Cotton Industry, Business Management, Operations and Strategic Planning
Terms and condition of appointment	He was appointed as a Non-Executive Non Independent Director of the Company liable to retire by rotation, who retires at this Annual General Meeting and being eligible offered himself for reappointment. Once his reappointment is approved, he will continue as a Non Executive Non Independent Director of the Company.
Details of remuneration last drawn	In terms of Section 152(6) of the Act, he is a non-executive director, liable to retire by rotation.
Details of remuneration sought to be paid	As per existing approved terms and conditions
Directorships in other Companies	Nil
Membership/ Chairpersonship of Committees in other companies	Nil
Listed entities from which the Director has resigned in last 3 (three) years	Nil
No. of Board Meetings attended during FY 2025-26 (upto the date of this Notice)	11 in FY 2025-2026 and 4 till date after closure of FY
Inter-se relationship with other Directors and Key Managerial Personnel of the Company	Nil
No. of shares held (as on the date of this Notice) including shareholders as a beneficial owner	Nil

Annexure-1

In accordance SEBI Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2025/93 dated June 26, 2025, SEBI Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2025/135 dated October 13, 2025 read with Part A, Part B, and Part C of Section III-B of the Master Circular SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024, as amended from time to time, as well as Regulation 23 of the SEBI Listing Regulations and the applicable provisions of the Act the minimum disclosure information with respect to each proposed related party transactions as placed before the Audit Committee and the Board of Directors of the Company in their respective meetings held on January 27, 2026 for their review and approval, are as follows:

A(1).**Basic details of the related party**

S. N	Particulars of the information	Information provided by the management			
		Sale of Goods	Purchase of Goods	Rendering of Services	Availing of Services
1.	Name of the related party	AB Cotton Textiles Private Limited			
2.	Country of incorporation of the related party	India			
3.	Nature of business of the related party	Manufacturing of cotton yarn and yarn products.			

Relationship and ownership of the related party

S. No	Particulars of the information	Information provided by the management			
		Sale of Goods	Purchase of Goods	Rendering of Services	Availing of Services
	Relationship between the listed entity/subsidiary (in case of transaction involving the subsidiary) and the related party – including nature of its concern (financial or otherwise) and the following:	AB Cotton Textiles Pvt. Ltd. is a private company in which Mr. Deepak Garg and Mr. Manohar Lal, Directors of A B Cotspin India Limited (“Company”) are director & member and director respectively.	AB Cotton Textiles Pvt. Ltd. is a private company in which Mr. Deepak Garg and Mr. Manohar Lal, Directors of the Company are director & member and director respectively.	AB Cotton Textiles Pvt. Ltd. is a private company in which Mr. Deepak Garg and Mr. Manohar Lal, Directors of the Company are director & member and director respectively.	AB Cotton Textiles Pvt. Ltd. is a private company in which Mr. Deepak Garg and Mr. Manohar Lal, Directors of the Company are director & member and director respectively.

Shareholding of the listed entity/ subsidiary (in case of transaction involving the subsidiary), whether direct or indirect, in the related party.				
Where the related party is a partnership firm or a sole proprietorship concern or a body corporate without share capital, then capital contribution, if any, made by the listed entity/ subsidiary (in case of transaction involving the subsidiary).				
Shareholding of the related party, whether direct or indirect, in the listed entity/ subsidiary (in case of transaction involving the subsidiary). <i>Explanation: Indirect shareholding shall mean shareholding held through any person, over which the listed entity/Subsidiary/ related party has control.</i> <i>While calculating indirect shareholding, shareholding held by relatives shall also be considered.</i>				

Details of previous transactions with the related party

S. No.	Particulars of the information	Information provided by the management																		
	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party during the last financial year. Explanation: Details need to be disclosed separately for listed entity and its subsidiary.	<table> <tr> <th>S. No.</th><th>Nature of Transactions entered into by the Company with the Related Party</th><th>FY 2025-2026 (INR) In Crores</th></tr> <tr> <td>1</td><td>Sale of Goods (Cotton, Cotton Yarn, Cotton Waste, etc.)</td><td>25.08</td></tr> <tr> <td>2</td><td>Purchase of Goods (Cotton, Cotton Yarn, Recycled Cotton, etc.)</td><td>10.40</td></tr> <tr> <td>3</td><td>Rendering of Services (Job Work, Transportation, etc.)</td><td>00.04</td></tr> <tr> <td>4</td><td>Availing of Services (Job Work, etc.)</td><td>Nil</td></tr> <tr> <td colspan="2">Total</td><td>35.52</td></tr> </table> There is no transaction during the last financial year i.e. financial year 2025-26, between the related party and the subsidiary of the Company.	S. No.	Nature of Transactions entered into by the Company with the Related Party	FY 2025-2026 (INR) In Crores	1	Sale of Goods (Cotton, Cotton Yarn, Cotton Waste, etc.)	25.08	2	Purchase of Goods (Cotton, Cotton Yarn, Recycled Cotton, etc.)	10.40	3	Rendering of Services (Job Work, Transportation, etc.)	00.04	4	Availing of Services (Job Work, etc.)	Nil	Total		35.52
S. No.	Nature of Transactions entered into by the Company with the Related Party	FY 2025-2026 (INR) In Crores																		
1	Sale of Goods (Cotton, Cotton Yarn, Cotton Waste, etc.)	25.08																		
2	Purchase of Goods (Cotton, Cotton Yarn, Recycled Cotton, etc.)	10.40																		
3	Rendering of Services (Job Work, Transportation, etc.)	00.04																		
4	Availing of Services (Job Work, etc.)	Nil																		
Total		35.52																		
	Total amount of all the transactions undertaken by the listed entity ~~or subsidiary~~ with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought.	INR 11.35 Crores																		
	Any default, if any, made by a related party concerning any obligation																			

	undertaken by it under a transaction or arrangement entered into with the listed entity or its subsidiary during the last financial year.	
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Amount of the proposed transaction(s)

No.	Particulars of the information	Information provided by the management			
		Sale of Goods	Purchase of Goods	Rendering of Services	Availing of Services
	Amount of the proposed transactions being placed for approval in the meeting of the Audit Committee/ shareholders.	72,00,00,000	45,00,00,000	1,50,00,000	1,50,00,000
	Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT?	Yes	Yes	Yes	Yes
	Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year	23.87%	14.92%	0.50 %	0.50 %
		<i>Further, all the proposed transactions taking together constitute 28.25% of the Company's consolidated turnover for the immediately preceding financial year.</i>			

	Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year (in case of a transaction involving the subsidiary and where the listed entity is not a party to the transaction)	N.A.	N.A.	N.A.	N.A.								
	Value of the proposed transactions as a percentage of the related party's annual consolidated turnover (if consolidated turnover is not available, calculation to be made on standalone turnover of related party) for the immediately preceding financial year, if available.	63.04%	39.40%	1.31%	1.31%								
	Financial performance of the related party for the immediately preceding financial year: Explanations: <i>The above information is to be given on standalone basis.</i>	<table><tr><th>Particulars</th><th>FY 2024-2026 (INR)</th></tr><tr><td>Turnover</td><td>1,14,21,57,128</td></tr><tr><td>Profit After Tax</td><td>5,09,38,901</td></tr><tr><td>Net worth</td><td>9,12,11,088</td></tr></table>				Particulars	FY 2024-2026 (INR)	Turnover	1,14,21,57,128	Profit After Tax	5,09,38,901	Net worth	9,12,11,088
Particulars	FY 2024-2026 (INR)												
Turnover	1,14,21,57,128												
Profit After Tax	5,09,38,901												
Net worth	9,12,11,088												

Basic details of the proposed transaction

No.	Particulars of the information	Information provided by the management			
	Specific type of the proposed transaction (e.g. sale of goods/services, purchase of goods/services, giving loan, borrowing etc.)	1. Sale of Goods as detailed below	2. Purchase of Goods as detailed below	3. Rendering of Services as detailed below	4. Availing of Services as detailed below
	Details of each type of the proposed transaction	The residual / waste generated during the ginning and spinning of raw cotton by the Company is proposed to be sold to the related party, which has the required technology and machinery to use such residual waste as raw material and further process it into its final products. This transaction helps the Company to optimize resource utilization, including waste management, and improve operational efficiency and cash flow visibility. As both entities are related parties, the arrangement also ensures a reliable buyer and supplier relationship.	The Related Party generates hard waste during its manufacturing process, which is used as a key raw material for the production of recycled yarn. the Company proposes to purchase this hard waste and further processes it into finished yarn that is in demand in the market. The complementary nature of operations enables efficient resource utilization and improved profitability. Being related parties, both companies benefit from a reliable and consistent sourcing arrangement.	Both companies are primarily engaged in yarn manufacturing. the Company owns trucks and tempos for transportation; when such vehicles are idle and the related party requires transportation services, Company proposes to provide the same and charges transportation fees accordingly.	Both companies are primarily engaged in yarn manufacturing. when the Company is operating at maximum capacity and the related party has idle manufacturing capacity, the Company proposes to get its job work executed from the related party and pays job work charges at arm's length. This arrangement ensures timely execution of orders and better utilization of manufacturing capacity.

tenure of the proposed transaction (tenure in number of years or months to be specified)	One year	One year	One year	One year
Whether omnibus approval is being sought?	Yes	Yes	Yes	Yes
Value of the proposed transaction during a financial year.	72,00,00,000	45,00,00,000	1,50,00,000	1,50,00,000
If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise.	FY 2026-27- 40,00,00,000 FY 2027-28 32,00,00,000	FY 2026-27- 25,00,00,000 FY 2027-28 20,00,00,000	FY 2026-27- 75,00,000 FY 2027-28 75,00,000	FY 2026-27- 75,00,000 FY 2027-28 75,00,000
Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity	The residual / waste generated during the ginning and spinning of raw cotton by the Company is proposed to be sold to the related party, which has the required technology and machinery to use such residual waste as raw material and further process it into its final products. This transaction helps the Company to optimize resource utilization, including waste management, and improve operational efficiency and cash flow visibility. As	The Related Party generates hard waste during its manufacturing process, which is used as a key raw material for the production of recycled yarn. the Company proposes to purchase this hard waste and further processes it into finished yarn that is in demand in the market. The complementary nature of operations enables efficient resource utilization and improved profitability. Being related parties, both companies benefit from a reliable and consistent sourcing arrangement.	Both companies are primarily engaged in yarn manufacturing. The Company owns trucks and tempos for transportation; when such vehicles are idle and the related party requires transportation services, Company proposes to provide the same and charges transportation fees accordingly.	Both companies are primarily engaged in yarn manufacturing. When the Company is operating at maximum capacity and the related party has idle manufacturing capacity, the Company proposes to get its job work executed from the related party and pays job work charges at arm's length. This arrangement ensures timely execution of orders and better utilization of manufacturing capacity.

		both entities are related parties, the arrangement also ensures a reliable buyer and supplier relationship.			
	Details of the promoter(s)/ director(s) / key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly. <i>Explanation:</i> Indirect interest shall mean interest held through any person over which an individual has control.	<u>Promoters of the Company:</u> Promoters of the Company directly or indirectly controls the related party. <u>Directors of the Company:</u> Mr. Deepak Garg holds 6,000 shares (i.e. 0.60%) directly and indirectly through M/S Deepak Garg & Sons HUF holds 1,56,000 shares (i.e. 15.60%) in the related party. Mr. Manohar Lal is Director of the related party.			
	a. Name of the director / KMP	<u>Directors of the Company:</u> Mr. Deepak Garg Mr. Manohar Lal <u>other than above, no KMP of the Company is interested in the proposed transactions.</u>			
	b. Shareholding of the director / KMP, whether direct or indirect, in the related party	<u>Directors of the Company:</u> Mr. Deepak Garg- holds 6,000 shares (i.e. 0.60%) directly and indirectly through M/S Deepak Garg & Sons HUF holds 1,56,000 shares (i.e. 15.60%), in the related party. Mr. Manohar Lal- Nil			
	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.				
	Other information relevant for decision making.				

PART B

No.	Particulars of the information	Information provided by the management			
		Sale of Goods	Purchase of Goods	Rendering of Services	Availing of Services
	Bidding or other process, if any, applied for choosing a party for sale, purchase or supply of goods or services.	As the related party's ability to consume the raw materials on a timely basis will help the Company to manage its inventory levels effectively and reduces its holding and logistics costs. This transaction enables better cash flow visibility and operational efficiency for the Company. Further the Bidding process was not required to be followed as the transaction is proposed with related party on the basis of its consumption requirement and our capability of the execution of the order in time on arm's length basis i.e., at the Prevailing market price and other factors as also compared with the rates and such other factors related to other competitors providing the similar product.	As the related party has established manufacturing capabilities, it can consistently supply products of high quality that meet the Company's technical and operational requirements. The proximity, reliability, and familiarity with the Company's specifications enable timely availability of products, ensuring continuity of operations of the Company. Further the Bidding process was not required to be followed as the transaction is proposed with related party on the basis of the products of high quality that meet the Company's technical and operational requirements at arm's length basis i.e., at the Prevailing market price and other factors as also compared with the rates and such other factors related to other competitors providing the similar product for choosing a party for purchase.	The Company owns trucks and tempos for transportation; when such vehicles are idle and the related party requires transportation services, Company proposes to provide the same and charges transportation fees accordingly. Further the Bidding process was not required to be followed as the transaction is proposed with related party at arm's length basis i.e., at the Prevailing market price and other factors while comparing the rates and such other factors related to other competitors providing the similar product for choosing a party for rendering of services.	The Company proposes to get its job work executed from the related party and pays job work charges at arm's length. This arrangement ensures timely execution of orders and better utilization of manufacturing capacity. Further the Bidding process was not required to be followed as the transaction is proposed with related party on arm's length basis at the Prevailing market price and other factors while comparing the rates of and such other factors related to other competitors providing the similar product for choosing a party for availing of services.

	Basis of determination of price.	As per prevailing market price	As per prevailing market price	As per prevailing market price	As per prevailing market price
	In case of Trade advance (of upto 365 days or such period for which such advances are extended as per normal trade practice), if any, proposed to be extended to the related party in relation to the transaction, specify the following:	N.A.	N.A.	N.A.	N.A.
	Amount of Trade advance	N.A.	N.A.	N.A.	N.A.
	Tenure	N.A.	N.A.	N.A.	N.A.
	Whether same is self-liquidating?				

PRACTICING CHARTERED ACCOUNTANT'S CERTIFICATE PURSUANT TO
REGULATION 45 OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING
OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

3rd September 2026

To

The Board of Directors

A B Cotspin India Limited

Bathinda Road, Jaitu,

Faridkot, Punjab- 151202

Sub.: Practicing Chartered Accountant's Certificate pursuant to Regulation 45 of Securities and
Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir,

The report is issued in accordance with the terms of our engagement letter dated **14th July 2026** for
the above said work.

We have been requested by the management of **A B Cotspin India Limited** ("the Company") to
issue a certificate certifying the compliance with conditions prescribed under Sub-Regulation (1)
of Regulation 45 of Securities and Exchange Board of India (Listing Obligations and Disclosure
Requirements) Regulations, 2015 ("Regulation") for change of the Company name from **A B
Cotspin India Limited** to "**ABC INDUSTRIES INDIA LIMITED**".

Management Responsibility

The management of the Company is responsible for the preparation and maintenance of all
accounting and other records and documents supporting the particulars, as mentioned in this
certificate. This responsibility includes the design, implementation and maintenance of internal
control relevant to the preparation and presentation of the financial statement and applying an
appropriate basis of preparation and making estimates that are reasonable in the circumstances.

The management is also responsible for ensuring that the Company complies with the requirements
of the Regulation.

Practitioner's Responsibility

Our responsibility is to provide a reasonable assurance, based on the procedures performed and
evidence obtained, as to whether anything has come to our attention that causes us to believe that
the particulars as mentioned in this certificate are not in accordance with the underlying supporting
documents maintained by the Company.

We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control of Firms that perform Audits and Review of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

Based on the procedures performed as outlined above and the representations provided to us, and on the basis of information and explanations provided to us by the management, we confirm that:

Regulation	Particulars	Our Opinion
45(1)(a)	Time period of at least one year has elapsed from the last name change.	The Company has not changed its name since at least the last one-year period.
45(1)(b)	At least fifty percent of the total revenue in the preceding one-year period has been accounted for by the new activity suggested by the new name.	The Company has not changed its main activity in the preceding one-year period, nor is any new activity suggested by the new name.
45(1)(c)	The amount invested in the new activity/project (fixed assets + advances + work in progress) is at least fifty percent of the assets of the listed entity.	The Company has neither changed its main activity nor invested in any new activity/project. Hence, the same is not applicable

Bifurcation of income earned by the Company under various activities as per the format

Particulars	Details
From _____ to _____ (Please consider last four quarters)	NOT APPLICABLE, as the Company has not changed its main activity nor invested in any new activity/project.
Income from prior business activity – _____ please specify name of the activity	
Income from new business activity – _____ please specify name of the activity	

Restrictions on Use

The Certificate is addressed to and provided to the management of the Company and they can include it in the explanatory statement of the Notice of the General Meeting or Postal Ballot and

any submission to the Stock Exchange(s), Depositories and other statutory authorities for obtaining the approval, as may be required and should not be used by any other person.

Accordingly, we do not accept or assume any liability or any duty of care for any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For, Siva Nageswara Rao & Co
Chartered Accountants
Firm Registration No. 021928S



Siva Nageswara Rao
Proprietor
Membership No. 247197
UDIN: 26247197SQFIXQ7060

Place: Hyderabad
Date : 3rd September 2026

BOARD'S REPORT

The Members,
A B COTSPIN INDIA LIMITED
 ("The Company")
 Bathinda Road, Jaitu, Faridkot,
 Punjab-151202

Your directors are pleased to present their **29th (Twenty Ninth) Annual Report** on the business and operations of the **A B COTSPIN INDIA LIMITED** ("Company") together with the audited financial statements (standalone as well as consolidated) for the financial year ended on 31st March 2026.

The report highlights the financial performance of the Company, key developments during the year under review, major business operations, changes in the Board or Key Managerial Personnel, statutory compliances, and the way forward.

A summary of the Company's financial performance, business highlights, statutory disclosures, and corporate governance practices are covered in the ensuing sections of this Report.

FINANCIAL RESULTS

The financial performance of the Company for the year ended 31st March, 2026 is summarized as under:

(Amount in ₹ Lacs)

PARTICULARS	STANDALONE		CONSOLIDATED	
	2025-26	2024-25	2025-26	2024-25
Revenue from operations (net)	29867.71	29,806.36	29888.21	29,817.61
Add: Other Income	277.99	273.42	278.15	273.48
Total Income	30145.70	30,079.78	30166.36	30,091.09
Profit/(Loss) before Depreciation & Amortisation, Exceptional items & Tax expense	4263.52	3,264.04	4240.21	3,286.26
Less: Finance Cost	1071.12	1,039.50	1071.12	1,039.50
Less: Depreciation and Amortisation Expense	1394.33	879.12	1394.33	879.12
Profit before exceptional items & tax Expense	1798.07	1,345.42	1774.76	1,367.64
Less: Exceptional items	-	-	-	-
Profit/(Loss) before Tax Expense	1798.07	1,345.42	1774.76	1,367.64
Less: Taxation Expense	471.95	346.39	471.95	346.39
Profit/(Loss) for the year	1326.12	999.03	1302.81	1,021.25

Other Comprehensive Income/(Loss)	31.74	(4.51)	31.74	(4.51)
Total Comprehensive Income/(Loss) for the year	1357.87	994.52	1334.55	1,016.74
Earnings per Share (₹)				
- Basic	6.06	9.39	5.96	9.60
- Diluted	6.06	8.03	5.96	8.21

KEY FINANCIAL RATIOS (STANDALONE)

1	Current Ratio	Current Assets	1.88
		Current Liabilities	
2	Debt – Equity Ratio	Total Debt	0.96
		Shareholder's Equity	
3	Debt Service Coverage Ratio	Earnings available for debt service (Profit before tax + Interest + Depreciation + Amortization)	2.31
		Debt Service (Interest Principal Repayments)	
4	Return on Equity (ROE):	Net Profits after taxes	0.10
		Shareholder's Equity	
5	Trade Receivables Turnover Ratio	Revenue From operation	4.98
		Trade Receivable Outstanding	
6	Trade Payables Turnover Ratio	Purchase	39.20
		Trade Payable Outstanding	
7	Net capital turnover ratio	Revenue From Operation	3.5
		Current Assets- Current Liability	
8	Net profit ratio	Net Profit	0.04
		Revenue From Operation	
9	Return on capital employed (ROCE)	Earnings before interest and taxes	0.09
		Total Equity + Total Debt	
10	Inventory turnover ratio	Total Turnover	4.00
		Average Inventory	

11	Return on Investments	Return on Investments	1.15
		Initial Investment	

STATE OF COMPANY'S AFFAIRS

The Revenue from its business and operations for the financial year ended 31st March, 2026 is ₹ 29,867.71 Lacs as against ₹ 29,806.36 Lacs in the previous financial year.

The Company has earned other income during the financial year of ₹ 277.99 Lacs as against ₹ 273.42 Lacs in the previous financial year and the Company has earned profit after tax of ₹ 1326.12 Lacs as compared to profit after tax of ₹ 999.03 Lacs in the previous financial year.

During the period under review, the Board of directors at its meeting held on July 22, 2025 approved the expansion of its business operations cross India, including but not limited to the states of Madhya Pradesh and Maharashtra and to undertake investment of up to INR 1,500 crore (Rupees One Thousand Five Hundred Crore only) in the cotton and textile sector. This includes the acquisition of or taking on lease land from Government or other authorities, establishment of manufacturing plants, warehousing facilities, logistics units, and all related infrastructure required for operations in spinning, ginning, yarn manufacturing, processing, and utilization of by-products. This will add capacity of 200000 spindles (approx.) (in phase manner).

Also, the Company had expanded Solar Power Capacity to 2,740 KW to Enhance Sustainability Initiatives.

The Company had set up a branch office at Unit No. 14, Plot No. 31, LG floor, Road No. 44, Vikas Tower Building, Rani Bagh, New Delhi-110034.

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

Further, after the closure of the Financial Year 2025-26, the Board of the Directors on July 14, 2026 approved the change of name of the Company from "A B Cotspin India Limited" to "A B Industries Limited" or "AB Industries Limited" or any other name as may be available and approved by the Registrar of Companies, Central Registration Centre (CRC), Ministry of Corporate Affairs, subject to the approval of the Members of the Company and Central Government and such other approvals, permissions and sanctions as may be required.

RESERVES

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

INDUSTRY SCENARIO

The Indian textile industry continues to play a significant role in the country's economic development, supported by a large domestic market, strong manufacturing capabilities, availability of raw materials, and a well-established textile value chain. The industry is witnessing evolving consumer preferences, increasing demand for quality and value-added textile products, and growing opportunities in both domestic and international markets.

The cotton textile segment remains an important component of the Indian textile industry, with cotton continuing to be one of the most widely used natural fibres due to its comfort, versatility, breathability, and wide range of applications. Demand for cotton yarn and textile products is influenced by factors such as population growth, changing lifestyles, fashion trends, export demand, global economic conditions, cotton prices, and the overall performance of the apparel and home-textile sectors.

The industry is also undergoing significant transformation through technological advancements, automation, improved manufacturing processes, and increasing emphasis on sustainability and resource efficiency. Textile manufacturers are increasingly focusing on improving productivity, product quality, energy efficiency, waste reduction, and supply chain management to remain competitive in a dynamic market environment.

At the same time, the industry faces challenges arising from fluctuations in raw material prices, changing global demand, intense competition, exchange rate movements, regulatory requirements, and variations in cotton availability. Companies with efficient manufacturing capabilities, strong quality standards, prudent cost management, and an adaptable business approach are better positioned to navigate these challenges and capitalize on emerging opportunities.

In alignment with the evolving industry landscape, **A B Cotspin India Limited is engaged in the business of manufacturing and dealing in cotton and textile products, with a focus on quality, operational efficiency, and customer satisfaction.** The Company continues to strengthen its manufacturing and business capabilities while responding to changing market requirements and opportunities in the textile sector.

The Company is focused on maintaining consistent product quality, improving operational efficiency, strengthening customer relationships, and expanding its market presence. Through continuous process improvement, effective resource utilization, and a commitment to responsible business practices, the Company aims to build a sustainable and competitive position in the cotton and textile industry.

FUTURE OUTLOOK:

A B Cotspin India Limited remains focused on achieving sustainable and long-term growth by strengthening its manufacturing capabilities, improving operational efficiency, expanding its market presence, and responding effectively to changing customer and industry requirements.

1. Strengthening Market Presence

The Indian textile industry continues to present opportunities arising from growing domestic consumption, increasing demand for quality textile products, and potential growth in export markets. The Company intends to strengthen its market presence by developing existing customer relationships, exploring new markets, and enhancing its distribution and sales capabilities.

The Company will continue to evaluate opportunities for geographical and market expansion based on demand conditions, commercial viability, and the overall business environment.

2. Product Development and Value Addition

The Company remains focused on improving and expanding its product offerings in line with evolving market requirements. Greater emphasis will be placed on product quality, consistency, customization, and value addition wherever commercially viable.

The Company will continue to monitor market trends and customer preferences to identify opportunities for introducing improved and differentiated products, thereby enhancing customer satisfaction and strengthening its competitive position.

3. Technology and Manufacturing Efficiency

Technology and process efficiency will remain important areas of focus for the Company. The Company intends to progressively adopt appropriate technologies, automation, and process improvements to enhance manufacturing efficiency, improve product quality, optimize resource utilization, and reduce operational inefficiencies.

The Company will continue to evaluate technological upgrades based on operational requirements and their potential contribution to productivity and long-term competitiveness.

4. Supply Chain and Raw Material Management

Efficient management of raw materials and the supply chain remain critical to the performance of the textile business. The Company will continue to focus on prudent procurement practices, inventory management, supplier relationships, and effective production planning.

Given the inherent volatility in cotton and other input prices, the Company will continue to adopt appropriate measures for efficient resource management and cost optimization while maintaining the required standards of product quality.

5. Focus on Quality and Customer Satisfaction

Quality and customer satisfaction will continue to remain central to the Company's business strategy. The Company aims to maintain consistent quality standards and strengthen its relationships with customers by understanding their evolving requirements and ensuring timely and reliable delivery.

The Company will continue to focus on quality control, process discipline, customer responsiveness, and continuous improvement across its operations.

6. Operational Excellence and Cost Optimization

The Company remains committed to improving operational efficiency and optimizing costs across its manufacturing and business operations. Better utilization of production capacities, reduction of wastage, efficient manpower utilization, energy management, and streamlined processes will remain key areas of focus.

These initiatives are expected to support productivity improvement, strengthen margins, and enhance the Company's overall competitiveness.

7. Sustainability and Responsible Growth

Sustainability is becoming increasingly important across the global textile value chain. The Company will continue to focus on responsible and efficient utilization of resources, energy conservation, waste management, and adoption of environmentally responsible practices wherever feasible.

The Company also remains committed to maintaining high standards of corporate governance, regulatory compliance, ethical business practices, and transparency while pursuing its growth objectives.

8. Human Resource and Organizational Development

The Company's growth and operational performance are supported by its employees and workforce. The Company will continue to focus on developing a capable and motivated workforce through appropriate training, skill development, performance management, and a culture of accountability.

Building organizational capabilities and strengthening human resources will remain important for supporting the Company's future expansion and operational requirements.

9. Long-Term Growth and Value Creation

With a focus on manufacturing excellence, product quality, market expansion, operational efficiency, and responsible business practices, **A B Cotspin India Limited is well-positioned to pursue sustainable growth opportunities in the cotton and textile sector.**

The Company will continue to adapt to changing market dynamics, leverage emerging opportunities, strengthen its operational capabilities, and pursue initiatives aimed at creating sustainable long-term value for its customers, employees, shareholders, and other stakeholders.

DIVIDEND

With a view to conserve the profits, the Board of Directors decided not to recommend any dividend for the financial year 2025-26.

Further, during the year under review, the Company did not have any funds lying unpaid or unclaimed for a period of seven (7) years. Accordingly, there were no amounts required to be transferred to the Investor Education and Protection Fund (IEPF) in terms of Section 124(5) of the Companies Act, 2013.

In line with the provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017, the Company was not required to file any forms with the Ministry of Corporate Affairs during the year, as no such transfer or related activity arose.

COMPANY'S PERFORMANCE

During the Financial Year 2025-26, the Company continued to maintain a stable business performance while achieving a significant improvement in profitability as compared to the Financial Year 2024-25.

The Company recorded Revenue from Operations of ₹29,867.71 lakh during FY 2025-26, as against ₹29,806.36 lakh during FY 2024-25. The Profit Before Tax increased to ₹1,798.07 lakh in FY 2025-26 from ₹1,345.42 lakh in FY 2024-25, registering a growth of approximately 33.64%. Further, Profit After Tax increased to ₹1,326.12 lakh in FY 2025-26 from ₹999.02 lakh in FY 2024-25, representing a growth of approximately 32.74%.

During FY 2025-26, the Company's operating revenue remained broadly stable as compared to FY 2024-25. However, the Company achieved a substantial improvement in profitability, with Profit Before Tax increasing by 33.64% and Profit After Tax increasing by 32.74%. The improvement in profitability was achieved despite a marginal increase in total income,

supported by better management of the overall cost structure, with total expenses declining by approximately 1.35% during FY 2025-26.

The Total Comprehensive Income stood at ₹1,357.86 lakh during FY 2025-26, as compared to ₹994.51 lakh during FY 2024-25, reflecting an improvement of approximately 36.54%.

CHANGE IN THE NAME OF THE COMPANY:

There was no change in the name of the Company during the period under review.

Further, after the closure of the Financial Year 2025-26, the Board of the Directors on July 14, 2026 considered and approved the proposal for change in the name of the Company from “**A B Cotspin India Limited**” to “**ABC Industries India Limited**”, or such other name as may be available and approved by the Registrar of Companies, Central Registration Centre (“ROC”), Ministry of Corporate Affairs, subject to the approval of the Members of the Company and such other approvals, permissions and sanctions as may be required.

Pursuant thereto, the Company made an application to the Registrar of Companies, Central Registration Centre (“ROC”) for availability and reservation of the proposed name of the Company, being “**ABC Industries India Limited**”, in place of the existing name “**A B Cotspin India Limited**”.

The Company has subsequently received a **name availability letter dated August 27, 2026** from the ROC, informing that the proposed name “**ABC Industries India Limited**” is available and raising no objection with respect to the proposed change in the name of the Company.

The proposed change in the name of the Company is subject to the approval of the **Members of the Company** and such other approvals, permissions and sanctions as may be required.

MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

During the financial year 2025-26, the Company continued to carry on its business operations in the normal course. **There were no material changes or commitments affecting the financial position of the Company between the end of the financial year and the date of this Report.** The financial position of the Company has remained stable and there has been no material event or development after the close of the financial year which may have a significant impact on the financial position or operations of the Company.

DETAILS OF REVISION OF FINANCIAL STATEMENT OR THE REPORT

During the period under review, the Company has not undertaken any revision of its financial statements or reports for any of the three preceding financial years. This includes both voluntary revisions and any amendments mandated by a judicial authority or regulatory body. The Company confirms that no revision was made to its previously filed financial statements either voluntarily or pursuant to any order passed by a judicial or regulatory authority.

This ensures that the financial position and performance disclosed in the previous years’ reports remain accurate and consistent, and no significant changes or restatements have been made post the approval of the respective annual financial statements.

CHANGE IN THE NATURE OF THE BUSINESS, IF ANY:

During the period under review, there has been **no change in the nature of the Company's business**. The Company continues to operate in the **cotton and textile sector**, primarily engaged in the manufacturing and dealing in cotton and textile products. The Company remains focused on maintaining product quality, improving operational efficiency, strengthening its market presence, and meeting the evolving requirements of its customers.

REGISTRAR AND TRANSFER AGENT

M/s MUFG Intime India Private Limited has been appointed as the Registrar and Share Transfer Agent (RTA) of the Company. The RTA is responsible for handling matters relating to share transfers, dematerialization of shares, transmission of shares, and other related investor services.

Members are requested to direct all correspondence pertaining to transfer, transmission, dematerialization of shares and other share-related queries to the following address:

M/s MUFG intime India Private Limited
(Formerly Link Intime India Private Limited)

Noble Heights, 1st Floor, Plot No. NH 2,
LSC, C-1 Block, Near Savitri Market,
Janakpuri, New Delhi-110058

Tel: +91-11- 4141 0592/93/94;

Fax: +91-11-4141 0591

E-Mail: delhi@in.mpws.mufig.com

LISTING OF SHARES

During the period under review, the Company successfully migrated from the NSE Emerge Platform to the Main Board of National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange of Limited (BSE). The equity shares of the Company are presently listed and traded on the Main Board of the NSE and BSE and are in dematerialized form. The ISIN No. of the Company is INE08PH01015.

This milestone reflects the Company's growth, enhanced corporate governance standards, and commitment to creating long-term value for its stakeholders.

DISCLOSURES RELATING TO SCHEDULE V PART F OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Pursuant to Schedule V Part F of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the details in respect of the shares lying in the suspense account till March 31, 2026 is as under:

Description	No. of cases/No. of shares
Aggregate Number of Shareholders and the outstanding shares in the initiation of suspense account in the beginning of the financial year	NA
Number of shareholders who approached the Company for transfer of Shares from suspense account during the year 2025-26	NA

Number of shareholders to whom shares were transferred from suspense account during the year 2025-26	NA
Aggregate number of Shareholders and the outstanding shares in the Suspense Account lying as on March 31, 2026	NA
That the voting rights on these shall remain frozen till the rightful owner of such shares claims the shares	NA

CORPORATE GOVERNANCE

At the beginning of the Financial Year 2025-26, equity shares of the Company were listed on NSE Emerge Platform of National Stock exchange Limited (NSE) and by virtue of Regulation 15 of the Listing Regulations the compliance with the Corporate Governance provisions as specified in Regulation 17 to 27 and Clause (b) to (i) and (t) of sub regulation (2) of Regulation 46 and Para C, D and E of Schedule V were not applicable to the Company at that time.

During the Financial Year 2025-26, the Members approved the Migration of Equity Shares of the Company having a face value of Rs.10/- per Equity Share (which were listed on NSE Emerge) to the main Board and to make an application of listing/trading of the Equity Shares of the Company on Main Board of BSE Limited (BSE) vide special resolution passed through postal ballot dated June 06, 2025. Accordingly, the Company filed its application dated June 9, 2025, with the respective department of NSE for its migration from NSE Emerge Platform of NSE to the Main Board and had also submitted an application for listing its shares on the Main Board of BSE. The Company received an In Principle approval from the stock exchanges and upon migration, the equity shares of the Company got listed and traded on the Main Board of BSE and NSE w.e.f. September 24, 2025. Accordingly, the provision of corporate governance became applicable on the Company w.e.f. September 24, 2025.

Your Company is committed to maintaining the highest standards of Corporate Governance and adheres to the Corporate Governance requirements set out by the Securities and Exchange Board of India. The report on Corporate Governance as stipulated under the Listing Regulations forms part of this Annual Report and has annexed as ***Annexure-A***.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

CODE OF CONDUCT

As per Regulation 17(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has laid down Code of Conduct for all Directors and Senior Management of the Company and the same has been posted on the website of the Company. Annual Compliance Report for the year ended March 31, 2026, has been received from all the Directors and Senior Management Personnel of the Company regarding compliance of all the provisions of Code of Conduct. Additionally, Company has also adopted code of conduct for Independent Directors of the Company in accordance with the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The declaration regarding compliance with the Code of Conduct by the Board of Directors and Senior Management Personnel forms part of the Corporate Governance Report.

MD/CFO CERTIFICATE PURSUANT TO THE PROVISIONS OF REGULATION 17(8) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Pursuant to the provisions of Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Certificate jointly issued by the Managing Director and the Chief Financial Officer of the Company for the financial year ended 31st March 2026, confirming the correctness of financial statements and the adequacy of internal controls, has been obtained. The said certificate forms part of the Corporate Governance Report.

A B COTSPIN INDIA EMPLOYEES STOCK PURCHASE SCHEME – 2025

The A B Cotspin India Employees Stock Purchase Scheme – 2025 (“ESPS 2025” or “Scheme”) was approved by the members of the Company by way of a Special Resolution passed through Postal Ballot on April 30, 2025. Pursuant to the members’ approval, the Company obtained in-principle approval from the National Stock Exchange of India Limited (“NSE”) for implementation of the Scheme. However, subsequent to obtaining the aforesaid in-principle approval, no further action has been taken towards implementation of the Scheme during the financial year under review.

The Scheme provides for offering of up to 50,000 Equity Shares of the Company of face value of ₹10/- each to eligible employees. The Scheme is proposed to be implemented through the direct route by way of fresh allotment and cash mechanism.

In compliance with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and Regulation 14 read with Part F of Schedule I of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, the relevant disclosures in respect of the Scheme for the financial year ended March 31, 2026 are as under:

Particulars	Details
Name of the Scheme	A B Cotspin India Employees Stock Purchase Scheme – 2025
Date of approval of the Scheme by the Members	April 30, 2025
Total number of Shares approved under the Scheme	50,000 Equity Shares
Number of Shares offered/granted during the year	Nil
Number of Shares subscribed during the year	Nil
Number of Shares allotted during the year	Nil
Number of Shares lapsed/forfeited during the year	Nil
Offer Price	Not applicable, as no Offer was made during the year
Money realised during the year pursuant to subscription under the Scheme	Nil
Variation in the terms of the Scheme during the year	Nil
Total number of Shares outstanding under the Scheme at the end of the year	Nil
Employee-wise details of Shares offered/granted during the year to Key Managerial Personnel	Nil
Details of any employee who was offered/granted Shares amounting to 5% or more of the Shares offered/granted during the year	Nil
Details of identified employees who were offered/granted Shares equal to or exceeding 1% of the issued capital of the Company during the year	Nil
Dilution of equity share capital pursuant to the Scheme during the year	Nil

There were no material changes in the Scheme during the financial year under review. The Scheme provides for determination of the Offer Price by the Nomination and Remuneration Committee based on the Market Price, subject to a minimum discount

of 10% or such higher discount as may be determined by the Committee, provided that the Offer Price shall not be below the face value of the Equity Shares.

Since no Shares were offered, subscribed or allotted under the Scheme during the financial year under review, there was no impact on the issued, subscribed or paid-up share capital of the Company pursuant to the Scheme during the year.

CREDIT RATINGS

During the financial year under review, the credit ratings assigned to the Company's bank facilities by **Infomerics Valuation and Rating Private Limited** were reviewed and reaffirmed on various occasions. The details of the credit ratings and the changes therein during the year under review are as follows:

- On August 01, 2025, the ratings assigned to the Company's Long-Term and Short-Term Bank Facilities were IVR BBB/RWDI and IVR A3+/RWDI, respectively. The ratings were reaffirmed and placed under Rating Watch with Developing Implications.
- On January 30, 2026, the ratings were revised to IVR BBB/Stable for Long-Term Bank Facilities and IVR A3+ for Short-Term Bank Facilities. The ratings were removed from Rating Watch and reaffirmed.
- On March 27, 2026, the Long-Term Bank Facilities were enhanced from ₹93.68 crore to ₹147.51 crore, while the Short-Term Bank Facilities remained at ₹14 crore. The ratings of IVR BBB/Stable for Long-Term Bank Facilities and IVR A3+ for Short-Term Bank Facilities were reaffirmed. Accordingly, the total rated bank facilities increased from ₹107.68 crore to ₹161.51 crore.

The Company has made the requisite disclosures to the Stock Exchanges in accordance with the applicable provisions of the SEBI Listing Regulations.

REGISTERED OFFICE

During the financial year under review, the Company changed its Registered Office from “NH-54, Goniana Road, Near Lake-3, Bathinda, Punjab-151001, India” to “Bathinda Road, Jaitu, Faridkot, Punjab-151202, India” with effect from October 18, 2025. The change in the Registered Office was approved by the Board of Directors at its meeting held on September 03, 2025 and subsequently approved by the Members of the Company at the Annual General Meeting held on September 29, 2025. The necessary filings in this regard were duly made with the Registrar of Companies in compliance with the provisions of the Companies Act, 2013 and the rules made thereunder.

SHARE CAPITAL OF THE COMPANY

During the period under review:

- ✚ Authorised Share Capital of the Company is ₹ 24,40,00,000 (Rupees Twenty-Four Crore Forty Lakhs Only) divided into 2,40,00,000 (Two Crore Forty Lakh) Equity Share of ₹ 10/- each and 4,00,000 (Four Lakh) Preference Share of ₹ 10/- each.
- ✚ The paid-up Equity Share Capital as on March 31, 2026 was 21,96,36,200/- (Rupees Twenty One Crore Ninety Six Lakh thirty-six Thousand two Hundred Only). During the year, the Company has allotted 55,44,280 equity shares pursuant to the conversion of warrants as detailed below.

Preferential Issue of Warrants:

During the FY 2023-24, the Company had issued and allotted 1,20,28,562 Share Warrants each convertible into or exchangeable for one fully paid up equity share of ₹ 10 each of the Company on preferential basis pursuant to approval of shareholders at their 26th Annual General Meeting (“AGM”) held on September 25, 2023, in accordance with the applicable provisions of the Companies Act, 2013 read with rules made thereunder, and applicable provisions of the Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended.

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

The Company had completed the conversion of 1,16,71,420 share warrants (out of the 1,20,28,562 share warrants issued and allotted during FY 2023–24) into an equal number of fully paid-up equity shares of face value ₹10 each. The conversion was carried out in four tranches, as detailed below:

Tranche No.	Date of Allotment	of Warrants Converted into Equity Shares
Tranche 1	05-03-2025	20,28,570
Tranche 2	12-03-2025	22,38,571
Tranche 3	17-03-2025	18,59,999
Tranche 4	07-04-2025	55,44,280
Total		1,16,71,420

The above conversions were undertaken pursuant to the preferential allotment approved by the shareholders at the 26th Annual General Meeting held on September 25, 2023, and in compliance with the applicable provisions of the Companies Act, 2013, read with the rules made thereunder, and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

The balance 3,57,142 share warrants were not converted due to non-payment of the balance subscription amount within the stipulated time and have accordingly been forfeited in accordance with the terms of the issue.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

DIRECTORS:

a) Composition of Board of Directors

As on the date of this report, the Board of Directors of the Company comprised of Six Directors, with Two Executive and Four Non-Executive Directors, including three Independent Directors. The Board is duly constituted under the applicable provisions of the Act and the Listing Regulations.

The composition of the Board of Directors is as below:

S. No.	Name of Directors	Designation	Date of Appointment
1.	Deepak Garg	Chairman and Managing Director	26/08/2014
2.	Manohar Lal	Whole-time Director	01/08/2018
3.	Ramesh Kumar	Non-Executive Director	02/03/2020
4.	Puneet Bhandari	Independent Director	09/03/2021
5.	Preet Kamal Kaur Bhatia	Independent Director	09/03/2021
6.	Rajesh Tuteja	Independent Director	05/08/2025

b) Appointment/Re-appointment of Directors:

Appointment:

Mr. Rajesh Tuteja was appointed as an Additional Director (Independent Director) by the Board of Directors with effect from August 5, 2025. In the opinion of the Board, he possesses the requisite integrity, experience, skills, expertise, and proficiency required for the position of an Independent Director. Accordingly, a resolution for the regularization of his appointment as an Independent Director was placed before the Shareholders at the previous Annual General Meeting (AGM), and the same was duly approved by the Shareholders of the Company.

Reappointment:

In terms of the applicable provisions of the Act and the Listing Regulations, (including any statutory modifications and re-enactment thereof, for the time being in force) and on the basis recommendations of the Nomination and Remuneration Committee and the Board of Directors, the Shareholders in the previous Annual General Meeting approved the:

- a. re-appointment of Mr. Deepak Garg (DIN: 00843929) as Managing Director of the Company for a further period of five years, on expiry of her present term of office i.e. with effect from March 09, 2026 to March 08, 2031.
- b. re-appointment of Mr. Manohar Lal (DIN: 02406686) as Whole-Time Director of the Company for a further period of five years, on expiry of her present term of office i.e. with effect from March 09, 2026 to March 08, 2031 and liable to retire by rotation.
- c. re-appointment of Mrs. Preet Kamal Kaur Bhatia (DIN: 07070977) and Mr. Puneet Bhandari (DIN: 03625316) as Independent Director for a second term of five years w.e.f. March 9, 2026 to March 08, 2031 and in the opinion of the Board, they possess the requisite integrity, experience, skills, expertise and proficiency.

RETIRE BY ROTATION

In accordance with the provisions of Section 152 of the Companies Act, 2013 ("Act") and Articles of Association of the Company, Mr. Ramesh Kumar (DIN: 07684009), Non- Executive Director of the Company, retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for reappointment. The Board recommends his re-appointment for the consideration of the members of the Company at the ensuing Annual General Meeting.

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

MEETINGS OF BOARD OF DIRECTORS

During the year under review, **Eleven (11)** Board Meetings were held on May 26, 2025, June 13, 2025, July 08, 2025, July 22, 2025, August 05, 2025, August 12, 2025, September 03, 2025, November 12, 2025, January 27, 2026, February 11, 2026 and March 30, 2026. The provisions of Companies Act, 2013 were adhered while considering the time gap between two such meetings.

The details of the attendance record of the Directors at the Board Meetings and AGM held during the financial year ended on March 31, 2026 are as under:

Names of Directors		Deepak Garg	Manohar Lal	Ramesh Kumar	Puneet Bhandari	Preet Kamal Kaur Bhatia	Rajesh Tuteja*
Designation		Chairman & Managing Director	Whole-Time Director	Director	Independent Director	Independent Director	Independent Director
Attendance in meeting	May 26, 2025	Yes	Yes	Yes	Yes	Yes	N.A.
	June 13, 2025	Yes	Yes	Yes	Yes	Yes	N.A.
	July 08, 2026	Yes	Yes	Yes	Yes	Yes	N.A.
	July 22, 2026	Yes	Yes	Yes	Yes	Yes	N.A.
	August 05, 2025	Yes	Yes	Yes	Yes	Yes	N.A.
	August 12, 2025	Yes	Yes	Yes	Yes	Yes	Yes
	September 03, 2025	Yes	Yes	Yes	Yes	Yes	Yes
	November 12, 2025	Yes	Yes	Yes	Yes	Yes	Yes
	January 27, 2026	Yes	Yes	Yes	Yes	Yes	Yes
	February 11, 2026	Yes	Yes	Yes	Yes	Yes	Yes
	March 30, 2026	Yes	Yes	Yes	Yes	Yes	Yes
Last AGM attended held on 29th September, 2025		Yes	Yes	Yes	Yes	Yes	Yes

* Appointed as an Independent director w.e.f. 05th August, 2025.

KEY MANAGERIAL PERSONNEL:

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

S. No.	Name	Designation
1.	Deepak Garg	Managing Director
2.	Manohar Lal	Whole-Time Director
3.	Rajinder Prashad Garg	Chief Financial Officer
4.	Kannu Sharma*	Company Secretary & Compliance Officer
5.	Rahul Kapasiya#	Company Secretary & Compliance Officer
6.	Nidhi Sharma&	Company Secretary & Compliance Officer

* Resigned from the post of Company Secretary & Compliance Officer of the Company w.e.f. 14th June, 2025

Appointed as the Company Secretary & Compliance Officer of the Company w.e.f. 08th July, 2025. Later, he resigned from the post of Company Secretary & Compliance Officer of the Company w.e.f. 17th July, 2026.

& Appointed as the Company Secretary & Compliance Officer of the Company w.e.f. 12th August, 2026.

BOARD COMMITTEES

The Committees of the Board of Directors of the Company plays vital role in the governance and focus on specific areas and make informed decisions within the delegated authority. Each Committee is governed by their respective terms of reference which exhibit their composition, scope, powers, duties and responsibilities. The Board of Directors has the following Committees:

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

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

AUDIT COMMITTEE

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

The Composition of the Audit Committee is given herein below as on March 31, 2026:

Member's Name	Category	Designation
Puneet Bhandari	Non-Executive Independent Director	Chairperson
Preet Kamal Kaur Bhatia	Non-Executive Independent Director	Member
Ramesh Kumar	Non-Executive Non-Independent Director	Member

During the period under review **Eight (8)** meetings were held on May 26, 2025, July 22, 2025, August 12, 2025, September 03, 2025, November 12, 2025, January 27, 2026, February 11, 2026 and March 30, 2026.

The details of composition of the Committee and the attendance record of the Directors at the AC Meetings held during the financial year ended on March 31, 2026 is as under:

Date of the Meeting	Attended by			% of Attendance at Meeting
	Puneet Bhandari	Preet Kamal Kaur Bhatia	Ramesh Kumar	
May 26, 2025	Yes	Yes	Yes	100
July 22, 2025	Yes	Yes	Yes	100
August 12, 2025	Yes	Yes	Yes	100
September 03, 2025	Yes	Yes	Yes	100

November 12, 2025	Yes	Yes	Yes	100
January 27, 2026	Yes	Yes	Yes	100
February 11, 2026	Yes	Yes	Yes	100
March 30, 2026	Yes	Yes	Yes	100

NOMINATION AND REMUNERATION COMMITTEE

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

The Composition of the Nomination and Remuneration Committee as on March 31, 2026 is as under:

Member's Name	Category	Designation
Puneet Bhandari	Non-Executive Independent Director	Chairperson
Preet Kamal Kaur Bhatia	Non-Executive Independent Director	Member
Ramesh Kumar	Non-Executive Non-Independent Director	Member

During the period under review **Five (5)** meetings were held on May 26, 2025, July 08, 2025, August 05, 2025, September 03, 2025 and March 28, 2026.

The details of composition of the Committee and the attendance record of the Directors at the NRC Meetings held during the financial year ended on March 31, 2026 is as under:

Date of the Meeting	Attended by			% of Attendance at Meeting
	Puneet Bhandari	Preet Kamal Kaur Bhatia	Ramesh Kumar	
May 26, 2025	Yes	Yes	Yes	100
July 08, 2025	Yes	Yes	Yes	100
August 05, 2025	Yes	Yes	Yes	100
September 03, 2025	Yes	Yes	Yes	100
March 28, 2026	Yes	Yes	Yes	100

STAKEHOLDER RELATIONSHIP COMMITTEE

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

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

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

The composition of Stakeholders Relationship Committee during as on 31st March 2026:

Member's Name	Category	Designation
Ramesh Kumar	Non-Executive Non-Independent Director	Chairperson
Deepak Garg	Managing Director	Member
Puneet Bhandari	Non-Executive Independent Director	Member

During the period under review only **One (1)** meeting was held on May 26, 2025.

The details of composition of the Committee and the attendance record of the Directors at the SRC Meetings held during the financial year ended on March 31, 2026 is as under:

Date of the Meeting	Attended by			% of Attendance at Meeting
	Ramesh Kumar	Deepak Garg	Puneet Bhandari	
May 26, 2025	Yes	Yes	Yes	100

CORPORATE SOCIAL RESPONSIBILITY

The Corporate Social Responsibility Committee ('CSR Committee') of the Company had been constituted and functions in accordance with provisions of Section 135 and schedule VII of the Act read with the Companies (Corporate Social Responsibility Policy) Rules 2014. The Company Secretary is acting as the Secretary to the CSR Committee.

The composition of CSR Committee as on 31st March 2026:

Member's Name	Category	Designation
Mr. Deepak Garg	Managing Director	Chairperson
Mr. Ramesh Kumar	Non-Executive Non-Independent Director	Member
Ms. Puneet Bhandari	Non-Executive Independent Director	Member

Date of meeting and attendance of CSR Committee Meetings:

Date of the Meeting	Attended by			% of Attendance at Meeting
	Deepak Garg	Ramesh Kumar	Puneet Bhandari	
September 02, 2025	Yes	Yes	Yes	100
March 28, 2026	Yes	Yes	Yes	100

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

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

MEETINGS OF THE SHAREHOLDERS

During the period under review, Following General Meetings of the shareholder of the Company held:

Type of Meeting	Date of Meeting	Total no. of shareholder	Attendance
			No. of shareholders attended
Annual General Meeting	39.09.2025	1021	30

No Extra Ordinary General Meeting of the Members of the Company was held during the Financial Year 2025-26.

Resolution Passed Through Postal Ballot Process

During the financial year under review, the Company conducted three postal ballots for seeking approval of the Members on the following resolutions, which were duly passed with the requisite majority:

1. Postal Ballot conducted on 30th April, 2025 –

Approval of A B Cotspin India Employees Stock Purchase Scheme – 2025

2. Postal Ballot conducted on 06th June, 2025 –

- Migration of equity shares of the company from NSE emerge platform of National Stock Exchange of India Limited (emerge) to main board of National Stock Exchange of India Limited (NSE)
- To make an application of listing/trading of the company on main board of BSE Limited (BSE)

3. Postal Ballot conducted on 01st March, 2026 –

Approval for material related party transactions with AB Cotton Textiles Private Limited

WOMEN DIRECTOR:

In accordance with the provisions of Section 149(1) of the Companies Act, 2013, read with Rule 3 of the Companies (Appointment and Qualifications of Directors) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, and other applicable provisions, if any, the Company has complied with the requirement of appointing at least one-woman director on its Board.

In line with this statutory requirement, **Mrs. Preet Kamal Kaur Bhatia (DIN: 07070977)** was appointed as a Non-Executive Independent Woman Director on the Board of the Company. Her appointment reflects the Company's commitment to promoting gender diversity and balanced representation at the Board level.

INDEPENDENT DIRECTORS' DECLARATION:

The Company has three Independent Directors on its Board, in compliance with the provisions of the Companies Act, 2013 and applicable rules and regulations. The details of the Independent Directors are as follows:

1. **Mr. Puneet Bhandari (DIN: 03625316)**
2. **Mr. Rajesh Tuteja (DIN: 08952755)**
3. **Mr. Preet Kamal Kaur Bhatia (DIN: 07070977)**

The Independent Directors have also submitted a declaration confirming that they meet the criteria of independence as specified under Section 149(6) of the Companies Act, 2013, and Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015.

INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTOR

Pursuant to the provisions of Section 134(3) of the Companies Act, 2013, read with Rule 8(5)(iia) of the Companies (Accounts) Rules, 2014, the Board of Directors is required to state its opinion on the integrity, expertise, and experience (including proficiency) of the Independent Directors of the Company.

As the Company is a listed entity, the provisions of Section 149(4) of the Companies Act, 2013, relating to the appointment of Independent Directors are applicable. In compliance with these provisions, the Board has carried out a comprehensive evaluation of the integrity, expertise, and experience of all Independent Directors.

The Board confirms that each of the Independent Directors possesses the necessary qualifications, skills, and experience required for their role. Their professional background, in-depth knowledge, and expertise in diverse sectors further contribute to the strategic and operational objectives of the Company. Furthermore, the Independent Directors have demonstrated the requisite proficiency as per the criteria laid out under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and have actively contributed to the governance framework of the Company.

The Board is of the opinion that the Independent Directors meet the independence criteria under Section 149(6) of the Companies Act, 2013, and have the necessary competence to discharge their duties effectively and independently.

PERFORMANCE EVALUATION OF BOARD

In terms of the provisions of the Section 178(2) of the Act and applicable provisions of the Listing regulations read with relevant circulars issued in this regard, the Board has adopted a formal mechanism for evaluating its performance as well as that of its Committees and individual directors, including the Chairman of the Board. A structured questionnaire was prepared and circulated to the Directors for each of the evaluation.

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

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

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

Pursuant to the provisions of Section 149(8) of the Companies Act, 2013 read with Schedule IV of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has devised a formal framework for performance evaluation of the Board, its Committees, and individual Directors, including Independent Directors.

In accordance with this framework, performance evaluations from all the Independent Directors were duly received. The evaluation was carried out through a structured questionnaire which covered various aspects such as:

- Participation in Board and Committee meetings;
- Understanding of the Company's business and regulatory environment;
- Contribution to strategic decision-making;
- Safeguarding the interest of stakeholders;
- Upholding high standards of integrity and governance;
- Active engagement in the functioning and effectiveness of the Board.

During the financial year under review, a separate meeting of the Independent Directors of the Company was held on March 31, 2026, in accordance with the applicable provisions of the Companies Act, 2013. The Independent Directors, inter alia, reviewed the performance of the Board as a whole, the performance of the Chairperson of the Company and assessed the quality, quantity and timeliness of flow of information between the management of the Company and the Board.

Despite the exemption, the Board of Directors remains committed to sound governance practices. The feedback received from the Independent Directors during the evaluation process has been duly considered to enhance the effectiveness of the Board and its committees.

The Board is of the view that the Independent Directors have performed their roles with diligence and provided valuable guidance and independent judgment in the interest of the Company and its stakeholders. Outcome of the evaluation was submitted to the Chairman of the Company. The Directors discussed and expressed their satisfaction with the entire evaluation process.

ANNUAL RETURN

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

COMPANY'S POLICY ON DIRECTOR'S, KMPS & OTHER EMPLOYEES APPOINTMENT & REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATION, ATTRIBUTES, INDEPENDENCE, ETC.:

The provisions of Section 178 of the Act relating to the Nomination and Remuneration Committee are applicable to our Company and hence the NRC Committee of the Company has devised policy relating to appointment of directors, remuneration for the Directors, Key Managerial Personnel and other employees of the Company.

The salient features of the Policy are outlined as follows:

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

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

DIRECTORS' RESPONSIBILITY STATEMENT

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

- a) that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) that they have selected such accounting policies as mentioned in the Notes to the financial statements have been applied consistently and judgments and estimates that are reasonable and prudent have been made so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the annual accounts have been prepared on a going concern basis;
- e) that proper internal financial controls were followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) that proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

INTERNAL FINANCIAL CONTROLS

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

The Company has in place adequate internal financial controls with reference to Financial Statements and such controls were operating effectively as at March 31, 2025. These controls have been designed to provide a reasonable assurance with regard to maintaining of proper accounting controls for ensuring reliability of financial reporting, monitoring of operations. During the year, such controls were tested and no reportable weaknesses in the design or operations were observed.

PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENT:

During the year under review, no company became or ceased to be a joint venture or associate company of the Company.

However, the Company has incorporated a Wholly Owned Subsidiary named KKML Welfare Foundation on April 2, 2024. Further, no company ceased to be a subsidiary of the Company during the year.

In compliance with the provisions of Section 129(3) of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014, a statement containing the salient features of the financial statements of the subsidiary, associate companies, and joint ventures in the prescribed Form AOC-1 is annexed to this Report as *Annexure-D*.

DEPOSITS:

Pursuant to Sections 73 to 76 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014, the Company is permitted to accept deposits from its members, directors, their relatives, and the public (in eligible cases), subject to compliance with relevant conditions.

However, during the year under review, the Company has not accepted any deposits from the public, its members, directors, or their relatives. No amounts were outstanding as deposits at the beginning or end of the financial year. Therefore, the Company has fully complied with the applicable provisions under the Companies Act, 2013.

Below is a summary table:

S. No.	Particular(s)	Amount
(i)	Deposit Accepted during year	Nil
(ii)	Deposit remained unpaid or unclaimed at the end of year	Nil
(iii)	Amount of default in repayment of deposit or payment of interest thereon beginning of year	Nil
(iv)	Maximum amount of default in repayment of deposits or payment of interest thereon during year	Nil
(v)	Amount of default in repayment of deposits or payment of interest thereon end of year	Nil
(vi)	Number of cases of default in repayment of deposits or payment of interest thereon beginning of year	Nil
(vii)	Maximum number of cases of default in repayment of deposits or payment of interest thereon during year	Nil
(viii)	Number of cases of default in repayment of deposits or payment of interest thereon end of year	Nil
(ix)	Details of deposits which are not in compliance with requirement of Chapter V of Act	Nil

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

During the year under review, your Company has not made any loans, given any guarantees, or made any investments falling under the purview of Section 186 of the Companies Act, 2013. Accordingly, no disclosures are required under the said section in the financial statements for the year ended March 31, 2026.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

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

Additionally, the Company entered into related party transactions which were deemed to be material under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and/or the Companies Act, 2013, and requisite approval of the Board of Directors and shareholders had been obtained in accordance with the applicable provisions of the said Regulations and the Act. The Policy on Related Party Transactions, as approved by the Board of Directors, is available on the Company's website at <https://abcotspin.co.in/policies-and-code-of-conduct/>

All the related party transactions entered during the year were in the ordinary course of business and on arm's length basis and thus form AOC-2 is not included in this report, however, during the financial year, certain material related party transactions were entered, details of which are provided in Form AOC-2. However, details of related party transactions and the names of related parties are disclosed in the Note No. 31 to the financial statements.

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

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

Sr. No.	Particulars	Comments
(A) Conservation of Energy		
	the steps taken or impact on conservation of energy;	Solar Power Plant of 3.1 MW has been installed in the Unit which produces an average of 12000 units per day
	the steps taken by the Company for utilizing alternate sources of energy;	Solar Power Plant of 3.1 MW has been installed in the Unit which produces an average of 12000 units per day
	the capital investment on energy conservation equipment	Rs. 14.50 Cr. approx
Technology Absorption:		
I	efforts made towards technology absorption	
II	benefits derived like product improvement, cost reduction, product development or import substitution;	
III	base of imported technology (imported during the last three years reckoned from the beginning of the financial year:	
	A. The details of technology imported	
	B. The year of import	
	Whether the technology been fully absorbed	
	D. If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	
IV	expenditure incurred on Research and Development	
FOREIGN EXCHANGE EARNINGS AND OUTGO:		
	Foreign Exchange earnings	2025-26 (In ₹) 98,82,345
	Foreign Exchange outgo	2024-25 (In ₹) 8,42,589
		Nil 9,25,611

RISK MANAGEMENT

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

VIGIL MECHANISM

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

In accordance with the provision of Section 177(9) of the Act read with Regulation 4(2) of the Listing Regulations every Listed Company shall establish a vigil mechanism for directors and employees to report genuine concerns of unethical behaviour, actual or suspected fraud or violation of the codes of conduct and other policies adopted by the Company.

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

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

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

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

Internal Complaints Committee (ICC):

To ensure compliance with the Act and effective implementation of the policy, the Company has constituted an Internal Committee (IC), comprising the following members as on 31st March, 2026:

S. No.	Name	Role
1.	Preet Kamal Kaur Bhatia	Presiding Officer
2.	K K Mishra	Member
3.	Yudvir Kaur	Member
4.	Asha Rani	Member
5.	Sarbjit Kaur	Member
6.	Kulvinder Kaur	Member
7.	Jatinder Kumar	Member
8.	Karmjit Kaur	Member

9.	Manpreet Kaur	Member
10.	Ajay Kumar	Member

The Committee is responsible for addressing complaints of sexual harassment and ensuring a safe, inclusive, and supportive workplace environment for all employees.

Statutory Disclosures:

The details regarding sexual harassment complaints for the financial year 2025-26 are as follows:

S. No.	Particular	Status
1.	Number of Sexual Harassment Complaints received	Nil
2.	Number of Sexual Harassment Complaints dispose off	Nil
3.	Number of Sexual Harassment Complaint beyond 90 days.	Nil

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

During the year under review, there were no significant or material orders passed by any regulator, court or tribunal which could have an impact on the going concern status of the Company or its operations in the future.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are set out in prescribed format and annexed herewith as ***Annexure-E*** to this Report.

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

NUMBER OF EMPLOYEES AS ON THE CLOSURE OF FINANCIAL YEAR

As on March 31, 2026, the number of employees of the Company stood as 370, the category is mentioned below:

Category	Number of Employees
Female	130
Male	240
Transgender	NIL

AUDITORS AND AUDITOR'S REPORT

A. STATUTORY AUDITOR

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

RESERVATION AND QUALIFICATION ON AUDITOR'S REMARKS

The Auditors' Report on the financial statements of the Company for the financial year ended March 31, 2026, read together with the Annexures thereto, contains a qualification in relation to the audit trail (edit log) facility in the accounting software used by the Company for maintaining its books of account. The audit trail feature was operated by the Company with effect from May 20, 2025 for the relevant transactions recorded in the accounting software. The Statutory Auditors have reported that, based on their examination, including test checks, they did not notice any instance of tampering with the audit trail during the course of their audit and that the audit trail has been preserved by the Company and its branches in accordance with the statutory requirements for record retention.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITOR

There are no frauds reported for the period under review by the Statutory Auditor under section 143(12) of the Act read with Rules framed thereunder and hence, the said disclosure requirements are not applicable.

B. SECRETARIAL AUDITOR

In terms of Sections 179 and 204 of the Companies Act, 2013 and the rules made thereunder, and based on the recommendation of the Audit Committee, **M/s DR Associates, Company Secretaries** have been appointed as Secretarial Auditors of the Company for a period of five (5) consecutive financial years commencing from Financial Year 2025-26 and ending with Financial Year 2029-30.

The Secretarial Audit Report for the financial year ended on March 31, 2026 received from M/s DR Associates, Company Secretaries, Secretarial Auditor of the Company is annexed herewith marked as ***Annexure F*** to this Report.

The Secretarial Audit Report for the financial year ended March 31, 2026, as issued by the Secretarial Auditor, contains an observation regarding non-operation of the audit trail feature in the accounting software used by the Company for maintaining its books of account, as required under Rule 3 of the Companies (Accounts) Rules, 2014, up to May 19, 2025. The Company has subsequently operated the audit trail feature with effect from May 20, 2025.

There are no frauds reported for the period under review by the Secretarial Auditor under section 143(12) of the Act read with Rules framed thereunder and hence, the said disclosure requirements are not applicable.

C. COST AUDITOR

M/s Jain Sharma & Associates, Cost Accountants (FRN: 000270), on recommendation of the Audit Committee, were appointed as Cost Auditor of the Company by the Board of Directors in its meeting held on September 03, 2025 for the financial year 2025-26 as per provision of Section 148 of the Act read with Rules framed thereunder.

The cost audit report for the financial year 2025-26 is self-explanatory and does not contain any qualification, reservation, adverse remark or disclaimers.

There are no frauds reported for the period under review by the Cost Auditor under section 143(12) of the Act read with Rules framed thereunder and hence, the said disclosure requirements are not applicable.

Further, the Board of Directors, based on the recommendation of the Audit Committee and pursuant to the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, has re-appointed **M/s Jain Sharma & Associates, Cost Accountants (FRN: 000270)**, as the Cost Auditors of your Company for the financial year 2026-27. The Cost Auditor conducts the Cost audit of the functions and operations of the Company and reports to the Audit Committee and Board.

The remuneration payable to the Cost Auditors is required to be placed before the members in the general meeting for their ratification. Accordingly, a resolution seeking members' ratification for the remuneration payable to **M/s Jain Sharma & Associates, Cost Accountants (FRN: 000270)** for the financial year 2026-27, is included at Item No.3 of the Notice of the ensuing Annual General Meeting.

MAINTENANCE OF COST RECORDS

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

INTERNAL AUDITOR

Pursuant to the provisions of Section 138 of the Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014 and other applicable provisions, the Company is required to appoint an Internal Auditor to conduct the internal audit of its functions and activities.

In compliance with the applicable provisions, the Board of Directors, at its meeting held on May 26, 2025, re-appointed **Mr. Niti Rajan Bansal, Practising Chartered Accountant**, as the Internal Auditor of the Company for conducting the internal audit of the records maintained by the Company for the financial year 2025-26.

The Internal Auditor conducts the internal audit of the Company's records and provides observations and recommendations, wherever applicable, for strengthening the internal control systems and improving the efficiency of the Company's operations. The Internal Audit reports are placed before the Audit Committee for its review and consideration.

Further, the Board of Directors, at its meeting held on May 27, 2026, re-appointed **Mr. Niti Rajan Bansal, Practising Chartered Accountant**, as the Internal Auditor of the Company for conducting the internal audit of the records maintained by the Company for the financial year 2026-27.

The Board is of the view that the internal audit function provides an effective mechanism for monitoring the adequacy and effectiveness of the Company's internal controls, processes and systems.

SECRETARIAL STANDARDS 1 AND 2

During the financial year under review, all meetings of the Board of Directors and the General Meetings of the Company were duly convened, held, and conducted in accordance with the applicable provisions of the *Companies Act, 2013* and in strict compliance with the Secretarial Standard on Meetings of the Board of Directors (SS-1) and the Secretarial Standard on General Meetings (SS-2), as issued by the Institute of Company Secretaries of India (ICSI) and approved by the Central Government.

The Company has also **adopted the revised Secretarial Standards (SS-1 and SS-2)**, which came into effect from **1st April, 2024**, and has ensured that all Board and General Meetings during the year were conducted in accordance with the amended provisions and best governance practices outlined therein.

The Board reiterates the Company's ongoing commitment to the highest standards of corporate governance, regulatory compliance, and ethical conduct in all aspects of its operations.

THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR

During the period under review, there has been no case made or proceedings pending under the Insolvency and Bankruptcy Code, 2016. Hence, the said clause is **NOT APPLICABLE** to the company.

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

During the period under review, the company has not made any one-time Settlement with any party/ies. Further, there was no instance of valuation of amount for settlement of loan(s) from Banks and Financial Institutions during the financial year under review.

AUDIT TRAIL IN THE ACCOUNTING SOFTWARE

The Ministry of Company Affairs (MCA) vide its notification dated March 24, 2021 and subsequent notification dated April 1, 2022, has made it mandatory for every company to fulfil the requirement of an audit trail feature in their accounting software from April 1st, 2023.

As per the above-mentioned notification, the company has fulfilled the requirement for an audit trail feature in its accounting software during the reporting period.

BRIEF ABOUT AUDIT TRAIL

Audit Trail (also called audit log) is a security-relevant chronological record, set of records, and/or destination and source of records that provide documentary evidence of the sequence of activities that have affected at any time a specific operation, procedure, event, or device. An audit trail can further be described as a step-by-step sequential record that provides evidence of documented history of a transaction by which the accounting, trade details, or other financial data can be traced to their source. Audit trails are used to verify and track many types of transactions, including accounting transactions and trades in brokerage accounts.

In accounting terms, it refers to documentation of detailed transactions supporting summary ledger entries. This documentation may be on paper or on electronic records.

56. DESIGNATED PERSON FOR REPORTING OF SIGNIFICANCE BENEFICIARY OWNER

Pursuant to the notification issued by the Ministry of Corporate Affairs dated October 27, 2023, introducing Sub-Rules (4) to (8) in Rule 9 of the Companies (Management and Administration) Second Amendment Rules, 2023, every company is required to designate a person responsible for furnishing information to the Registrar with respect to beneficial interest in shares under the provisions of Section 90 of the Companies Act, 2013 read with the Companies (Significant Beneficial Owners) Rules, 2018.

During the reporting period, the Company does not have any individual who holds beneficial interest, directly or indirectly, in such a manner so as to qualify as a Significant Beneficial Owner (SBO) under the aforesaid provisions. Accordingly, no SBO-related declarations, filings, or disclosures were required to be made by the Company during the financial year.

COMPLIANCE WITH THE MATERNITY BENEFIT ACT, 1961

The Ministry of Corporate Affairs, vide Notification **G.S.R. 357(E)** dated **May 30, 2025**, introduced the *Companies (Accounts) Second Amendment Rules, 2025*, thereby amending the *Companies (Accounts) Rules, 2014*. These amendments, effective from **July 14, 2025**, mandate enhanced disclosures and compliance reporting with respect to the *Maternity Benefit Act, 1961*.

Accordingly, the Board of Directors of the Company confirms that:

The Company has duly complied with all the applicable provisions of the Maternity Benefit Act, 1961, including but not limited to, the grant of paid maternity leave, nursing breaks, protection against dismissal during maternity leave, and crèche facilities (where applicable). The Company remains committed to maintaining a safe and inclusive workplace for women employees.

DISCLOSURE OF OUTSTANDING DUES TO MICRO AND SMALL ENTERPRISES (MSMEs)

In accordance with the provisions of Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006, and the corresponding reporting obligations under the Companies Act, 2013, read with MCA Circular No. 01/2019 dated 21st January 2019, and the amendments reflected in Form MSME-1 and AOC-4 instructions, the Company has identified suppliers registered under the MSMED Act.

The following is the summary of disclosures pertaining to amounts due to Micro and Small Enterprises as on 31st March 2026:

Particulars	Amount (INR)
Principal amount remaining unpaid to MSME suppliers beyond 45 days from the date of acceptance	NIL
Interest due thereon as per provisions of the MSMED Act	NIL
Interest actually paid under Section 16 of the MSMED Act	NIL
Amount of further interest remaining unpaid as on the end of the year	NIL

ENVIRONMENT, HEALTH AND SAFETY

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

CAUTIONARY STATEMENT

Statements in this Directors' Report and Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make difference to the Company's operations include raw material availability and its prices, cyclical demand and

pricing in the Company's principal markets, changes in Government regulations, Tax regimes, economic developments within India and the countries in which the Company conducts business and other ancillary factor.

ACKNOWLEDGMENT

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

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

Sd/-

Deepak Garg

Chairman and Managing Director

DIN: 00843929

Place: Bathinda, Punjab

Date: September 03, 2026

REPORT ON CORPORATE GOVERNANCE1. THE COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

Corporate Governance is a set of systems and practices to ensure that the affairs of the Company are being managed in such a way which ensures accountability, transparency, fairness in all its transactions in the widest sense and to meet its stakeholders' aspiration and societal expectations. **A B Cotspin India Limited** ("Company") is committed to the adoption of best governance practices and its adherence in the true spirit, at all times. Our Governance practices stems from an inherent desire to improve, innovate and reflects the culture of trusteeship that is deeply ingrained in our value system and forms part of the strategic thought process. The Company's Corporate Governance initiative since time has always been following four core principles:

- i. Management must have the executive freedom to drive the organization forward without undue restraints.
- ii. This freedom of management, however, should be exercised within a framework of effective accountability and transparency.
- iii. Rights, Interests and Equitable Treatment of Shareholders should always be the key focus.
- iv. Integrity, Disclosures, Transparency and Ethical Behavior.

The Company believes that any meaningful policy on Corporate Governance must provide empowerment to the executive management of the Company and simultaneously create a mechanism of checks and balances, which ensure that the decision-making powers vested in the executive management are used with care and responsibility and not misused.

The Company's governance philosophy embraces the tenets of trusteeship, transparency, empowerment and accountability, control and ethical corporate citizenship. The Company believes that the practice of each of these tenets would lead to the creation of the right corporate culture in which the Company is managed in a manner that fulfils the purpose of Corporate Governance. Trusteeship recognizes that large corporations have both an economic and a social purpose, thereby casting the responsibility on the Board of Directors of the Company to protect and enhance shareholders' value, as well as fulfilling obligations of other stakeholders.

Transparency requires that the Company makes appropriate disclosures wherever necessary and explains the basis of its policies and actions to all those who are affected by them.

Empowerment is a process used to unleash creativity and innovation throughout the organization by decentralizing and delegating the decision-making powers at the most appropriate levels.

Control ensures that freedom of management is exercised within a framework of check and balances and is designed to prevent misuse of power, facilitate timely response to change and ensure effective management of risks.

The Company's Corporate Governance process continuously reinforce and helps in actualizing the Company's belief in ethical corporate citizenship and is manifested through exemplary standards of ethical behavior, both within the organization as well as in external relationships.

The Governance Structure:

The practice of Corporate Governance in the Company is at three interlinked levels:

- i. Strategic Supervision - by the Board of Directors
- ii. Strategic management - by the Executive Committee
- iii. Executive management - by the Divisional Head of the business

This three-tier structure ensures that strategic supervision on behalf of the shareholders being free from the task of strategic management can be conducted by the Board with objectivity thereby sharpening accountability of the management. The structure also ensures that executive management of the divisions, being free from the collective strategic responsibilities for the Company as a whole, is focused on enhancing the quality, efficiency and effectiveness of each business.

The core roles of the key entities flow from the structure. The core roles, in turn, determine the core responsibilities of each entity. In order to discharge such responsibilities, each entity is empowered formally with requisite powers. The structure, process and practice of governance in the Company enable to focus on the corporate purpose while simultaneously facilitating effective management of the diverse businesses within the portfolio.

2. BOARD OF DIRECTORS

The Board of Directors (**“the Board”**) of the Company is the flag bearer of the corporate governance principle and practice and it oversees and ensures that long term interest of all the stakeholders are protected. The Company understands that good and quality governance is a powerful instrument to achieve economic and social progress and its wellbeing. The Board being the trustee of the Company is responsible for the establishment of cultural, ethical and accountable growth of the Company, is constituted with a high level of integrated, knowledgeable and committed professionals.

(a) Composition of the Board:

The Board has an optimum combination of executive directors, non-executive directors, woman director and independent directors with varied professional backgrounds, representing a judicious mix of professionalism, knowledge and experience and is in conformity with the provisions of Companies Act, 2013(**“Act”**) and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**“SEBI Listing Regulations”**). The Board is adequately represented by Independent Directors. Also, in the opinion of the Board, the Independent Directors fulfill the conditions specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent from the management.

The Board comprises of an optimal complement of independent professionals as well as Company executives having in-depth knowledge of business. As on **March 31, 2026**, there were **6 Directors** on the Board of the Company comprising the following:

- ***One Managing Director -Member of Promoter Group***
- ***One Whole-time Director – Executive Director, Member of Promoter Group***
- ***One Non-Executive Non-Independent Director***
- ***Three Non-Executive Independent Directors***

None of the Directors on the Board holds the office of director (including any alternate directorship) in more than 20 companies at the same time, including not more than 10 public companies, or membership of committees of the Board of more than 10 committees or chairmanship of more than 5 committees the committees being, Audit Committee and the Stakeholders’ Relationship Committee), across all public limited companies (excluding Section 8 companies) in which he/she is a Director.

None of the Directors of the Company was a Director or Independent Director in more than seven listed entities. The Executive Director / Managing Director of the Company does not serve as an Independent Director in more than three listed entities. The count for the number of listed entities on which a person is a Director / Independent Director is cumulative of those whose equity shares are listed on a stock exchange and high value debt listed entities.

(b) Directors' Attendance Record and Details of Directorships/Committee Positions held.

The Company has convened minimum one (01) Board Meeting in each quarter and maximum gap between two consecutive meetings did not exceed one hundred & twenty (120) days.

During the financial year under review, 11 (*Eleven*) meetings of the Board were held respectively on *May 26, 2025, June 13, 2025, July 08, 2025, July 22, 2025, August 05, 2025, August 12, 2025, September 03, 2025, November 12, 2025, January 27, 2026, February 11, 2026 and March 30, 2026.*

The Board composition, categories of directors, details of Board meetings held and attended, attendance at last AGM, and number of directorships held, position of membership/ chairmanship of Committees as on 31st March, 2026 is explained in the following tables:

Name of Director & DIN No.	Designation	Category	No. of meetings held during tenure	No. of Meetings Attended	Last AGM Attended
Deepak Garg (DIN: 00843929)	Chairman & Managing Director	Executive Director	11	11	YES
Manohar Lal (DIN: 02406686)	Whole-Time Director	Executive Director	11	11	YES
Ramesh Kumar (DIN: 07684009)	Non-Independent Director	Non-Executive Director	11	11	YES
Puneet Bhandari (DIN: 03625316)	Independent Director	Non-Executive Director	11	11	YES
Preet Kamal Kaur Bhatia (DIN: 07070977)	Independent Director	Non-Executive Director	11	11	YES
Rajesh Tuteja* (DIN: 08952755)	Independent Director	Non-Executive Director	6	6	YES

* Appointed as an Independent director w.e.f. 05th August ,2025.

Name of Director	Designation	No. of Directorships and Committee Memberships/ Chairmanship in other Public Companies*(excluding)		
		Directorship*	Chairmanship**	Membership**
Deepak Garg	Chairman & Managing Director	1	-	1
Manohar Lal	Whole-Time Director	1	-	-
Ramesh Kumar	Director	1	1	2
Puneet Bhandari	Independent Director	1	1	2
Preet Kamal Kaur Bhatia	Independent Director	3	-	2
Rajesh Tuteja	Independent Director	4	2	5

Note :

*Excludes directorships in Company , foreign companies, companies registered under Section 8 of the Act, private companies and alternate directorships.

**Membership(s) / Chairmanship(s) of only Audit and Stakeholders' Relationship committees in all public limited companies other than Company are considered.

(c) Changes to Board during the period under review:

1. Mr. Rajesh Tuteja was appointed as an Additional director designated as Independent Director of the Company for a period of Five (5) years w.e.f. August 05, 2025, in their Board Meeting held on August 05, 2026, thereafter his appointment was regularized by the shareholders in their AGM held on September 29, 2025,
2. Mr. Deepak Garg was re-appointed, by the shareholders in their AGM held on September 29, 2025, as a Managing Director of the Company for a further period of Five (5) years, w.e.f. March 9, 2026.
3. Mr. Manohar Lal was re-appointed, by the shareholders in their AGM held on September 29, 2025, as Whole-Time Director of the Company for a further period of Five (5) years, w.e.f. March 09, 2026.
4. Mr. Puneet Bhandari was re-appointed, by the shareholders in their AGM held on September 29, 2025, as an Independent Director of the Company for a further second term of five (5) years, w.e.f. March 9, 2026.
5. Mrs. Preet Kamal Kaur Bhatia was re-appointed by the shareholders in their AGM held on September 29, 2025, as an Independent Director of the Company for a further second term of five (5) years, w.e.f. March 9, 2026.

(d) Names of the Other Listed Companies wherein the Directors of the Company are Directors as on 31st March, 2026:

S. No.	Name of the Director	Names of other Listed Companies where he/she is Director	Category of Directorship
1	Deepak Garg	NA	NA
2	Manohar Lal	NA	NA
3	Ramesh Kumar	NA	NA
4	Puneet Bhandari	NA	NA
5	Preet Kamal Kaur Bhatia	2	Independent Director
6	Rajesh Tuteja	3	Independent Director

(e) Independent Directors:

An Independent Director is a Non-Executive Director, who apart from receiving director's remuneration (sitting fees and Commission), does not have any material pecuniary relationship or transactions with the Company, its promoters or its management or its subsidiaries and associates which in the judgment of the Board, may affect his independence judgment and complying with other conditions as prescribed under Act and SEBI Listing Regulations.

At the time of appointment and thereafter at beginning of each financial year, the Independent Directors submit a self-declaration confirming (i) their independence and compliance with eligibility criteria mentioned under the Act and SEBI Listing Regulations (ii) in terms of Regulation 25(8) of the SEBI Listing Regulations, they are not aware of any circumstances or situations which exist or may be reasonably anticipated that could impair or impact their ability to discharge their duties with independent judgment; and (iii) they are in compliance with the Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014 regarding their inclusion in the data bank maintained by Ministry of Corporate Affairs.

During the financial year under review, as per the provisions of Regulation 25(3) of SEBI Listing Regulations. A separate meeting of the Independent Directors of the Company was held on March 23, 2026 without the presence of Non-Independent Directors and other members of management. In their meeting they reviewed the performance of Executive Directors, Non-Independent Directors and the Board as a whole, further they reviewed the performance of Chairman of the Board, taking into account the views of Executive Directors and Non-Executive Directors, assessed the quality, quantity and timeliness of the flow of information between management and the Board that is necessary to effectively and reasonably perform its duties.

The Company conducts Familiarization Program for its Independent Directors to familiarize them with regard to their roles, rights, responsibilities in the Company, nature of industry, Company's strategy, Organization Structure, business model, performance updates of the Company, risks management, and code of conduct and policies of the Company etc. Web link where details of familiarization programmes imparted to Independent Directors are disclosed: www.abcotspin.co.in

Board Independence

In the opinion of the Board, the Independent Directors fulfil the conditions specified in the Act and SEBI Listing Regulations and are independent of the management.

(f) Disclosure of relationships between directors inter-se:

- i. Mr. Deepak Garg, Managing Director is the Son of Mr. Manohar Lal, Executive Director.
- ii. Except the above none of the other Directors are related to any other Director on the Board.

(g) Number of shares and convertible instruments held by non-executive directors

None of the non-executive director holds any **share or convertible instruments of the Company**.

(h) The Matrix Setting Out the Skills/ Expertise /Competence of the Board of Directors:

While all the Board members broadly possess the identified skills in the context of Company's business to function effectively, their domain of core skills, expertise and competence is given below:

Skill and its description	Deepak Garg	Manohar Lal	Ramesh Kumar	Puneet Bhandari	Preet Kamal Kaur Bhatia	Rajesh Tuteja
Business Environment Knowledge Experience of auto industry and railway business, geographical and socio-economic reach of the industry, knowledge of policies and procedures, standards or directives issued by government or any industry body, affecting the industry or products or operation of the Company and latest developments/trends therein.	√	√	√	√	√	√
Internal operation & management of manufacturing Company Knowledge and reasonable understanding about the internal operation and management of a manufacturing unit including the knowledge and understanding of procurement process, production process, IR issues, Finance and accounting functions.	√	√	√	√	√	√

Customer Relationship/ Supply Chain management Adequate experience in working in, or associated with, a manufacturing entity auto industry/railway business or has experience in similar industries.	√	√	√	√	√	√
Knowledge of Technological advancement Sound knowledge of various technological advancements which are being made in the products or processes of the Company, Knowledge of new technologies available and preparedness to adopt it, research and development on any particular technology, idea or innovation.	√			√	√	√
Strategy/ Business Leadership Ability to think strategically, critically assess and understand strength and weakness of the Company, assess the opportunities and threats for the Company, good understanding of the global, domestic, local, and organizational working culture and good understanding of internal processes of the Company such as strategic planning, budgets, business plans, risk management, financial reporting, corporate governance etc.	√	√	√	√	√	√
Finance/ Accounts knowledge Knowledge of Finance and Accounts functions including, Accounting book keeping, Financial Reporting, Reading and analyzing financial statements, Financial reporting and disclosures, Accounting standards/financial reporting standards, Capital and Revenue Budgeting, Financial planning, financial performance, Financial Risk Management etc.	√	√	√	√	√	√

Social Connect and responsibility of Organization Understanding the Social connect and responsibility of the organization as a corporate citizen, understand the social, environmental, economic impact of Company's operations on various stakeholders including general public at large, understanding of the fact that the business objective of the organization should also sync with socio-economic objective of the organization.	√	√	√	√	√	√
Corporate Governance and Board procedures Experience at Board level handling corporate governance, board procedures, and statutory compliances, knowledge of Board Procedures including functioning of Board and various committees and aware of interest of all stakeholders.	√	√	√	√	√	√

3. COMMITTEES OF THE BOARD

The Board has constituted several Committees of Directors with adequate delegation of powers to focus effectively on the issues and ensure expedient resolution of diverse matters. Each Committee has specific terms of reference setting forth the purpose, role and responsibilities of the Committee. All recommendations of the Committees are placed before the Board for approval or information, if required. During the financial year under review, all the recommendations of/submissions by the Committees which were mandatorily required, were accepted by the Board. The Committees of the Board are:-

- a) *Audit Committee*
- b) *Nomination and Remuneration committee*
- c) *Stakeholders Relationship Committee*
- d) *Corporate Social Responsibility*
- e) *Preferential Issue Committee*
- f) *Banking & Finance Committee*

AUDIT COMMITTEE

As a measure of good Corporate Governance and to provide assistance to the Board in fulfilling the Board's oversight responsibilities, an Audit Committee has been constituted and headed by an Independent Director. The Composition, quorum, power, role, review of information etc. of the Audit Committee is in accordance with the Section 177 of Act and Regulation 18 of SEBI Listing Regulations. As on March 31, 2026, the Audit Committee comprises of ***two Non-Executive Independent Directors and one Non-Executive Non-Independent Directors***. All the members of the Committee have requisite financial and management expertise/knowledge and have rich experience of the industry.

The terms of reference of the Audit Committee inter-alia includes the following:

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board, the appointment, remuneration, terms of appointment of auditors of the company and approval of the payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing with the management the annual financial statements along with the auditor's report thereon before submission to the Board.
- Reviewing with the management the quarterly financial results/annual financial statements before submission to the Board for approval.
- reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- Review and monitor the auditor's independence and performance effectiveness of audit process.
- Approval or any subsequent modification of transactions of the company with related parties.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings or assets of the listed entity, wherever it is necessary.
- Evaluation of internal financial controls and risk management systems.
- Reviewing with the management, performance of statutory and internal auditors and adequacy of the internal control systems.
- Reviewing the adequacy of internal audit function, including the Structure of internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussion with internal auditors of any significant findings and follow up thereon.
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.
- to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- to review the functioning of the whistle blower mechanism;
- Approval of Appointment of Chief Financial Officer after assessing the qualifications, experience and background etc.
- Carrying out any other function as is mentioned in the terms of reference of the audit committee.
- reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

Apart from above, the committee also reviews other matters and perform such functions, as may be delegated by the Board from time to time, and as required under Regulation 18 read with Part C of Schedule II of SEBI Listing Regulations, Section 177 of Act and other laws, rules and regulations.

The Composition of the Audit Committee is given herein below as on March 31, 2026:

Member's Name	Category	Designation
Puneet Bhandari	Non-Executive Independent Director	Chairperson
Preet Kamal Kaur Bhatia	Non-Executive Independent Director	Member
Ramesh Kumar	Non-Executive Non-Independent Director	Member

The Company Secretary of the Company acts as Secretary of the Audit Committee. Internal Auditors, Management and other Senior Personnel of the Company, also attend the Meeting of Audit Committee, as and when required.

Meetings and Attendance

Details of audit committee meetings held during the financial year under review & attendance of members in the Meetings are as under:

Date of the Meeting	Attended by			% of Attendance at Meeting
	Puneet Bhandari	Preet Kamal Kaur Bhatia	Ramesh Kumar	
May 26, 2025	Yes	Yes	Yes	100
July 22, 2025	Yes	Yes	Yes	100
August 12, 2025	Yes	Yes	Yes	100
September 03, 2025	Yes	Yes	Yes	100
November 12, 2025	Yes	Yes	Yes	100
January 27, 2026	Yes	Yes	Yes	100
February 11, 2026	Yes	Yes	Yes	100
March 30, 2026	Yes	Yes	Yes	100

All recommendations of the Audit Committee were duly accepted by the Board.

NOMINATION AND REMUNERATION COMMITTEE

The terms of reference of Nomination and Remuneration Committee include the matters specified in Regulation 19 read with Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 178 of the Companies Act, 2013. The terms of reference of the Nomination and Remuneration Committee inter-alia includes the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.
- Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.
- Devising a policy on Board Diversity.
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

- Recommend to the board, all remuneration, in whatever form, payable to senior management.

Apart from above, the committee also reviews other matters and perform such functions as may be delegated by the Board from time to time and as required under Regulation 19 read with Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Section 178 of Companies Act, 2013 and other laws, rules and regulations.

The Composition of the Nomination and Remuneration Committee as on March 31, 2026 is as under:

Member's Name	Category	Designation
Puneet Bhandari	Non-Executive Independent Director	Chairperson
Preet Kamal Kaur Bhatia	Non-Executive Independent Director	Member
Ramesh Kumar	Non-Executive Non-Independent Director	Member

Details of the Nomination and Remuneration Committee meetings held during the financial year under review & attendance of members at Meeting are as under:

Date of the Meeting	Attended by			% of Attendance at Meeting
	Puneet Bhandari	Preet Kamal Kaur Bhatia	Ramesh Kumar	
May 26, 2025	Yes	Yes	Yes	100
July 08, 2025	Yes	Yes	Yes	100
August 05, 2025	Yes	Yes	Yes	100
September 03, 2025	Yes	Yes	Yes	100
March 28, 2026	Yes	Yes	Yes	100

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee has been constituted pursuant to Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to attend and look into various aspects of interests of security holders of the Company.

The composition of Stakeholders Relationship Committee during as on 31st March 2026:

Member's Name	Category	Designation
Ramesh Kumar	Non-Executive Non-Independent Director	Chairperson
Deepak Garg	Managing Director	Member
Puneet Bhandari	Non-Executive Independent Director	Member

Details of the Stakeholders Relationship Committee meeting and attendance of members at Meetings:

Date of the Meeting	Attended by			% of Attendance at Meeting
	Ramesh Kumar	Deepak Garg	Puneet Bhandari	
May 26, 2025	Yes	Yes	Yes	100

The functioning and broad terms of reference of the Stakeholders Relationship Committee as adopted by the Board are inter-alia as under:

- a) To monitor work related to
 - Transfer and/ or transmission of the shares of the Company;
 - Dematerialization/ dematerialization of the shares of the Company;
 - Subdivision, consolidation and/or replacement of any share certificate(s) of the Company;
- b) Approval of issue of duplicate share certificates against the original share certificates.
- c) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- d) Review of measures taken for effective exercise of voting rights by shareholders.
- e) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- f) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.
- g) To do all other acts or deeds as may be necessary or incidental thereto and carrying out any other functions or responsibilities as may be specifically delegated by the Board from time to time and as required under SEBI Listing Regulations and Act and other laws, rules and regulations

The main object of the Stakeholders Relationship Committee is to strengthen investors' relations. The Compliance Officer is entrusted with the responsibility, specifically, to look into the redressal of the shareholders and investors' complaints and report the same to the Stakeholders Relationship Committee.

Name, Designation and Corresponding Address of Compliance Officer:

Name: Ms. Nidhi Sharma
Designation: Company Secretary & Compliance Officer
Phone: +91-8872012722
Email: cs@abcotspin.in

Details of Investor Complaints:

The Corporate Secretarial Department of the Company and M/s. MUFG Intime India Private Limited (Formerly Link Intime India Private Limited), the Registrar to an Issue and Share Transfer Agent (RTA) of the Company attend all the grievances of the shareholders and investors received directly or through Securities and Exchange Board of India (SEBI), Stock Exchanges, Ministry of Corporate Affairs (MCA), Registrar of Companies (ROC) etc.

During the financial year under review following no of Complaints were addressed and disposed off:

a.	Number of complaints filed during the financial year	Nil
b.	Number of complaints disposed of during the financial year	Nil
c.	Number of complaints pending as on end of the financial year	Nil

No request for share transfer or payment of dividend is pending.

BANKING & FINANCE COMMITTEE

The Banking & Finance Committee has been constituted pursuant to provisions of Section 179 of the Companies Act, 2013 and powers under clauses (d) to (f) may be delegated to any committee of Directors, the Managing Director, the Manager, and any other Principal Officer of the Company. The said Committee has been constituted to carry out the following matters:

- Opening of Bank Accounts
- Closing of Bank Accounts
- Change in Authorized Signatories
- Change in the existing limits of Authorized Signatories
- To borrow monies
- To invest the funds of the Company
- To grant loans or give guarantee or provide security in respect of loans or any renewals, thereof
- Other banking operational matters which do not require board approval under Companies Act, 2013.

The composition of Banking & Finance Committee during as on 31st March 2026:

Member's Name	Category	Designation
Mr. Deepak Garg	Managing Director	Chairperson
Mr. Ramesh Kumar	Non-Executive Non-Independent Director	Member
Ms. Puneet Bhandari	Non-Executive Independent Director	Member
Mr. Rajendra Prashad Garg	Chief Financial Officer	Member

Date of meeting and attendance of members Banking Finance Committee Meetings:

Date of the Meeting	Attended by				% of Attendance at Meeting
	Deepak Garg	Ramesh Kumar	Puneet Bhandari	Rajendra Prashad Garg	
May 21, 2025	Yes	Yes	Yes	Yes	100
October 27, 2025	Yes	Yes	Yes	Yes	100

CORPORATE SOCIAL RESPONSIBILITY

The Corporate Social Responsibility Committee ('CSR Committee') of the Company had been constituted and functions in accordance with provisions of Section 135 and schedule VII of the Act read with the Companies (Corporate Social Responsibility Policy) Rules 2014. The Company Secretary is acting as the Secretary to the CSR Committee.

The composition of CSR Committee as on 31st March 2026:

Member's Name	Category	Designation
Mr. Deepak Garg	Managing Director	Chairperson
Mr. Ramesh Kumar	Non-Executive Non-Independent Director	Member
Ms. Puneet Bhandari	Non-Executive Independent Director	Member

Date of meeting and attendance of CSR Committee Meetings:

Date of the Meeting	Attended by			% of Attendance at Meeting
	Deepak Garg	Ramesh Kumar	Puneet Bhandari	
September 02, 2025	Yes	Yes	Yes	100
March 28, 2026	Yes	Yes	Yes	100

The functioning and broad terms of reference of the CSR Committee as adopted by the Board are inter-alia as under:

- To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per the Companies Act, 2013;
- To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the Company;
- To monitor the CSR policy of the Company from time to time and carrying out such other functions or responsibilities as may be specifically delegated by the Board from time to time and as required under SEBI Listing Regulations and Act and other laws, rules and regulations

4. PERFORMANCE EVALUATION

The Nomination and Remuneration Committee of the Board had adopted a policy/practice for Evaluation of the Performance of the Board of Directors of the Company. The Committee had also devised evaluation forms and criteria for Evaluation of performance of Board of Directors, Individual directors, Board Committees and Chairperson Assessment. Such evaluation forms as devised by the Nomination and Remuneration Committee and approved by the Board were shared to all the Directors for their feedback/ratings. The forms were submitted back by the Directors with their feedback/ rating. .

The following were the criteria for evaluating performance of the Independent Directors:

- Participation at Board/ Committee Meetings
- Managing Relationship
- Knowledge and Skill
- Personal Attributes
- Criteria of Independence

On the basis of feedback/ ratings, the performance of the Individual Directors, Board as a Whole, the committees of the Board and Chairperson of the Board was found satisfactory. For more details, please refer to the Board's Report.

5.REMUNERATION OF DIRECTORS

Remuneration Policy

The Company's remuneration policy ensures that its Directors, Key Managerial Personnel and other employees working in the Senior Management Team are sufficiently incentivized for enhanced performance. In determining this policy, the Company has taken into account factors it deemed relevant and gave due regard to the interests of shareholders and to the financial and commercial health of the Company. The Remuneration Policy of the Company ensures that the:

- Level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors and senior management of high 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 creates a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

The said Policy forming part of Boards' Report and is also disclosed on the website of the Company at www.abcotspin.co.in

The remuneration of Directors is recommended by the Nomination and Remuneration Committee of the Board in line with the Remuneration Policy of the Company and approved by Board and if required are also approved by the Shareholders and/or the Central Government as the case may be. The remuneration paid to the Executive Directors i.e. Managing Directors and Whole Time Director is recommended by the Nomination and Remuneration Committee and approved by the Board of Directors and shareholders' in their Meetings.

All Non-Executive/Independent Directors do not have any pecuniary relationship or transactions with the Company apart from receiving director's remuneration (Sitting Fees and Commission).

Details of remuneration paid to Directors for the Financial Year 2025-26 are as follows:

S. No.	Name of Director	Sitting Fees (in Rs. Lakhs)	Salary including perquisites/Statutory funds (in Rs. Lakhs)	Total (in Rs. Lakhs)
1	Deepak Garg	NIL	12.00	12.00
2	Manohar Lal	NIL	9.00	9.00
3	Ramesh Kumar	NIL	5.32	5.32
4	Puneet Bhandari	NIL	NIL	NIL
5	Preet Kamal Kaur Bhatia	0.75	NIL	0.75
6	Rajesh Tuteja	4.00	NIL	4.00

The Company has not made any payment to its directors by way of performance-linked incentives during the year under review. No severance fees are charged. There is no stock option in the company granted to the directors.

6. DETAILS OF SENIOR MANAGEMENT PERSONNEL AS PER POLICY OF THE COMPANY:

S. No.	Name of Employee	Designation	Join Date	Exit Date
1	Mr. Rajendra Prashad Garg	Chief Financial Officer	24-08-2022	-
2	Ms. Kannu	Company Secretary	19-04-2021	13-06-2025
3	Mr. Rahul	Company Secretary	08-07-2025	17-07-2026
4	Ms. Nidhi Sharma	Company Secretary	12-08-2026	-

7. GENERAL BODY MEETINGS

Details of the last three Annual General Meetings held are as follows:

Financial Year	Date of AGM	Time	Venue	Whether Special Resolution passed
2024-25	September 29, 2025	12:30 PM IST	Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	Yes 1. To approve shifting of Registered Office outside the local limits of city, town or village where the Registered Office of the Company is presently situated but within the same State and under the jurisdiction of same Registrar of Companies 2. To consider and approve the appointment of Mr. Rajesh Tuteja (DIN: 08952755) as Independent Director of the Company 3. Re-appointment of Mr. Manohar Lal (DIN: 02406686) as Whole Time Director of the Company. 4. Re-appointment of Mr. Puneet Bhandari (DIN: 03625316) as an Independent Director of the Company. 5. Re-appointment of Mrs. Preet Kamal Kaur Bhatia (DIN: 07070977) as an Independent Director of the Company.
2023-24	September 26, 2024	12:30 PM IST	Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	Yes 1. To approve waiver of recovery of excess managerial remuneration paid to Mr. Ramesh Kumar, Non-Executive Director of the Company for the financial year ended March 31, 2023 2. To approve overall increase in remuneration payable to Non-Executive Non-Independent Directors of the Company
2022-23	September 25, 2023	12:00 Noon IST	Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	Yes 1. Issuance of up to 1,20,28,562 fully convertible warrants to the persons belonging to 'Promoter & Promoter group category' and 'non-promoter category' on Preferential Basis

All the Resolutions, including the special resolutions set out in the respective notices were passed by the requisite majority of shareholders.

No Extra Ordinary General Meeting of the Members of the Company was held during the Financial Year 2025-26.

Resolution Passed Through Postal Ballot Process

During the financial year under review, the Company conducted three postal ballots for seeking approval of the Members on the following resolutions, which were duly passed with the requisite majority:

1. Postal Ballot conducted on 30th April, 2025 – [APPROVAL OF A B COTSPIN INDIA EMPLOYEES STOCK

PURCHASE SCHEME – 2025]

Particulars	Remote e-voting
Total number of valid votes	19
Votes cast in favour of the resolution and %	100
Votes cast against the resolution and %	0
Number of invalid votes	0

2. Postal Ballot conducted on 06th June, 2025 –

- a. MIGRATION OF EQUITY SHARES OF THE COMPANY FROM NSE EMERGE PLATFORM OF NATIONAL STOCK EXCHANGE OF INDIA LIMITED (EMERGE) TO MAIN BOARD OF NATIONAL STOCK EXCHANGE OF INDIA LIMITED (NSE)

Particulars	Remote e-voting
Total number of valid votes	21
Votes cast in favour of the resolution and %	100
Votes cast against the resolution and %	0
Number of invalid votes	0

- b. TO MAKE AN APPLICATION OF LISTING/TRADING OF THE COMPANY ON MAIN BOARD OF BSE LIMITED (BSE)

Particulars	Remote e-voting
Total number of valid votes	21
Votes cast in favour of the resolution and %	100
Votes cast against the resolution and %	0
Number of invalid votes	0

3. Postal Ballot conducted on 01st March, 2026 – [APPROVAL FOR MATERIAL RELATED PARTY TRANSACTIONS WITH AB COTTON TEXTILES PRIVATE LIMITED]

Particulars	Remote e-voting
Total number of valid votes	28
Votes cast in favour of the resolution and %	100
Votes cast against the resolution and %	0
Number of invalid votes	0

Further, as on the date of this report, no further special resolution is proposed to be conducted through postal ballot.

Procedure followed for Postal Ballot (e-voting):

- a) The Postal Ballot was carried out in compliance with the provisions of Sections 108 and 110 and other applicable provisions of the Act, Rules framed thereunder, various circulars issued by the Ministry of Corporate Affairs ('MCA') in this regard and Regulation 44 of the Listing Regulations. The Company engaged CDSL for the purpose of providing e-Voting facility to all its shareholders, to enable them to cast their votes electronically. In accordance with the circulars, issues by MCA, physical ballot papers were not dispatched to the shareholders. Further, the communication of the assent or dissent of the members took place through the remote e-voting system only.
- b) The Notice also specified the procedure for registering the email addresses and obtaining the Notice of postal ballot and remote e-voting instructions by the shareholders whose email addresses were not registered with the depositories.
- c) The Board appointed Mr. Deepak Gupta, Company Secretary in Practice (Membership No. 5339), of M/s. DR Associates, Company Secretaries, as the Scrutinizer ('Scrutinizer') for conducting the respective Postal Ballots through e-voting in accordance with the provisions of the Act and the Rules made thereunder and the SEBI Listing Regulations in a fair and transparent manner.
- d) Advertisements were published in the Newspapers viz. 'Financial Express (English)' and 'Nawan Zamana', giving the requisite details as per the provisions of the Act, MCA circulars and Secretarial Standard - 2.
- e) The result of the Postal Ballot along with the Scrutinizer's report was placed on the websites of the Company www.abcotspin.co.in, E-voting agency www.evotingindia.com, and was also communicated to the Stock Exchanges.

8. MEANS OF COMMUNICATION

- a) **Financial Results:** The Board of Directors of the Company approves and takes on record the quarterly, half yearly and annual financial results in the format prescribed by Regulation 33 of SEBI Listing Regulations.

The approved financial results are forthwith sent to the Stock Exchanges where the Company is listed (BSE and National Stock Exchange of India Ltd.) and are published normally in the following Newspapers in accordance with the provision of Regulation 47 of SEBI Listing Regulations:-

Particulars	Name of the Newspaper
English Newspapers in which quarterly/ half yearly/ yearly results were published.	Business Standard
Vernacular Newspapers (Punjabi) in which quarterly/ half yearly/ yearly results were published.	Nawa Zawana

- b) **Company's Website:** Various sections of the Company's website www.abcotspin.co.in keep the investors updated on the key and material developments of the Company by providing timely information like Board profile, press release, financial results, annual reports, shareholding pattern, stock information, stock exchange filings etc.
- c) **Official Press Release:** The Company communicates official releases to Stock Exchange(s) which are also uploaded on the Company's website www.abcotspin.co.in
- d) **Presentations made to institutional investors or to the analysts:** During the Financial Year under review, the Company has not made any presentations to Institutional investors or to the Analysts.

9. GENERAL SHAREHOLDERS' INFORMATION**29TH ANNUAL GENERAL MEETING:**

Day & Date	Tuesday, September 29, 2026
Time	12:00 Noon (IST)
Venue	Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")
Financial year	2025-2026
Record Date for Dividend	NA
Dividend Payment Date	NA

10. LISTING ON STOCK EXCHANGES

At present, the equity shares of the Company are listed on the following Stock Exchanges.

Name of Stock Exchanges	SCRIP Code/ SYMBOL	ISIN with NSDL & CDSL
BSE Limited (formerly Bombay Stock Exchange Limited) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400 001	544522	INE08PH01015

National Stock Exchange of India Limited “Exchange Plaza”, Bandra- Kurla Complex, Bandra (E) Mumbai- 400 051	ABCOTS	
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Listing Fees

The Annual Listing Fees for the Financial Year **2026-27** have been paid to both aforesaid Stock Exchanges where the shares of the Company are listed.

Outstanding GDRs/ADRs/Warrants or any Convertible instruments

- No GDRs / ADRs have been issued or outstanding by the Company.
- During the financial year under review, the Company has no outstanding convertible instruments.

11. SHAREHOLDERS REFERENCE

Pursuant to the applicable provisions of the Act and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company is required to transfer unpaid or unclaimed dividend to the Investor Education and Protection Fund (“IEPF”) in accordance with the prescribed timelines.

During the financial year under review, there was no unpaid or unclaimed dividend lying with the Company which was due for transfer to the IEPF. Accordingly, no amount of dividend was required to be transferred to the IEPF during the financial year under review. Further, there were no shares liable to be transferred to the IEPF Authority pursuant to the applicable provisions.

The Company continues to advise its shareholders to claim any dividend, if declared, within the prescribed period to avoid its subsequent transfer to the IEPF in accordance with the applicable provisions.

12. REGISTRAR TO AN ISSUE AND SHARE TRANSFER AGENTS

M/s. MUFG Intime India Private Limited (Formerly Link Intime India Private Limited), New Delhi has been appointed as the Registrar to an Issue and Share Transfer Agent (“RTA”) of the Company for handling the share related work both in physical and electronic form. All correspondence relating to share transfer, transmission, dematerialization, dematerialization etc. can be made at the following address.

M/s MUFG Intime India Private Limited (Formerly Link Intime India Private Limited)

Noble Heights, 1st Floor, Plot No. NH 2,
LSC, C-1 Block, Near Savitri Market,
Janakpuri, New Delhi-110058
Tel: +91-11- 4141 0592/93/94;
Fax: +91-11-4141 0591
E-Mail: delhi@in.mpws.mufig.com

13. SHARE TRANSFER SYSTEM

The equity shares of the Company are listed on the Stock Exchanges and are traded **only in dematerialized form**. The Company does not have any physical shareholding requiring transfer in physical form. Accordingly, transfer of shares is effected electronically through the depositories in accordance with the applicable provisions of the Act/SEBI Listing Regulations and other applicable laws.

The Company has appointed **MUFG Intime India Private Limited** as its RTA for providing various shareholder-related services, including processing of requests relating to transmission, transposition, dematerialisation, rematerialisation and other related matters, as applicable.

The Company has a **Stakeholders' Relationship Committee**, which oversees and addresses various matters relating to shareholders and investors and considers such requests and grievances as may be placed before it in accordance with the applicable regulatory framework.

In accordance with the proviso to Regulation 40(1) of the SEBI Listing Regulations, effective from April 1, 2019, transfers of shares of the Company shall not be processed unless the shares are held in dematerialized form with a depository. Accordingly, shareholders holding shares of the Company in physical form are urged to have their shares dematerialized so as to be able to freely transfer them.

Further, the shareholders may note that the trading in equity shares of the Company is permitted only in dematerialised form. As per the revised framework, prescribed by SEBI, in order to expedite the processing, shares in the following service requests can be issued only in dematerialized form:

- i) Issue of duplicate securities certificate
- ii) Claim from Unclaimed Suspense Account
- iii) Renewal/Exchange of securities certificate
- iv) Endorsement
- v) Sub-division/Splitting of securities certificate
- vi) Consolidation of securities certificates/folios
- vii) Transmission
- viii) Transposition

The Company is compliant with the applicable requirements in this regard.

14. DISTRIBUTION OF SHARE HOLDING AS ON 31st MARCH, 2026

A B COTSPIN INDIA LIMITED							
DISTRIBUTION OF SHAREHOLDING (SHARES)							
S. No.	Shareholding Of Shares			No. of Shareholders	% of Total Shareholders	Total Shares for the range	% of Issued Capital
1	1	to	500	736	73.6	260862	1.1877
2	501	to	1000	75	7.5	68146	0.3103
3	1001	to	2000	40	4	64010	0.2914
4	2001	to	3000	19	1.9	49748	0.2265
5	3001	to	4000	29	2.9	113055	0.5147
6	4001	to	5000	13	1.3	61927	0.2820
7	5001	to	10000	20	2	162275	0.7388
8	10001	to	*****	68	6.8	21183597	96.4486
						21388213	

15. SHAREHOLDING PATTERN AS ON 31st MARCH, 2026

S. No.	Category	No. of Shares	% of shareholding
1	Promoters' Holding		
	(a) Individuals/HUF	11529842	52.50
	(b) Bodies Corporate	0	0.00
2	Non Promoters' Holding		
	(a) Mutual Funds and UTI	0	0.00
	(b) Banks, FIs, Insurance Companies	0	0.00
	(c) Foreign Portfolio Investors Category I	10000	0.05
	(d) Foreign Portfolio Investors Category II	15000	0.07
	(e) Investor Education and Protection Fund (IEPF)	0	0.00
	(f) Bodies Corporate	1519488	6.92
	i. Individual shareholders holding nominal share capital up to Rs 2 lakh	879640	4.00
	ii. Individual shareholders holding nominal share capital in excess of Rs 2 lakh	7375329	33.58
	(g) Non-Resident Indians	10609	0.05
	(h) Others	623712	2.84
	Total	21963620	100.00

16. DEMATERIALIZATION OF SHARES AND LIQUIDITY

The equity shares of the Company are compulsorily traded and settled only in **dematerialized form** under **ISIN No. INE08PH01015**. The Company has appointed **MUFG Intime India Private Limited** (formerly Link Intime India Private Limited) as RTA, which provides various services relating to dematerialization of shares and other shareholder-related matters.

As on **March 31, 2026**, the entire equity share capital of the Company was held in **dematerialized form**. Accordingly, there were **no equity shares held in physical form** as at the end of the financial year.

The Company facilitates dematerialization and other related services through its RTA in coordination with the Depositories in accordance with the applicable provisions of the Act, SEBI Listing Regulations and other applicable laws.

17. SHARES IN THE SUSPENSE ACCOUNT

Disclosure with respect to Demat Suspense Account / Unclaimed Suspense account:

- a) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year: Nil
- b) Number of shareholders who approached the Company for transfer of shares from suspense account during the year: Nil
- c) Number of shareholders to whom shares were transferred from suspense account during the year: Nil
- d) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year: Nil
- e) Voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares: Not Applicable

18. COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES:

The Company is primarily engaged in the business of manufacturing and sale of cotton yarn, knitted fabric, cottonseed oil and oilcakes. The Company is exposed to commodity price risks, particularly in respect of cotton and other key raw materials. The Company closely monitors the prices of its key raw materials and takes appropriate measures to manage and mitigate the impact of fluctuations in commodity prices.

The Company has limited foreign currency exposure arising from its import/export transactions. The Company closely monitors its foreign exchange exposure and manages the same based on its business requirements. During the year under review, the Company has not entered into any material hedging transactions in respect of its foreign currency exposure.

19. SUSPENSION OF SECURITIES

The securities of the Company are not suspended from trading.

20. CREDIT RATING

During the financial year under review, the credit ratings assigned to the Company's bank facilities by **Infomerics Valuation and Rating Private Limited** were reviewed and reaffirmed on various occasions. The details of the credit ratings and the changes therein during the year under review are as follows:

- On August 01, 2025, the ratings assigned to the Company's Long-Term and Short-Term Bank Facilities were IVR BBB/RWDI and IVR A3+/RWDI, respectively. The ratings were reaffirmed and placed under Rating Watch with Developing Implications.
- On January 30, 2026, the ratings were revised to IVR BBB/Stable for Long-Term Bank Facilities and IVR A3+ for Short-Term Bank Facilities. The ratings were removed from Rating Watch and reaffirmed.
- On March 27, 2026, the Long-Term Bank Facilities were enhanced from ₹93.68 crore to ₹147.51 crore, while the Short-Term Bank Facilities remained at ₹14 crore. The ratings of IVR BBB/Stable for Long-Term Bank Facilities and IVR A3+ for Short-Term Bank Facilities were reaffirmed. Accordingly, the total rated bank facilities increased from ₹107.68 crore to ₹161.51 crore.

The Company has made the requisite disclosures to the Stock Exchanges in accordance with the applicable provisions of the SEBI Listing Regulations.

21. CEO/ CFO CERTIFICATION

In compliance with Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a declaration by CEO and CFO was placed before the Board, certifying the accuracy of Financial Statements and the adequacy of internal controls pertaining to Financial Reporting for the year ended **31st March, 2026**. the Certificate has been attached as “**Annexure A**” forming integral part of this report.

22. REGISTERED OFFICE

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

23. MANUFACTURING UNIT

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

24. BRANCH OFFICE

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

25. CORPORATE GOVERNANCE CERTIFICATE

In compliance with Regulation 34 and Schedule V of SEBI Listing Regulations, a certificate from M/s. DR Associates, Company Secretaries, confirming compliance with the conditions of the Corporate Governance has been attached as “**Annexure B**” forming integral part of this report.

26. OTHER DISCLOSURES

- i) **Details of Non-Compliances by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years –**

During the Financial year under review, the Company received BSE Limited (“BSE”) dated October 30, 2025, wherein a fine of INR 1,22,720 (Rupees One Lakh Twenty-Two Thousand Seven Hundred Twenty only, inclusive of GST) was levied on the Company for alleged noncompliance with Regulation 34 of the SEBI Listing Regulations pertaining to non-submission of the Annual Report for the financial year ended March 31, 2025 within the prescribed time period. The Company submitted its reply to BSE for reconsidering and waiving off the entire fine levied in the subject matter, stating that, on the date of submission of the Annual Report to National Stock Exchange of India Limited, the equity shares of the Company were not listed or traded on the Main Board Platform of BSE at that time and accordingly there was no requirement to submit the said Annual Report with BSE at that point in time and further, post migration of the Company to the Main Board Platform of BSE, access to the BSE Listing Centre was made available to the Company on September 29, 2025, coinciding with the date of the 28th AGM.

In response to the above submission, BSE waived the entire fine levied in the above matter.

- ii) **Details of establishment of vigil mechanism whistle blower policy, and affirmation that no personnel has been denied access to the audit committee:** Company has maintained/established vigil mechanism, the whistle blower policy and affirms that no personnel have been denied access to the audit committee. The whistle blower policy of the Company can be accessed at www.abcotspin.co.in

iii) **Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:** All mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been substantially complied with, by the Company. However, the Company has not adopted any non-mandatory requirements.

iv) **Web link of the policy for determining ‘material subsidiaries is** www.abcotspin.co.in

v) **Disclosures on Materially Significant Related Party Transactions That May Have Potential Conflict with The Interests of Listed Entity At Large**

During the financial year under review, the Company has not entered into any materially significant related party transactions, as defined under its Related Party Transaction Policy, which could have potential conflict with interest of the Company at large. All proposed transactions of the Company with its related parties are first critically examined on parameters such as – whether it is in the best interest of the Company and its shareholders, existence of arm’s length criteria and if it is in the ordinary course of business operations. All transactions of the Company with its related parties, during the financial year 2025-26, were approved by the Audit Committee and is in compliance with the provisions outlined in the Act, including the Rules, Industry Standards and Regulation 23 of the SEBI Listing Regulations. Omnibus approval is taken in case of unforeseen transactions. None of the transactions with any of its related parties were in conflict with the interest of the Company, rather they synchronize and synergise with the Company's operations. Disclosure of transactions with the related parties is set out in **Note No 31** of the Annual Financial Statements, forming part of the Annual Report.

vi) **The web link of the policy on dealing with related party transactions is** www.abcotspin.co.in

vii) **Disclosure of commodity price risks and commodity hedging activities:** There are no commodity price risks and commodity hedging activities in the Company.

viii) **Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):** During the financial year under review, the Company has not raised any fund through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of SEBI Listing Regulations.

ix) **Certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority**

Practicing Company Secretary Certification: Deepak Gupta, Partner of DR Associates, Companies Secretaries has issued certificate as required under SEBI Listing Regulations, confirming that none of the Directors on the board of the company have been debarred or disqualified from being appointed or continuing as Directors of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority. The certificate forms integral part of this report and attached as **Annexure-C**.

x) **where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof**

During the financial year under review, all the recommendations of/submissions by the Committees which were mandatorily required, were accepted by the Board.

xi) Disclosure in relation to the sexual harassment of women at workplace (prevention, prohibition and redressal) act, 2013

Your Company has framed the policy on Prohibition, Prevention and Redressal of Sexual Harassment of Women at Workplace and matter connected therewith or incidental thereto covering all the aspects as contained under 'The Sexual Harassment of Women at Workplace (Prohibition, Prevention and Redressal) Act. Your Company has constituted Internal Complaints Committee under the above Act. During the financial year under review, no complaint was received.

a.	Number of complaints filed during the financial year	Nil
b.	Number of complaints disposed of during the financial year	Nil
c.	Number of complaints pending as on end of the financial year	Nil

xii) disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount

The Company has not given any loan and Advances in which directors are interest.

xiii) Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries

The Company does not have any Material Subsidiary Company.

xiv) total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.

27.COMPLIANCE STATUS REQUIREMENT OF CORPORATE GOVERNANCE

The Company has complied with all the mandatory requirements pertaining to the report on Corporate Governance. Further, it is also confirmed that the Company has complied with the requirements prescribed under Regulations 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 of the SEBI Listing Regulations including disclosure requirements as enumerated under Schedule V thereto.

28.DISCRETIONARY REQUIREMENTS

Your Company has not adopted any non-mandatory discretionary requirement as specified in Part E of Schedule II of the SEBI Listing Regulations.

29.THE DISCLOSURES OF THE COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND CLAUSES (B) TO (I) OF SUB-REGULATION (2) OF REGULATION 46 SHALL BE MADE IN THE SECTION ON CORPORATE GOVERNANCE OF THE ANNUAL REPORT.

The Company is in compliance with applicable mandatory corporate governance requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Company confirms compliance with corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub regulation (2) of Regulation 46 of the SEBI Listing Regulations.

30.BINDING AGREEMENTS

During the financial year under review, the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the listed entity has not entered into any binding agreement among themselves or with the Company or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the Company or impose any restriction or create any liability on the Company.

23. DECLARATION RELATED TO CODE OF CONDUCT TO DIRECTORS/ SENIOR MANAGEMENT

In accordance with the SEBI Listing Regulations, CEO/MD of the Company declares that all Directors and Senior Management Personnel of the Company have confirmed the compliance with the code of conduct as adopted by the Company. The declaration for Compliance with code of conduct given by Managing Director forms a part of this Report and attached as **Annexure-D**.

Place: Bathinda, Punjab
Date: September 03, 2026

For A B Cotspin India Limited
Sd/-
Deepak Garg
Chairman and Managing Director
DIN- 00843929

Annexure- A to Corporate Governance

CHIEF EXECUTIVE OFFICER (CEO) / CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

(Pursuant to the Regulation 17 (8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

THE BOARD OF DIRECTORS A B COTSPIN INDIA LIMITED

I, Rajinder Prashad Garg, Chief Financial Officer of the Company do hereby certify to the Board of Directors that:

(a) We have reviewed financial statements and the cash flow statement for the financial year ended **31st March, 2026**, and that to the best of our knowledge and belief:

(i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) To the best of our knowledge and belief, there was no transaction entered into by the Company during the year, which is fraudulent, illegal or violate of the Company's code of conduct.

(c) Further, we accept that it is our responsibility to establish and maintain internal controls for financial reporting.

Accordingly, we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee:

- (i) deficiencies in the design or operation of such internal controls, if any, which came to our notice and steps have been taken or proposed to be taken to rectify these deficiencies.
- (ii) Significant changes in internal control, if any, over financial reporting during the year.
- (iii) significant changes in accounting policies, if any, during the year and that the same have been disclosed in the notes to the financial statements; and

- (iv) Instances of significant fraud of which we became aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For A B Cotspin India Limited

Sd/-

Place: Gurugram

Date: September 03, 2026

**Rajinder Prashad Garg
Chief Financial Officer**



CERTIFICATE ON CORPORATE GOVERNANCE

The Members of A B Cotspin India Limited
New Delhi

We have examined the compliance of conditions of Corporate Governance A B Cotspin India Limited ('the Company'), for the financial year ended 31st March 2026, as stipulated in Part E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to examine the procedures and implementation thereof, adopted by the Company for ensuring the compliance of 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 according to the explanation given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

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

Place: Noida
Date: 21st May 2026



For DR Associates
Company Secretaries
Firm Regn. No.: P2007DE003300

Deepak Gupta
Partner
CP No.: 4629

UDIN: F005339H000430390



CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

***(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)***

The Members of
A B Cotspin India Limited
Bathinda Road, Jaitu, Jaitu, Faridkot,
Jaitu, Punjab, 151202

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of A B COTSPIN INDIA LIMITED having CIN L17111PB1997PLC020118 and having registered office at Bathinda Road, Jaitu, Faridkot, Jaitu, Punjab, India, 151202 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on 31st March, 2026 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority and none of the following Director is debarred/ disqualified by any Authority:

Sl.No	Name of Director	DIN	Date of appointment in Company
1	Deepak Garg	00843929	26/08/2014
2	Manohar Lal	02406686	01/08/2018
3	Ramesh Kumar	07684009	02/03/2020
4	Preet Kamal Kaur Bhatia	07070977	09/03/2021
5	Puneet Bhandari	03625316	09/03/2021
6	Rajesh Tuteja	08952755	05/08/2025



Delhi Office: 329-330, Westend, Janakpuri, New Delhi – 110 058



Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Noida
Date: 21st May 2026



For DR Associates
Company Secretaries
Firm Regn. No.: P2007DE003300

Deepak Gupta
Partner
CP No.:4629

UDIN: F005339H000430412

Annexure-D to Corporate Governance

Declaration for Compliance with the Code of Conduct

This is to certify that the company has laid down its Code of Conduct for all the Board Members and Senior Management of the Company and the copy of the same are uploaded on the website of the Company at www.abcotspin.co.in It is hereby affirmed that during the financial year **2025-26**, all the Directors and Senior Managerial personnel have complied with the Code of Conduct and have given a confirmation in this regard.

For A B Cotspin India Limited

Sd/-

Deepak Garg

Chairman and Managing Director

DIN- 00843929

Place: Bathinda, Punjab

Date: September 03, 2026

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

We are primarily engaged in the manufacturing of cotton yarn, knitted fabric, cottonseed oil and oilcakes. The Company commenced its operations in 1997 with the establishment of a cotton ginning plant, initially focusing on the manufacture of cotton bales and cotton seeds. In 2000, the Company further expanded its operations by setting up a crushing unit for the extraction of oil from cotton and mustard seeds, thereby diversifying its product portfolio to include cottonseed oil, mustard oil and oil cakes.

In 2011, the Company strengthened its integrated manufacturing capabilities by establishing a spinning plant for the production of cotton yarn. Continuing its growth and expansion journey, the Company entered the knitted fabric manufacturing segment in 2014 by establishing a knitting unit, thereby enhancing its value-added product offerings. Over the years, the Company has consistently expanded and strengthened its manufacturing capabilities and product portfolio under the strategic guidance of its management. This continued focus on operational growth and diversification has enabled the Company to achieve revenue from operations of **₹29,867.71 lakhs during the Financial Year 2025–26**.

During the Financial Year 2025–26, the Company also achieved a significant milestone in its corporate journey with the migration of its equity shares from the **NSE SME Platform to the Main Board of the National Stock Exchange of India Limited (NSE)** and the listing of its equity shares on the **Main Board of BSE Limited (BSE)**, effective from **24th September 2025**. This milestone reflects the Company's continued growth, strengthened corporate governance framework, enhanced regulatory compliance and its ongoing commitment to creating sustainable, long-term value for its stakeholders.

STRUCTURE AND DEVELOPMENTS

The textile industry in India occupies a significant and strategic position in the country's economy and continues to be an important contributor to industrial growth, employment generation and exports. As one of the country's oldest and most established industries, the sector has evolved significantly over the years, supported by India's strong agricultural base, particularly cotton production, a large and skilled workforce and an extensive manufacturing ecosystem. The industry addresses an essential consumer need while contributing meaningfully to economic activity and the improvement of livelihoods.

A key strength of the Indian textile industry lies in its integrated value chain, extending from the cultivation and sourcing of raw materials to spinning, weaving, knitting, processing and the manufacture of finished textile products. This broad-based ecosystem enables value addition at multiple stages of production and provides the industry with the flexibility to cater to both domestic and international markets. The availability of raw materials, established manufacturing capabilities and a growing domestic consumption base provide a strong foundation for the industry's long-term development.

The sector is also a significant source of employment across both organised and decentralised segments of the economy. Its extensive presence across rural and urban areas creates employment and livelihood opportunities across various stages of the value chain, while also supporting ancillary activities. The industry's ability to generate employment, particularly for women and economically disadvantaged sections of society, further enhances its contribution to inclusive economic development.

Beyond its economic contribution, the textile industry plays an important role in preserving India's rich cultural heritage. India's diverse textile traditions, handlooms, crafts and indigenous techniques represent a valuable combination of cultural knowledge and craftsmanship. Continued development of the sector, along with greater recognition of traditional skills and products, can help preserve these practices while creating sustainable livelihood opportunities for communities associated with them.

Sustainability and innovation are increasingly becoming important drivers of the textile industry's future growth. The industry is witnessing greater emphasis on resource efficiency, environmentally responsible manufacturing, sustainable raw materials, waste reduction and circular economy practices. At the same time, technological advancements, automation and evolving

manufacturing processes are enabling textile companies to improve productivity, product quality and operational efficiency. These developments are expected to create new opportunities for Indian textile manufacturers and strengthen the country's position in global textile markets.

Overall, the Indian textile industry continues to represent an important pillar of the manufacturing sector, combining economic significance with substantial employment, social and cultural contributions. With increasing emphasis on value addition, sustainability, technological advancement and export competitiveness, the sector is well positioned to contribute to India's long-term economic growth and strengthen its presence in the global textile value chain.

GLOBAL ECONOMY

The global economy demonstrated resilience during 2025, continuing its gradual recovery despite a complex and uncertain macroeconomic environment. Economic activity was influenced by persistent geopolitical tensions, ongoing conflicts in the Middle East, evolving trade policies, supply chain realignments and differences in monetary policy approaches across major economies. These factors contributed to volatility in energy and commodity markets and created uncertainty for global trade, investment and business sentiment.

At the same time, inflationary pressures showed signs of moderation across several advanced and emerging economies. The easing of inflation enabled a number of central banks to begin, or signal, a gradual transition towards monetary policy normalisation. However, the global economic environment remained challenging, with elevated geopolitical risks, changing trade policies, climate-related disruptions and relatively tight financial conditions continuing to affect the pace of economic expansion.

While several advanced and emerging economies continued to demonstrate resilience, supported by relatively robust labour markets and moderating inflation, global growth remained below historical averages. According to the *World Economic Outlook*, global GDP is expected to grow by approximately **3.3%**, reflecting a continued but relatively subdued recovery following the disruptions of the pandemic period.

Higher interest rates and constrained investment flows, particularly across developing economies, continued to moderate economic activity. Nevertheless, structural areas of growth remained resilient. Investment in renewable energy, digital transformation, advanced manufacturing, infrastructure and other emerging sectors continued to provide important avenues for long-term economic development. These structural trends are expected to support productivity improvements and contribute to a gradual strengthening of global economic activity over the medium term.

For businesses operating in globally integrated sectors such as textiles, the evolving global environment presents both opportunities and challenges. While recovery in international demand can support export growth, geopolitical developments, trade policy changes, currency movements, commodity price volatility and supply chain disruptions may continue to influence operating conditions. Companies with diversified markets, efficient operations and the ability to adapt to changing customer and market requirements are expected to remain better positioned to navigate these uncertainties.

INDIAN ECONOMY

The Indian economy continued to demonstrate resilience during the Financial Year 2025–26 and maintained its position among the world's fastest-growing major economies. Despite global uncertainties, geopolitical tensions, changing trade dynamics and volatility in commodity markets, India's economic growth remained supported by strong domestic demand, sustained public capital expenditure and improving private sector investment. Real GDP growth was estimated at around **6.5%**, reflecting the underlying strength and resilience of the Indian economy.

Economic activity during the year was supported by broad-based growth across manufacturing, services and construction, along with healthy urban consumption and resilient rural demand. Continued government expenditure on infrastructure and capital-intensive projects provided further support to economic activity. Initiatives such as **Make in India, Digital India, the PM Gati Shakti National Master Plan, the Production Linked Incentive (PLI) Scheme and the National Logistics Policy** continued to strengthen India's manufacturing ecosystem, improve connectivity and logistics efficiency and enhance the overall competitiveness of Indian businesses.

The textile and cotton industry continued to play a significant role in India's manufacturing, employment and export landscape. During FY 2025–26, the sector witnessed a gradual improvement in demand, supported by stable domestic consumption and a recovery in export orders across select international markets. However, the industry continued to operate in a challenging environment characterised by fluctuations in raw cotton prices, elevated logistics costs, intense global competition and uncertainty in key export markets arising from geopolitical developments.

India's strong position in the global textile value chain is supported by its abundant cotton production, established manufacturing base, integrated textile ecosystem and availability of skilled manpower. In addition, the continued policy support provided to the sector through initiatives such as the **PM MITRA Parks Scheme, Production Linked Incentive (PLI) Scheme for textiles and National Technical Textiles Mission** is expected to encourage investment, promote value addition, facilitate technological advancement and enhance the competitiveness of Indian textile manufacturers. These initiatives are expected to support the industry's transition towards higher-value products and strengthen India's position in the global textile market over the medium to long term.

India also continued to remain an attractive destination for investment, supported by policy reforms, macroeconomic stability and increasing integration with global supply chains. Growing opportunities in sectors such as electronics manufacturing, semiconductors, electric vehicles, defence production, renewable energy and advanced manufacturing contributed to increased domestic and foreign investment interest. Continued emphasis on ease of doing business, digital governance, infrastructure development and industrial capacity creation is expected to further strengthen India's investment environment.

The financial sector remained resilient during the year, supported by a well-capitalised banking system, improving asset quality and healthy credit growth across retail, MSME and industrial segments. High-frequency indicators such as GST collections, UPI transactions, e-way bill generation, manufacturing activity and foreign exchange reserves continued to reflect the strength and formalisation of domestic economic activity. A stable and increasingly digitised financial ecosystem is expected to continue supporting consumption, investment and business expansion.

Inflationary pressures moderated during the year, supported by prudent monetary policy and easing supply-side pressures. The Reserve Bank of India maintained a calibrated approach towards balancing economic growth with price stability, while the Government continued to focus on fiscal consolidation alongside productive capital expenditure. This policy environment contributed towards maintaining macroeconomic stability and supporting investor confidence.

Looking ahead, India's favourable demographics, expanding digital economy, growing manufacturing capabilities, continued infrastructure development and ongoing structural reforms provide a strong foundation for sustained economic growth. The country's increasing focus on self-reliance, export competitiveness, clean energy transition, technological innovation and manufacturing-led development is expected to create significant opportunities across industries. For the textile sector in particular, the combination of a strong domestic market, abundant raw material availability, policy support, technological advancement and opportunities in global markets provides a favourable platform for sustainable long-term growth.

OPPORTUNITIES AND THREATS

OPPORTUNITIES-

The Indian cotton and textile industry continues to offer significant opportunities for sustainable growth, supported by rising domestic consumption, increasing global demand and India's established position across the textile value chain. Growing consumer awareness and preference for sustainable, responsibly manufactured and eco-friendly textile products are creating opportunities for manufacturers to adopt sustainable production practices and develop products aligned with evolving market expectations.

The increasing demand for value-added, technical and smart textiles also presents attractive growth opportunities for the industry. The expansion of technical textiles across sectors such as healthcare, infrastructure, automotive, agriculture and industrial applications is expected to create new avenues for diversification and product development. Manufacturers with the ability to enhance product quality, develop specialised products and respond to changing customer requirements can benefit from these emerging opportunities.

Technological advancement is another important growth driver for the sector. Increasing adoption of automation, digital manufacturing, data-driven processes and Industry 4.0 technologies can enable textile manufacturers to improve operational efficiency, optimise resource utilisation, reduce production losses and maintain consistent product quality. Investment in modern machinery and technology is therefore expected to play an increasingly important role in improving productivity and strengthening competitiveness.

The continued growth of e-commerce and digital distribution channels is also expanding market accessibility and enabling businesses to reach a wider customer base. Changing consumption patterns, increasing product awareness and the growing importance of direct and digitally enabled customer engagement are creating opportunities for companies to explore new markets and strengthen their market presence.

The industry's gradual transition towards a circular economy is further opening opportunities in areas such as recycled fibres, waste reduction, resource efficiency and sustainable manufacturing. Increasing focus on environmental responsibility across global supply chains is expected to encourage investments in cleaner technologies and sustainable production processes.

India's strong cotton production base, integrated textile ecosystem, skilled workforce and supportive government initiatives further strengthen the industry's growth prospects. Continued investments in modernisation, capacity enhancement, innovation, product diversification and value addition are expected to provide opportunities for Indian textile manufacturers to improve their competitiveness and expand their presence in both domestic and international markets.

THREATS:

Despite its favourable long-term prospects, the cotton and textile industry remains exposed to a number of operational, economic and market-related risks. Volatility in the prices of raw cotton, energy and other key inputs can have a direct impact on production costs and operating margins. Changes in cotton availability and pricing, influenced by crop conditions, weather patterns, market demand and supply dynamics, may further affect the cost structure and profitability of textile manufacturers.

Supply chain disruptions also remain a significant concern, particularly in an industry dependent on timely availability of raw materials, transportation and logistics. Disruptions arising from geopolitical developments, international trade restrictions, transportation constraints or other external factors may result in higher costs, delays and uncertainty in fulfilling customer requirements.

The industry also faces intense competition from both domestic and international manufacturers. Competitive pricing, changing customer expectations, shorter product cycles and increasing demand for quality and timely delivery require companies to continuously improve operational efficiency and maintain strong customer relationships. Changing trade policies, tariffs and regulatory developments in key export markets may also influence the competitiveness of Indian textile products.

Rising labour and energy costs, availability of skilled manpower and increasing compliance requirements relating to environmental and sustainability standards may place additional pressure on operating costs. As global customers increasingly focus on responsible sourcing and sustainable production, textile manufacturers may need to make continued investments in cleaner technologies, resource efficiency and compliance systems.

Rapidly evolving consumer preferences and fashion trends present another challenge for the industry. Changes in colour, design, fabric preferences and product demand require manufacturers to remain agile and responsive. Failure to adapt to changing market requirements or technological developments could affect market competitiveness and customer retention.

The industry is also exposed to broader economic and geopolitical uncertainties, including fluctuations in currency rates, changes in international demand, inflationary pressures and disruptions in global trade. Such factors may influence export opportunities, input costs and overall business sentiment.

In this environment, effective risk management, operational efficiency, technological upgradation, prudent cost management, supply chain resilience and continued focus on product quality and customer requirements remain essential for sustainable growth. The ability to adapt to changing market conditions while maintaining financial and operational discipline will remain a key factor in navigating the challenges faced by the industry.

SEGMENT WISE OR PRODUCT WISE PERFORMANCE

The Company is primarily engaged in the business of **Cotton Ginning** and related activities. During the year under review, the Company operated as a single-segment entity, with Cotton Ginning constituting its principal business activity. Accordingly, there are no separate reportable business or geographical segments requiring separate disclosure. The nature of the products and services offered by the Company, as well as the risks and returns associated with its operations, are substantially similar. Therefore, the Company has considered its operations as comprising a **single reportable segment**.

Accordingly, the provisions relating to segment reporting under the applicable accounting framework are not separately applicable to the Company.

RISK AND CONCERNS

The Company operates in an industry which is influenced by various internal and external factors, including economic conditions, availability and prices of raw cotton, fluctuations in input costs, changes in customer demand, market conditions and the competitive environment. Any significant adverse movement in these factors may impact the Company's operating performance and profitability.

The Company is also exposed to **price and market risks**, particularly due to fluctuations in cotton prices and other raw material costs. Changes in global and domestic demand, exchange rate movements, trade policies, climatic conditions and other factors affecting the cotton and textile value chain may also have an impact on the Company's business.

Further, the Company operates in a competitive market where pricing, product quality, timely delivery and customer service play an important role in retaining existing customers and acquiring new ones. Increased competition may exert pressure on margins and market share.

The Company also remains exposed to **operational, financial, regulatory and credit risks** arising in the ordinary course of business. These risks are monitored on a continuous basis and appropriate measures are undertaken to mitigate their potential impact. The management regularly reviews business conditions and market developments and takes necessary corrective and preventive measures to safeguard the Company's operations and financial position.

OUTLOOK

The Company remains optimistic about the long-term prospects of the cotton and textile industry and intends to leverage its existing strengths, operational capabilities and market relationships to strengthen its position in the industry.

Over the years, the Company has developed and maintained enduring relationships with its customers by focusing on **quality, consistency, timely delivery and reliability**. These established relationships provide a strong foundation for repeat business and continued customer engagement. The Company intends to further strengthen these relationships while exploring opportunities to expand its customer base and market presence.

The Company also seeks to enhance operational efficiency, maintain product quality and respond effectively to changing market requirements. The increasing focus on sustainable and quality-oriented textile products, coupled with the continued demand for cotton and cotton-based products, provides opportunities for the Company to grow its business.

Further, the Company's customer base is diversified across different markets and regions, which helps reduce dependence on any single customer, geography or market. This diversification provides greater resilience against regional demand fluctuations and enables the Company to respond more effectively to changing market conditions.

Going forward, the Company will continue to focus on **sustainable growth, operational efficiency, customer relationships, prudent cost management and strengthening its market position**, while remaining mindful of the risks and challenges prevailing in the industry.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has an adequate and effective **internal control system** commensurate with the size, scale and complexity of its operations. The internal control framework is designed to provide reasonable assurance regarding the orderly and efficient conduct of business, safeguarding of assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records, and timely preparation of reliable financial information.

The Company has established appropriate controls and procedures for the authorization, recording and reporting of financial and operational transactions. These controls are reviewed periodically by the management to ensure their continued effectiveness and to identify areas requiring improvement. The Company also maintains appropriate checks and balances to ensure that transactions are undertaken with proper authorization and in accordance with applicable policies and procedures.

The internal control systems also facilitate **proper monitoring of costs, financial discipline and compliance with applicable accounting standards and regulatory requirements**. The Company's assets are subject to appropriate safeguards to minimize the risk of loss, misuse or unauthorized utilization.

The **Audit Committee of the Board** periodically reviews the adequacy and effectiveness of the internal financial controls and considers the observations and recommendations made by the Statutory Auditors and other assurance functions, wherever applicable. Corrective measures, wherever considered necessary, are implemented by the management within the prescribed framework.

In addition, the Company has established a **Vigil Mechanism / Whistle Blower Policy** to provide a structured mechanism for Directors and employees to report genuine concerns regarding unethical behaviour, actual or suspected fraud, violation of the Company's policies or other malpractices. The mechanism is intended to encourage responsible reporting and provide appropriate safeguards against victimization of persons making such reports in good faith.

Overall, the Company's internal control systems are intended to ensure **transparency, accountability, operational efficiency and reliability of financial reporting**, while supporting the Company in achieving its business objectives and safeguarding its assets.

HUMAN RESOURCE MANAGEMENT

The Company recognizes its human resources as one of its most valuable assets and considers its employees to be an integral part of its continued growth and success. The Company's performance and ability to achieve its business objectives are significantly supported by the commitment, capabilities, experience and dedication of its workforce. Accordingly, the Company seeks to foster a work environment that encourages professionalism, responsibility, continuous learning, teamwork and performance excellence.

The Company believes that a motivated and capable workforce is essential for maintaining operational efficiency and delivering consistent quality. The Company therefore focuses on developing a positive and performance-oriented work culture wherein employees are encouraged to take ownership of their responsibilities, contribute their ideas and align their individual objectives with the overall goals of the Company.

The Company is committed to providing its employees with a **safe, secure, healthy and respectful working environment**. Appropriate workplace practices and processes are followed to promote employee well-being and ensure that employees can perform their responsibilities effectively. The Company also endeavors to maintain a work environment based on mutual respect, professionalism, fairness and equal opportunity.

Employee performance and productivity remain important areas of focus for the Company. The management continuously works towards improving workforce productivity through effective utilization of human resources, appropriate allocation of responsibilities and fostering greater coordination among various functions. The Company encourages employees to enhance their skills and capabilities in line with the changing requirements of the business and industry.

The Company also places considerable importance on **employee engagement, teamwork and effective communication**. Employees at various levels are encouraged to work collectively towards common organizational objectives. This alignment helps create a shared sense of purpose and contributes towards building a cohesive and committed workforce.

The Company believes that harmonious industrial relations are essential for maintaining operational continuity and achieving sustainable business performance. During the year under review, the Company continued to maintain cordial and mutually respectful relations with its employees. The Company values the sincerity, dedication, discipline and contribution of its workforce and recognizes that their efforts play an important role in supporting the Company's day-to-day operations and long-term objectives.

The Company also seeks to create opportunities for **stable and sustainable employment** and aims to attract and retain competent personnel across different functions. Employee retention, capability building and development of a skilled workforce remain important components of the Company's human resource approach.

As on **March 31, 2026, the Company had 370 permanent employees** on its payroll. The workforce represents a diverse pool of employees engaged across various operational, technical, administrative and support functions. The Company continues to focus on strengthening its human resource capabilities in line with its business requirements and future growth plans.

Going forward, the Company will continue to invest in and strengthen its human capital by promoting a conducive workplace, encouraging employee development, maintaining healthy industrial relations and fostering a culture of accountability, collaboration and continuous improvement. The Company believes that a capable, engaged and committed workforce will remain a key enabler in achieving sustainable growth and creating long-term value for all stakeholders.

DISCUSSION ON FINANCIAL PERFORMANCE

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

Particulars	F.Y. 2025-26	F.Y. 2024-25	% of Change
Revenue from Operation	29867.71	29,806.36	0.20%
Operating Profit (EBITDA)	4263.52	3264.04	30.62%
Finance Cost	1071.12	1039.50	3.04%
Depreciation Cost	1394.33	879.12	58.60%
Profit Before Tax	1798.07	1345.42	33.64%
Profit After Tax	1326.12	999.03	32.74%

The Company's operating performance during **FY 2025-26** remained positive, with improvement in profitability despite relatively stable revenue from operations. Revenue from Operations stood at **₹29,867.71 lakh** as against **₹29,806.36 lakh** in FY 2024-25, registering a marginal growth of **0.20%**.

Despite the stable revenue base, the Company witnessed a significant improvement in operating profitability. **EBITDA increased by 30.62%**, from ₹3,264.04 lakh in FY 2024-25 to ₹4,263.52 lakh in FY 2025-26, reflecting improved operating efficiency and better realization/cost management.

Finance Cost increased marginally by 3.04%, from ₹1,039.50 lakh to ₹1,071.12 lakh. **Depreciation increased by 58.60%**, from ₹879.12 lakh to ₹1,394.33 lakh, primarily reflecting the impact of the Company's investment in and expansion of its asset base.

Notwithstanding the higher depreciation and finance costs, **Profit Before Tax (PBT) increased by 33.64%**, from ₹1,345.42 lakh in FY 2024-25 to ₹1,798.07 lakh in FY 2025-26. Similarly, **Profit After Tax (PAT) increased by 32.74%**, from ₹999.03 lakh to ₹1,326.12 lakh.

Overall, the Company's performance during FY 2025-26 reflects **strong improvement in operating efficiency and profitability**, with EBITDA, PBT and PAT recording healthy double-digit growth despite only marginal growth in revenue. The improved profitability demonstrates the Company's focus on operational efficiency, cost management and effective utilization of its resources

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

Ratios	F.Y. 2025-26	F.Y. 2024-25	% of Change
Current Ratio	1.88	1.65	14.19
Debt-equity ratio	0.96	1.52	(36.89)
Debt service coverage ratio	2.31	1.97	16.96
Return on equity ratio	0.10	0.11	(9.92)
Inventory turnover ratio	4.00	4.07	(1.85)
Trade receivables turnover ratio	4.98	6.93	(28.23)
Trade payables turnover ratio	39.20	67.73	(42.13)
Net capital turnover ratio	3.55	4.41	(19.52)
Net profit ratio	0.04	0.03	32.47
Return on capital employed	0.09	0.08	11.54
Return on investments	1.15	4.22	(72.83)

During FY 2025-26, the Company's Current Ratio improved to 1.88 from 1.65, indicating an improvement in short-term liquidity. The Debt-Equity Ratio declined to 0.96 from 1.52, reflecting lower financial leverage and a stronger capital structure. The Debt Service Coverage Ratio improved to 2.31 from 1.97, indicating better capacity to service debt obligations.

The Return on Equity declined marginally to 10%, while the Inventory Turnover Ratio remained broadly stable at 4.00. The decline in Trade Receivables Turnover Ratio to 4.98 indicates relatively slower realization of receivables. Similarly, the Trade Payables Turnover Ratio and Net Capital Turnover Ratio declined, reflecting changes in working capital utilization.

On the positive side, the Net Profit Ratio improved to 4% from 3%, while Return on Capital Employed increased to 9% from 8%, indicating improved overall profitability and efficiency in the use of capital. The Return on Investments declined to 1.15 from 4.22, mainly reflecting changes in the investment base and returns during the year.

Overall, the ratio analysis reflects improved liquidity, reduced leverage and better profitability, while working capital efficiency and return on investments remain areas requiring continued management attention

3. Disclosure of Accounting Treatment:

There has been **no change in the accounting treatment or accounting policies followed by the Company in the preparation of its financial statements for the financial year 2025-26** as compared to the immediately preceding financial year. The financial statements for the year under review have been prepared on a consistent basis in accordance with the applicable accounting standards and provisions of the Companies Act, 2013.

CAUTIONARY STATEMENT

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

Annexure – C**Annual Report on CSR Activity****1. A brief outline of the company's CSR policy, including overview of projects or programs to be undertaken:**

The CSR Policy of the Company is driven by its commitment to contributing towards the well-being and sustainable development of the communities in which it operates. The Company endeavours to create long-term stakeholder value by undertaking meaningful CSR initiatives aimed at improving the quality of life and fostering inclusive growth within society.

In accordance with the provisions of the Companies Act, 2013, the Company undertakes CSR activities and programmes in the areas specified under Schedule VII of the Act. These initiatives are focused on creating a positive, meaningful and sustainable impact on society and the communities served by the Company. The Company also encourages the active involvement of its employees by providing opportunities to contribute to these initiatives through volunteering and participation.

2. Composition of CSR Committee:

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

3. Web-link where Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company: www.abcotspin.co.in**4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable: Not Applicable****5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any**

No	Financial Year	Amount available for set off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
Nil			

6. Average net Profit of the Company as per Section 135(5)- ₹ 815.82 Lacs**7. a) 2% of the average net profit of the Company as per Section 135(5) – ₹ 16.32 Lacs**

b) Surplus arising out of the CSR projects or programs or activities of the previous financial years: Nil

c) Amount required to be set off for the financial year, if any: Nil

d) Total CSR obligation for the financial year (b+c-d) - ₹ 16.32 Lacs

8. a) CSR Amount spent or unspent for Financial Year:

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

b) Details of CSR Amount spent against ongoing projects for the financial year: Not Applicable

c) Details of CSR Amount spent against other than Ongoing Project for the financial year:

(1) S.No	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act.	(4) Local Areas (Yes/No)	(5) Location of the Project		(6) Amount spent for the project (in Rs. Lacs)	(7) Mode of implementation -Direct (Yes/No)	(8) Mode of implementation- Through implementing Agency	
				State	District			Name	CSR Regn. No.
1	Education and Animal Welfare	Promoting education, including special education and employment enhancing vocation skills; Animal Welfare	Yes	Punjab	Various	7.50	No	KKML Welfare Foundation	CSR00078115
2	Promoting Education	Promoting education, including special education and employment enhancing vocation skills and	Yes	Punjab	Alwan Sabo	10.00	Yes	N.A.	N.A.

		livelihood enhancement projects							
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d) Amount spent in administrative overheads – Not Applicable

e) Amount spent on Impact Assessment, if applicable. – Not Applicable

f) Total amount spent for the Financial Year [(a)+(b)+(c)]. – ₹ 17.50 Lacs

g) Excess amount for set off, if any:

Sl. No.	Particular	Amount (₹ in lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	16.32
(ii)	Total amount spent for the Financial Year ended as on 31 March 2026	17.50
(iii)	Excess amount spent for the financial year [(ii)-(i)]	1.18
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0.00
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	1.18

9. a) Details of Unspent CSR amount for the preceding three financial years: Not Applicable

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

b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Not Applicable

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

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

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

Sd/-
Deepak Garg
Chairman and Managing Director
(Chairman of CSR Committee)
DIN: 00843929

Sd/-
Ramesh Kumar
Non-Executive Director
(Member of CSR Committee)
DIN:07684009

Place: Bathinda, Punjab
Date: September 03, 2026

Annexure- D**Form AOC- 1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of
subsidiaries or associate companies or Joint ventures****Part “A”: Subsidiaries**

(Rs.in Lakh)

1	CIN/ any other registration number of subsidiary company	U88900PB2024NPL061216
2	Name of the subsidiary	KKML WELFARE FOUNDATION
3	The date since when subsidiary was acquired	02.04.2024
4	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	NA
5	Reporting currency as on the last date of the relevant financial year	₹ (INR)
6	Exchange rate as on the last date of the relevant financial year	NA
7	Share capital	1.00
8	Reserves and surplus	(1.09)
9	Total assets	0.51
10	Total Liabilities	0.60
11	Investments	0
12	Turnover	28.00
13	Profit before taxation	(23.31)
14	Provision for taxation	0
15	Profit after taxation	(23.31)
16	Proposed Dividend	0
17	Extent of shareholding (in percentage)	100%

Note: 1. Name of subsidiaries which are yet to commence operations: NA

2. Names of subsidiaries which have been liquidated or have ceased to be a subsidiary during the year: NA

Part “B”: Associates and Joint-Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint-Ventures :
Not Applicable, since the Company does not have any associates and Joint Ventures

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

Sd/-
Deepak Garg
Managing Director
DIN: 00843929

Sd/-
Manohar Lal
Whole Time Director
DIN: 02406686

Sd/-
Rajinder Prashad Garg
Chief Financial Officer

Sd/-
Nidhi
Company Secretary & Compliance officer

Details under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- A. The ratio of the remuneration of each Director to the median remuneration of the employees of the company for the year 2025-26:**

S. No.	Name of the Director	Designation	Ratio
1.	Deepak Garg	Chairman and Managing Director	1.25%
2.	Manohar Lal	Whole-time Director	0.94%
3.	Ramesh Kumar	Non-Executive Director	0.55%
4.	Puneet Bhandari	Independent Director	-
5.	Preet Kamal Kaur Bhatia	Independent Director	0.08%
6.	Rajesh Tuteja	Independent Director	0.42%

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

S. No.	Name	Designation	Percentage
1.	Deepak Garg	Chairman and Managing Director	Nil
2.	Manohar Lal	Whole-time Director	Nil
3.	Ramesh Kumar	Non-Executive Director	9.46%
4.	Puneet Bhandari	Independent Director	-
5.	Preet Bhatia	Independent Director	-
6.	Rajesh Tuteja	Independent Director	-
6.	Rahul Kapasiya	Company Secretary	Nil
7.	Rajinder Prashad Garg	Chief Financial Officer	Nil

- C. The percentage increase in the median remuneration of employees in the financial year:** During FY 2025-26, the percentage increase in the median remuneration of employees as compared to previous year was approximately 8.08%.

- D. The numbers of permanent employees on the rolls of company:** There were 370 employees as on March 31, 2026.

- E. Average percentile increases already made in the salaries of employees other than the Managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:** The average increase in the salaries of the employees other than managerial personnel in the last financial year was 8.44 %. The average increase in managerial remuneration in the last financial year was 6.25 %.

F. If remuneration is as per the Remuneration Policy of the Company: It is affirmed that the remuneration paid is as per the Nomination & Remuneration Policy of the Company.

Note:

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

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

Sd/-

Deepak Garg

Chairman and Managing Director

DIN: 00843929

Place: Bathinda, Punjab

Date: September 03, 2026

Form No. MR-3

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

SECRETARIAL AUDIT REPORT

For the Financial Year ended 31st March 2026

The Members,
AB Cotspin India Limited
NH-54, Goniana Road, Near Lake-3,
Bathinda, Punjab- 151001

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

Based on our verification of the Company’s books, papers, minute books, statutory registers, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2026, complied with the statutory provisions listed hereunder and also that the Company has proper Board Processes and Compliance Mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2026 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder.
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **Not applicable to the Company during the audit period**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **Not applicable to the Company during the audit period**
 - e) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **Not applicable to the Company during the audit period**
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **Not applicable to the Company during the audit period**

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not applicable to the Company during the audit period**

i) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

j) Secretarial Standards issued by the Institute of Company Secretaries of India.

k) As informed by the management, there aren't any law, which were specifically applicable to the Company.

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

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

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

1) The Company has not the feature of audit trail was not operated in the Accounting Software used by the Company as per the requirement of Rule 3 of Companies (Accounts) Rules, 2014 till 19th May 2025.

We further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.
2. Adequate notices are given to all directors for the Board Meetings and accordingly, agenda were sent to all directors, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful Participation at the meeting.
3. As per the minutes of the meetings, majority decisions of the Board were unanimous and no dissenting views were found as part of the minutes.

We 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.

We further report that during the audit period, the following specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards, etc. referred to above:

- 1) The Company has issued 5544280 equity shares on conversion of fully convertible warrants issued on preferential basis, during the year under review.

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- 2) The Company has received the approval from BSE & NSE for migration of its equity shares from the NSE Emerge to the Main Board of both the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE).
- 3) The Company has also passed Special resolution for approval for material Related Party Transactions with AB Cotton Textiles Private Limited of INR 85 Crores.

For DR Associates
Company Secretaries
Firm Regn.: P2007DE003300

Place: Noida
Date: 3rd September 2026

CP No.: 4629
Deepak Gupta
Partner
UDIN: F005339H001362189

INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of Standalone Financial Statements

Opinion

We have audited the Ind AS Standalone Financial Statements of **M/S A B COTSPIN INDIA LIMITED, BATHINDA** ("the Company"), which comprise the Balance Sheet as at 31st March 2026, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, notes to the Financial Statements and a summary of material accounting policies and other explanatory information (hereinafter referred to as the "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2026 and its profit and comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of Standalone financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the Standalone financial statements.

Key Audit Matters

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

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report 2025-26 but does not include the Consolidated financial statements, Standalone financial statements and auditor's report thereon.

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

In connection with our audit of the Standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and

prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone financial statements, management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

- a) Identify and assess the risks of material misstatement of the Standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to Standalone financial statements in place and the operating effectiveness of such controls.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- d) Conclude on the appropriateness of management's use of the Going Concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- e) Evaluate the overall presentation, structure, and content of the Standalone financial statements, including the disclosures, and whether the Standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act 2013, we give in the Annexure A statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

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

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flow dealt with by this Report are in agreement with the books of account;

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

e) On the basis of the written representations received from the directors as on 31st March 2026, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2025, from being appointed as a director in terms of sub section (2) of section 164 of the Companies Act, 2013.

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

g) With respect to other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended; In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provision of section 197 of this Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

- 1) The Company has disclosed the pending litigations which would impact on its financial position.
Ref notes no. 32
- 2) The Company did not have any long-term contracts including derivative contracts, for which there were any material foreseeable losses.
- 3) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - i. The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - ii. The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - iii. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- 4) No Dividend is declared or paid by the Company during the Year. Hence there is no noncompliance of Section 123 of the Companies Act 2013.
- 5) Based on our examination, which included test checks, the Company has used accounting software's for maintaining its books of account for the financial year ended March 31, 2026, which has a feature of recording audit trail (edit log) facility and the same has been operated w.e.f 20th May 2025 for all relevant transactions recorded in the software's. During the course

of our audit, we did not notice any instance of audit trail feature being tampered with. Further, the audit trail has been preserved by the Company and its branches as per the statutory requirements for record retention.

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

(Sat Dev Garg)
Partner

Place: Bathinda
Date: 27th May 2026

M. No.: 081553
UDIN: 26081553BQDTWA1828

ANNEXURE A REFERRED TO IN PARA 1 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS IN OUR INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE COMPANY ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026.

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

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

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

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

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

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

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) Physical verification of inventory has been conducted at reasonable intervals by the management. No material discrepancies were noticed on such verification which may require adjustments in the books of accounts of the company.

(b) According to the information and explanation given to us and on the basis of our examination of records of the company, the Company has been sanctioned working capital limits in excess of ₹ 5 Crore, in aggregate from banks or financial institutions on the basis of security of current assets. In our opinion, there is no material difference between the drawing power of the Credit Facility available to the Company as per Books of Accounts & drawing power statement submitted to the bank. Hence there is no contravention in this regard.
- iii. According to the information and explanation given to us and on the basis of our examination of the records, the Company has not made investments in, Companies, during the year, in respect of which:

- a. The Company has not provided loans or advances in the nature of loans during the year.
 - b. The Reporting under this clause is not applicable, as no Investment has been made during the Year.
 - c. The Reporting under this clause is not applicable, as no Loan has been given during the Year.
 - d. The Reporting under this clause is not applicable, as no Loan has been given during the Year.
 - e. No loan granted by the Company which has fallen due during the year has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
 - f. The Reporting under this clause is not applicable, as no Loan has been given during the Year.
- iv. According to the information and explanation given to us and on the basis of our examination of the records, the company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of Loans granted (if any), Investments made (if any) and guarantees and securities provided (if any), as applicable.
- v. In our opinion and according to the information and explanation given to us, the company has not accepted any deposits in contravention of the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under, where applicable, have been complied with. No order has been passed by the Company Law Board or National Company Law Tribunal or RBI or any court or any other tribunal.
- vi. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (cost Records and audit) Rules, 2014, as amended prescribed by the Central government under sub section (1) of section 148 of the Companies Act, 2013, are of opinion that, prime facie, the prescribed cost records have been made and maintained. We have, however, not conducted an examination of the cost records with a view to determine whether they are accurate or complete.

- vii. (a) According to the information and explanations given to us and the records examined by us, the company is regular in depositing undisputed statutory dues including good and services tax, provident fund, employees state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, Cess, and any other statutory dues to the appropriate authorities. There are no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date, they became payable.
- (b) According to information and explanation given to us, there are no dues on account good and services tax, provident fund, employees state insurance tax, income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or Cess, which have not been deposited on account of any dispute except for Rs.1,47,95,604/- towards PIDB Act 2002/Punjab VAT Act 2005/CST Act 1956 which is under Stay by Hon'ble Punjab & Haryana High Court.
- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961(43 of 1961).
- ix.
- (a) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not defaulted in repayment of borrowings to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations given to us by the management, the company has obtained term loans during the year and the same was applied for the purpose for which loans were obtained.
- (d) According to the information and explanations given to us and on overall examination of the balance sheet of the Company, we report that no funds which have been raised on a short-term basis by the Company have been used for long-term purposes.
- (e) According to the information and explanations given to us and on overall examination of the financial statements of the Company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(e) of the Order is not applicable.

- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.
- x. (a) No Fresh funds have been raised by way of initial public offer during the year. Accordingly, this clause of the Order is not applicable.
- (b) During the year, the Company has Converted 55,44,280 Share warrants into Equity Shares after realizing Balance amount towards share warrants. In our opinion and according to the information and explanations given to us, the Company has complied with the requirements of section 42 and section 62 of the Act and the Rules framed thereunder with respect to the same. Further, the amounts so raised have been utilized by the Company for the purposes for which these funds were raised. During the year, the Company did not make preferential allotment/private placement of fully/partly or optionally convertible debentures
- xi. (a) During the course of our examination of the books of account and records of the Company, and according to the information and explanation given to us and representations made by the Management, no material fraud by or on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) We have taken into consideration the whistleblower complaints (if any) received by the Company during the year (and up to the date of this report), while determining the nature, timing, and extent of our audit procedures.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
- xiii. In our opinion, and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Standalone financial statements as required by the applicable Indian accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and nature of its business.

(b) We have considered the audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, time and extent of our audit procedures

- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its Directors and hence provisions of Section 192 of the Act are not applicable.
- xvi.
- (a) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934, hence the provisions of paragraph 3(xvi)(a) of the Order are not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There is no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. (a) As the CSR Provisions are applicable to the Company, there is no unspent amount towards Corporate Social Responsibility (CSR) other than ongoing projects requiring a transfer to a Fund

specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act.

(b) As the CSR Provisions are applicable to the Company for Financial Year 2025-26, however there is no Ongoing Project for which amount needs to be transferred to the Special Account. accordingly, reporting under clause 3(xx)(b) of the Order is not applicable for the year.

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

(Sat Dev Garg)
Partner

M. No.: 081553

UDIN: 26081553BQDTWA1828

Place: Bathinda

Date: 27th May 2026

ANNEXURE – B TO THE INDEPENDENT AUDITOR’S REPORT

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

We have audited the internal financial controls over financial reporting of M/S A B COTSPIN INDIA LIMITED, BATHINDA (“the Company”) as of 31st March 2026 in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of

internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control with reference to Standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone 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, to the best of our information and according to the explanation given to us, 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, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated

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in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For PL Mittal & Co.
Chartered Accountants
FRN No.: 002697N

(Sat Dev Garg)
Partner
M. No.: 081553
UDIN: 26081553BQDTWA1828

Place: - Bathinda
Dated: - 27th May 2026

STANDALONE BALANCE SHEET

As on 31st March 2026

S.No.	Particulars	Note No.	Rs. in Lakh	Rs. in Lakh
			As on 31st March 2026	As on 31st March 2025
	ASSETS			
I	NON-CURRENT ASSETS			
	(a) Property, Plant and Equipment	2	9,582.25	6,578.66
	(b) Capital work-in-progress	2A	-	3,317.11
	(c) Financial Assets			
	(i) Investments	4	8.78	21.36
	(ii) Other Non-Current Financial Assets	5	192.15	207.79
	(d) Other Non Current Tax Assets	6A	9.86	9.86
	(e) Other Non Current assets	6	3,510.36	1,459.59
	TOTAL NON CURRENT ASSETS		13,303.40	11,594.37
II	CURRENT ASSETS			
	(a) Inventories	7	6,790.56	8,158.39
	(b) Financial Assets			
	(i) Trade receivables	8	7,223.04	4,782.38
	(ii) Cash and Cash Equivalents	9	1.20	0.30
	(iii) Bank Balances Other than Cash and Cash Equivalents	10	159.31	6.52
	(iv) Other Current Financial Assets	5A	0.91	0.23
	(c) Other Current Assets	11	3,809.95	4,274.27
	TOTAL CURRENT ASSETS		17,984.96	17,222.10
	TOTAL ASSETS (I+II)		31,288.36	28,816.46
	EQUITY AND LIABILITIES			
III	EQUITY			
	(a) Equity Share Capital	12	2,215.96	1,661.53
	(b) Other Equity	13	13,106.72	9,391.89
	TOTAL EQUITY		15,322.68	11,053.42
IV	NON-CURRENT LIABILITIES			
	(a) Financial Liabilities			
	(i) Borrowings	14	6,110.62	7,016.47
	(b) Provisions	19	11.50	46.59
	(c) Deferred Tax Liabilities (Net)	3	275.99	237.87
	TOTAL NON- CURRENT LIABILITIES		6,398.12	7,300.93
V	CURRENT LIABILITIES			
	(a) Financial Liabilities			
	(i) Borrowings	15	8,571.83	9,766.48
	(ii) Trade Payables	16		
	Dues to micro and small enterprises		150.33	15.67
	Dues to others		436.69	411.02
	(iii) Other Financial Liabilities	17	169.14	192.83
	(b) Other Current Liabilities	18	10.43	13.59
	(c) Provisions	19	0.23	0.53
	(d) Current Tax Liability, Net	19A	228.91	62.00
	TOTAL CURRENT LIABILITIES		9,567.56	10,462.11
	TOTAL LIABILITIES		15,965.68	17,763.04
	TOTAL EQUITY AND LIABILITIES (III+IV+V)		31,288.36	28,816.46
	Basis of Preparation, Measurement and Material Accounting Policy			1
	The accompanying notes form an integral part of these Financial Statements.			2-52

As per our report of even date attached.

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

Sat Dev Garg
Partner
Membership No.: 081553
UDIN: 26081553BQDTWA1828

Place : Bathinda
Date : May 27, 2026

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

Deepak Garg
(Managing Director)
(DIN 00843929)

Manohar Lal
(Whole Time Director)
(DIN 02406686)

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

Rahul Kapasiya
(Company Secretary)
(M. No. A70811)

Sr. No.	Particulars	Note No.	Year ended 31st March 2026	Year ended 31st March 2025
			Rs. in Lakh	Rs. in Lakh
	INCOME			
I	Revenue From Operations	20	29,867.71	29,806.36
II	Other Income	21	277.99	273.42
III	Total Income (I+II)		30,145.70	30,079.78
	EXPENSES			
IV	Cost of Material Consumed	22	22,964.69	23,067.21
	Changes in Inventories of Finished Goods, Work in Progress & Stock in Trade	23	(1,449.97)	(37.99)
	Purchase of Stock in Trade		338.65	413.14
	Employees Benefit Expenses	24	1,016.49	942.87
	Finance Costs	25	1,071.12	1,039.50
	Depreciation and Amortisation Expenses	26	1,394.33	879.12
	Other Expenses	27	3,012.32	2,430.51
	Total Expenses (IV)		28,347.63	28,734.36
V	Profit/(Loss) Before Exceptional Items Tax (III-IV)		1,798.07	1,345.42
VI	Exceptional Items		-	-
VII	Profit/(Loss) Before Tax (V-VI)		1,798.07	1,345.42
VIII	Tax expenses:	28		
	Current Tax		445.00	319.62
	Deferred Tax		26.95	26.77
	Total Tax Expenses		471.96	346.40
IX	Profit/(Loss) for the period (VII-VIII)		1,326.12	999.02
X	Other Comprehensive Income			
	:- Items that will not be re-classified to profit and Loss			
	Net (Loss)/Gain on Fair Value of Investments		(2.95)	(13.88)
	Income Tax Effect thereon		0.38	1.81
	Re-measurement (Loss)/ Gain on defined Benefit Obligations		45.85	10.12
	Income Tax Effect thereon		(11.54)	(2.55)
	Total Other Comprehensive Income		31.74	(4.51)
XI	Total Comprehensive Income for the Year (IX+X)		1,357.86	994.51
XII	Earnings per equity share (Par value ₹ 10/- each)	29		
	Basic		6.06	9.39
	Diluted		6.06	8.03
	Basis of Preparation, Measurement and Material Accounting Policy			1
	The accompanying notes form an integral part of these Financial Statements.			2-52

As per our report of even date attached.

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

Sat Dev Garg
Partner
Membership No.: 081553
UDIN: 26081553BQDTWA1828

Place : Bathinda
Date : May 27, 2026

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

Deepak Garg
(Managing Director)
(DIN 00843929)

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

Manohar Lal
(Whole Time Director)
(DIN 02406686)

Rahul Kapasiya
(Company Secretary)
(M. No. A70811)

	Particulars	Year Ended 31st March 2026 Rs. in Lakh	Year Ended 31st March 2025 Rs. in Lakh
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit before tax	1,798.07	1,345.42
	Add:		
	Depreciation & Amortisation Expenses	1,394.33	879.12
	Provision for Gratuity	10.46	20.33
	Finance Cost	1,071.12	1,039.50
	Less:		
	Profit on Sale of Property Plant & Equipment's	(5.30)	-
	Operating (loss)/profit before Working Capital Changes	4,268.68	3,284.36
	Movements in working capital :-		
	(Increase)/ Decrease in Inventories	1,367.84	(1,675.10)
	(Increase)/ Decrease in Trade Receivables	(2,440.66)	(966.19)
	(Increase)/ Decrease in Other than Cash Bank Balances	(152.79)	(3.59)
	(Increase)/ Decrease in Other Current Assets	464.32	(3,581.33)
	(Increase)/ Decrease in Other Financial Assets	(0.68)	(0.09)
	(Increase)/ Decrease in Loans	-	865.73
	Increase/ (Decrease) in Trade Payables	160.34	101.64
	Increase/ (Decrease) in Other Current Liabilities	(3.16)	3.03
	Increase/ (Decrease) in Other Financial Liabilities	57.06	14.49
	Operating (loss)/profit after Working Capital Changes	3,720.97	(1,957.05)
	(Increase)/ Decrease in Non- Current/Security Deposits	15.64	416.12
	(Increase)/ Decrease in Non- Current Term Deposits	(0.10)	(0.26)
	Cash Generated from Operations	3,736.52	(1,541.18)
	Refund/(Payment) of Taxes (including TDS)	(278.09)	(256.05)
	Net Cash Flow from Operating Activities (A)	3,458.42	(1,797.23)
B	CASH FLOW FROM INVESTMENT ACTIVITIES		
	Add:		
	Sale of Property, Plant and Equipment	7.00	-
	Sale of Non Current Investments	10.28	57.72
	Less:		
	Amount spent on Capital Work in Progress	-	(3,296.88)
	Purchase of Non Current Investments	-	(1.00)
	Capital Advances against Purchase of Property Plant & Equipment's	(2,050.67)	(1,457.76)
	Purchase of Property Plant & Equipment's Net of Capital Advances	(1,163.27)	(189.14)
	Net Cash Flow from Investing Activities (B)	(3,196.66)	(4,887.06)
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Add:		
	Allotment of Shares	2,910.75	3,216.75
	Proceeds from Long Term Loans and Borrowings	49.00	-
	Repayment of Long Term Loans and Borrowings	(954.85)	2,516.66
	Repayment of Short Term Loans and Borrowings	(1,194.65)	1,988.35
	Less:		
	Finance Cost Paid	(1,071.12)	(1,039.50)
	Net Cash Flow from Financing Activities (C)	(260.86)	6,682.26
	Net Increase in Cash and Cash Equivalents(A+B+C)	0.90	(2.03)
	Cash and Cash Equivalents (Opening Balance)	0.30	2.33
	Cash and Cash Equivalents (Closing Balance)	1.20	0.30
	Cash and cash equivalents consist of Balance with Bank.	1.20	0.30

Note: 1 The Above Statement of Cash Flows has been Prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

Note: 2 The accompanying notes form an integral part of these Financial Statements.

Note: 3 **Reconciliation of liabilities arising from financing activities:**

Particulars	As at 1st April 2025	Cash Flow	Interest Expense	As at 31 March 2026
Borrowing	16,782.95	(3,171.61)	1,071.12	14,682.45

Particulars	As at 1st April 2024	Cash Flow	Interest Expense	As at 31 March 2025
Borrowing	12,166.76	3,576.69	1,039.50	16,782.95

Note: 4 Cash outflow for CSR Activity is Rs.17.50 Lakh & P.Y 14.00 Lakh

As per our report of even date attached.

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

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

Sat Dev Garg
Partner
Membership No.: 081553
UDIN: 26081553BQDTWA1828

Deepak Garg
(Managing Director)
(DIN 00843929)

Manohar Lal
(Whole Time Director)
(DIN 02406686)

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

Rahul Kapasiya
(Company Secretary)
(M. No. A70811)

Place : Bathinda
Date : May 27, 2026

**STANDALONE STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31ST MARCH 2026**

(A) Equity Share Capital

Particulars	Rs. in Lakh As at 31st March 2026	Rs. in Lakh As at 31st March 2025
Balance as the beginning of the reporting year	1,661.53	1,048.82
Changes in Equity Share Capital during the year	554.43	612.71
Balance at the end of the reporting year	2,215.96	1,661.53

(B) Other Equity

Particulars	Share Application on money pending allotment	Reserve and Surplus				Total
		Capital Reserve	Security Premium Reserve	General Reserve	Retained Earnings (Including OCI)	
Balance as at 01st April 2024	2,105.00	76.80	1,132.45	-	2,483.30	5,797.55
Addition/Deletion during the period:	3,216.75	-	3,676.28	-	(4.22)	6,888.82
Profit/Loss for the Year (A)	-	-	-	-	999.02	999.02
Other Comprehensive Income (B)	-	-	-	-	(4.51)	(4.51)
Total Comprehensive Income (A+B)	-	-	-	-	994.51	994.51
Share Issued During the Year	(4,289.00)	-	-	-	-	(4,289.00)
Balance as at 31st March 2025	1,032.75	76.80	4,808.73	-	3,473.60	9,391.89
Balance as at 01st April 2025	1,032.75	76.80	4,808.73	-	3,473.60	9,391.89
Addition during the period:	2,910.75	62.50	3,326.57	-	0.65	6,300.47
Profit/Loss for the Year (A)	-	-	-	-	1,326.12	1,326.12
Other Comprehensive Income (B)	-	-	-	-	31.74	31.74
Total Comprehensive Income (A+B)	-	-	-	-	1,357.86	1,357.86
Amount Refund During the Year	(0.00)	-	-	-	-	(0.00)
Amount Forfeited During the Year	(62.50)	-	-	-	-	(62.50)
Share Issued During the Year	(3,881.00)	-	-	-	-	(3,881.00)
Balance as at 31st March 2026	-0.00	139.30	8,135.30	-	4,832.11	13,106.72

Pursuant to the requirements of Division II to Schedule III, below is the nature and purpose of each reserve:

- (i) **Capital Reserve:** Capital Reserves include Capital Subsidy received by the Company in earlier years.
- (ii) **Securities Premium Reserve:** Securities premium is used to record the premium received on issue of shares. This reserve can be utilised in accordance with the provisions of the Companies Act 2013.
- (iii) **Retained Earnings:** Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.
- (iv) **Equity Instruments & FVBD0 though OCI:** Any changes in the Asset i.e. Investments due to change in Market Price of Investments and Changes in liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in 'Other comprehensive income' and subsequently not reclassified to the Statement of Profit and Loss.

As per our report of even date attached.

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

Sat Dev Garg
Partner
Membership No.: 081553
UDIN: 26081553BQDTWA1828

Place : Bathinda
Date : May 27, 2026

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

Deepak Garg
(Managing Director)
(DIN 00843929)

Manohar Lal
(Whole Time Director)
(DIN 02406686)

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

Rahul Kapasiya
(Company Secretary)
(M. No. A70811)

Note 1: MATERIAL ACCOUNTING POLICIES

1.01 Statement of Compliance with Ind AS

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

1.02 Basis of Preparation and Presentation of Financial Statements

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

The Ind AS Financial Statements comprise of the Balance Sheet as at year ended 31st March 2026, the Statement of profit and loss (including Other Comprehensive Income) for the year ended 31st March 2026, statement of cash flows for the year ended 31st March 2026 and Statement of changes in equity for the year ended on that date, and accounting policies and other explanatory information.

The Financial Statements were approved by the Company’s Board of Directors and authorized for issue on 27th May 2026.

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

1.03 Basis of Measurement

The Financial Statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India to comply with Indian Accounting Standards (Ind AS) prescribed in Companies Act 2013.

These statements are prepared under historical cost convention on accrual basis and also certain financial assets and financial liabilities which are measured at fair values at the end of each reporting period as mentioned below: -

- net defined benefit liability measured at fair value of plan assets less the present value of the defined benefit obligation (refer note 52).
- Certain financial assets and liabilities

The Company has an established control framework with respect to the measurement of fair values.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on this basis.

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

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

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

Current/ non-current classification

An asset is treated as current when it is: Expected to be realized or intended to be sold or consumed in normal operating cycle.

- Held primarily for the purpose of trading.
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
- All other assets are classified as non-current.

A liability is current when: It is expected to be settled in normal operating cycle.

- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities. The operating cycle is the time between the acquisition of assets for

processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The Company's normal operating cycle is twelve months.

Statement of Cash Flows

The statement of cash flows has been prepared under indirect method as explained in Ind AS- 7 Statement of Cash Flows. Cash flows are reported using the indirect method, whereby profit after tax is adjusted for the effects of transactions of a non-cash nature, any deferrals, or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows are segregated into operating, investing, and financing activities.

Functional and Presentation Currency

These financial statements are presented in Indian Rupees (INR), which is also the functional currency of the Company. All amounts have been rounded to the nearest lacs up to two decimal places, unless otherwise indicated. Per share data are presented in Indian Rupees to two decimals places.

The functional currency is the currency of the primary economic environment in which the Company operates and is normally the currency in which the Company primarily generates and expends cash.

1.04 Use of Key Accounting Estimates and Judgements

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

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

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

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

i) Judgments

- **Lease term:** whether the Company is reasonably certain to exercise extension options: The Company has an option to extend the term of lease at the end of lock-in period in most of its leases. The Company makes a judgement by considering future economic incentives for exercising the extension option in order to ensure reasonable certainty.

ii) Assumptions and estimation uncertainties

- **Note 52:** measurement of defined benefit obligations: key actuarial assumptions
- **Note 19 & 32:** recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.
- **Note 2 and 2B:** Useful lives of property, plant, and equipment: The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. The estimated useful life is reviewed at least annually.

1.05 Recent Accounting Developments

A. Application of newly amended Standards

Amendments to Ind AS 107 – Financial Instruments

Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments: Disclosures, applicable w.e.f. April 1, 2025 – The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Company has reviewed the amendment and based on its valuation has determined that it does not have any significant impact in its financial statements.

Amendments to Ind AS 1 – Presentation of Financial Statements

Ind AS 1, Presentation of Financial Statements, applicable w.e.f. April 1, 2025 – The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Company has no impact of these amendments in its classification criteria of current and non-current liabilities.

Amendment to Ind AS 12- Income Taxes

The Company has applied mandatory exception of recognizing and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes as required by Ind AS 12 (as amended).

Amendment to Ind AS 21- The Effects of Changes in Foreign Exchange Rates

In May 2025, MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 1, 2025. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

B. Standards notified but not yet effective.

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

1.06 Exceptional items

- An item of income or expense which by its size, nature and incidence requires disclosure in order to improve an understanding of the performance of the Company is treated as an exceptional item and disclosed as such in the financial statements.

1.07 Property, Plant and Equipment

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

Property, plant, and equipment are stated at their cost of acquisition less accumulated depreciation and impairment (if any). The cost comprises the purchase price, borrowing cost and attributable cost of bringing the asset to its working condition for its intended use. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company depreciates them, separately based on their specific useful lives.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located. Cost includes, for qualifying assets, borrowing costs capitalized in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant, and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

The cost of an item of property, plant and equipment shall be recognized as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

- The land used for the factory/office building is stated at historical cost less any accumulated impairment losses.

- Gains or losses arising on retirement or sale/disposal of property, plant and equipment are recognized in the statement of Profit and Loss.
- The residual values, useful lives, and method of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

1.08 Depreciation & Amortization and Useful Life

- Depreciation on Property, Plant and Equipment is provided on Written Down Value Method and computed on the basis of the useful life prescribed in Schedule II to the Companies Act, 2013 (Act) from the date the asset is ready to put to use. Freehold land is not depreciated.
- The residual value of 5% of Original Cost/Deemed Cost is considered for the purpose of calculating Depreciation rates. The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.
- Depreciation is provided on a pro-rata basis in the year in which the assets are put to use.
- The Company has used rates to provide depreciation which coincide with the rates indicated in schedule II of the Companies Act 2013 on its fixed assets.
- Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives given below best represent the period over which management expects to use these assets.

Particulars	Minimum useful life (in years)	Maximum useful life (in years)
Buildings	30	30
Plant and Equipment	5	25
Furniture and Fixtures	5	10
Vehicles	8	10
Office Equipment	3	10
Computers	3	3

1.09 Capital Work in Progress and Intangible Assets under Development

- Property, Plant and Equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as “Capital Work-in-Progress.” These are carried at cost, comprising direct cost, related incidental expenses and attributable interest.
- Intangible Assets which are not ready for intended use as on the date of Balance Sheet are disclosed as “Intangible Assets under Development.” These are carried at cost, comprising direct cost, related incidental expenses and attributable interest.
- Advances paid towards the acquisition of property, plant and equipment and Intangible Assets outstanding at each balance sheet date are classified as capital advances under other non-current assets.

1.10 Impairment of Non-Financial Assets

At the end of each reporting period, the Company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units. Each cash-generating unit represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or cash-generating units. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or cash-generating unit) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

1.11 Inventories

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

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

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

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

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

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

1.12 Assets held for Sale

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

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

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

1.13 Investments in Subsidiaries & Joint Ventures

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

1.14 Revenue Recognition

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

a) Revenue from Contracts with Customers

Pursuant to the application of Ind AS 115 – 'Revenue from Contracts with Customers' issued on 01/04/2018, the Company has applied following accounting policy for revenue recognition:

The Company recognizes revenue from contracts with customers when it satisfies a performance obligation by transferring promised goods or service to a customer. The revenue is recognized to the extent of transaction price allocated to the performance obligation satisfied. Performance obligation is satisfied over time when the transfer of control of goods or service to a customer is done over time and in other cases, performance obligation is satisfied at a point in time.

For performance obligation to satisfy overtime, the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of the actual cost incurred to date, to the total estimated cost attributable to the performance obligation. Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring goods or services to a customer excluding amounts collected on behalf of a third party.

Revenue is measured at the fair value of the consideration received /receivable, taking into account contractually defined terms of payment, and excluding taxes or duties collected on behalf of the government and is net of rebates and discounts.

The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in all of its revenue arrangements.

Revenue is recognized in the income statement to the extent that it is probable that the economic benefits will flow to the Company and the revenue and costs, if applicable, can be measured reliably. The Company has applied five step model as per Ind AS 115 'Revenue from contracts with customers' to recognize revenue in the Financial Statements. The Company satisfies a performance obligation and recognizes revenue over time, if one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company perform: or
- The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced: or
- The Company's performance does not create an asset with an alternative use to the Company, and the entity has an enforceable right to payments for performance completed to date.

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

b) Sale of Goods

The Company recognizes revenue in relation to sale of products when it satisfies a performance obligation in accordance with the contract with the customer. This is achieved when control of the product has been transferred to the customer, which is generally determined when legal title, physical possession, risk of obsolescence, loss and rewards of ownership pass to the customer and the Company has the present right to payment, all of which occurs at a point in time upon shipment or delivery of the product.

The Company considers the terms of the contract in determining the transaction price. The transaction price is based upon the amount the Company expects to be entitled to in exchange for transferring of promised goods and services to the customer. Transaction price excludes taxes and duties collected on behalf of the government. Invoices are issued according to contractual terms and are usually payable as per the credit period agreed with the customer.

c) Rendering of Services

Revenue from providing services is recognized in the accounting period in which the services are rendered. Invoices are issued according to contractual terms and are usually payable as per the credit period agreed with the customer.

d) Other Operating Income

Export benefits under Duty Drawback fits and Remission of Duties and Taxes on Export Products Scheme (RoDTEP) are accounted for as other operating revenue on accrual basis when export of goods takes place, where there is a reasonable assurance that the benefit will be received and the Company will comply with all the attached conditions.

e) Dividend and Interest Income

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

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

1.15 Government Grants

- **Capital Grants**

- In the case of depreciable assets, the cost of the assets is shown at Net value.
- Government grants shall be recognized in Profit or Loss on a systematic basis over the periods of the useful life of the related asset.

- **Revenue Grants**

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

1.16 Employee Benefits

- **Short-term employee benefits**

All employee benefits falling due within twelve months of the end of the period in which the employees render the related services are classified as short-term employee benefits, which include benefits like salaries, wages, short term compensated absences, performance incentives, etc. and are recognized as expenses in the period in which the employee renders the related service and measured on an undiscounted basis. A liability is recognized for the amount expected to be paid e.g., salaries, wages and bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

- **Post-employment benefits**

Post-employment benefit plans are classified into defined benefits plans and defined contribution plans as under:

Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and will have no legal or constructive obligation to pay further amounts. The Company's contribution is recognized as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Gratuity is a defined benefit plan. The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment. The Company's net obligation in respect of gratuity is calculated separately by estimating the amount of future benefit that employees have earned in the current and prior periods and discounting that amount. The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

1.17 Borrowing Cost

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

1.18 Earnings per Share

- Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted-average number of equity shares outstanding during the period is adjusted for events including a bonus issue.
- For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted-average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.19 Accounting for Taxes on Income

Income taxes

The income tax expense comprises of current and deferred income tax. Income tax is recognized in the statement of profit and loss, except to the extent that it relates to items recognized in the other comprehensive income or directly in equity, in which case the related income tax is also recognized accordingly. The Company has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets

Current tax

Current income tax for the current and prior periods is measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amounts are those that are enacted or substantively enacted as at the reporting date and applicable for the period.

While determining the tax provisions, the Company assesses whether each uncertain tax position is to be considered separately or together with one or more uncertain tax positions depending upon the nature and circumstances of each uncertain tax position. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realise the asset and liability simultaneously.

Deferred tax

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequence that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary difference could be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Temporary differences in relation to a right-of-use asset and a lease liability for a specific lease are regarded as a net package (the lease) for the purpose of recognizing deferred tax.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Unrecognized deferred tax assets are reassessed at each reporting and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.

The Company offsets deferred tax assets and deferred tax liabilities if it has a legally enforceable right and these relate to taxes on income levied by the same governing taxation laws

1.20 Provisions, Contingent Liabilities and Contingent Assets

- Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.
- If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.
- Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.
- Provision for onerous contracts. i.e. contracts where the expected unavoidable cost of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognized when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligatory event based on a reliable estimate of such obligation.

- Contingent asset is not recognized in financial statements since this may result in the recognition of income that may never be realized. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognized.

1.21 Lease

- The Company's lease asset classes consist of leases for Land and Building. The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.
- To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:
 - The contract involves the use of an identified asset.
 - The Company has substantially all of the economic benefits from use of the asset through the period of the lease and,
 - The Company has the right to direct the use of the asset.

As a lessee

- At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.
- The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.
- The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.
- The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

- The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.
- Lease payments included in the measurement of the lease liability comprise the following:
 - fixed payments, including in-substance fixed payments;
 - variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
 - amounts expected to be payable under a residual value guarantee; and
 - the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.
- The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.
- When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.
- The Company presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities separately in the balance sheet within 'Financial Liabilities'.

As a lessor

- At inception or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.
- When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.
- To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.
- When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sub lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset

arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

- If an arrangement contains lease and non-lease components, then the Group applies Ind AS 115 to allocate the consideration in the contract.
- The Company applies the derecognition and impairment requirements in Ind AS 109 to the net investment in the lease (see Note 1.33). The Company further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.
- The Company recognizes lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'other income'

Short-term leases and leases of low-value assets

- The Company has elected not to recognize right-of-use assets and lease liabilities for leases of low-value assets and short-term leases having lease term of 12 months or less. The Company recognizes the lease payments associated with these leases as an expense in profit or loss on a straight-line basis over the lease term.

1.22 Offsetting of Assets and Liabilities

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

1.23 Cash and Cash Equivalents

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

1.24 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables without a significant financing component, which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to or deducted from the fair value on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Financial assets

Classification of financial instruments

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial asset at amortized cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Equity instruments at fair value through other comprehensive income (FVTOCI)
- Financial assets instruments at fair value through profit or loss (FVTPL)

Amortized Cost

A financial asset that meets the following conditions is subsequently measured at amortized cost (except for financial asset that are designated as at fair value through profit or loss on initial recognition):

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair value through other comprehensive income (FVTOCI)

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for financial asset that are designated as at fair value through profit or loss on initial recognition):

- The asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment’s fair value in OCI. This election is made on an investment-by-investment basis. The Company does not have any financial assets measured at FVTOCI.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets that do not meet the amortized cost criteria or FVTOCI criteria (see above) are measured at FVTPL. In addition, debt instruments financial assets that meet the amortized cost criteria or the FVTOCI criteria may irrevocably be but are designated as at FVTPL are measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Subsequent measurement of financial instruments

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
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Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
Debt instruments at FVTOCI	These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity instruments at FVTOCI	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are not reclassified to profit or loss.

Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition. If credit risk has not increased significantly, twelve month expected credit loss (ECL) is used to provide for impairment loss, otherwise lifetime ECL is used.

However, only in case of trade receivables, the Company applies the simplified approach using provision matrix, which takes into account historical credit loss experience and adjusted for forward-looking information.

Derecognition of financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

Financial liabilities and equity instruments

Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination (if any) which is subsequently measured at fair value through profit or loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition of financial liabilities

A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available and quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

Refer to the table on Note. 37 for the disclosure on carrying value and fair value of financial assets and liabilities. For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments.

1.25 Foreign Currency Transactions and Translations

Transactions in currencies other than the Company's functional currency are recorded on initial recognition using the exchange rate at the transaction date.

At each reporting date, foreign currency monetary items are reported at the prevailing closing spot rate. Exchange differences that arise on settlement of monetary items or on reporting of monetary items at each reporting date at the closing spot rate are recognized in the Statement of Profit and Loss in the period in which they arise.

Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction and are not retranslated at each reporting date.

Foreign currency exchange differences are generally recognized in profit or loss.

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are

directly attributable to the acquisition or construction of qualifying assets which are capitalized as cost of assets.

Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency exchange differences are recognized in profit or loss.

1.26 Segment Reporting

An Operating Segment is the level at which discrete financial information is available. Business segments are identified by Chief Operating Decision Maker (CODM) considering:

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

Based on the guiding principles given in Ind AS 108 on 'Operating Segments, the Company's business activity falls within Single operating segments, i.e. Yarn. The directors monitor the operating results for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

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

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NOTES TO THE STANDALONE FINANCIAL STATEMENTS

Note 2: Property, Plant and Equipment's

For the year ended 31st March, 2025

Rs. In Lakh

	Gross Block				Depreciation and impairment				Net Book Value	
	As at 01st April 2024	Additions made during the year	Disposals/ adjustments during the year	As at 31st March, 2025	As at 01st April 2024	Depreciation charge for the year	Disposal/ adjustments during the year	As at 31st March, 2025	As at 31st March, 2025	As at 01st April 2024
<u>Owned</u>										
Land	237.16	-	-	237.16	-	-	-	-	237.16	237.16
Buildings	1,273.32	5.64	-	1,278.97	278.21	94.46	-	372.68	906.29	995.11
Plant and Equipment	7,456.57	235.02	-	7,691.59	1,779.83	699.51	-	2,479.34	5,212.24	5,676.73
Furniture and Fixtures	5.14	-	-	5.14	2.38	0.55	-	2.93	2.21	2.77
Vehicles	334.25	6.79	-	341.04	209.89	38.64	-	248.53	92.51	124.36
Office equipment	248.05	-	-	248.05	78.42	44.01	-	122.43	125.62	169.63
Computers	9.10	2.21	-	11.31	6.74	1.95	-	8.69	2.62	2.35
	9,563.59	249.67	-	9,813.26	2,355.48	879.12	-	3,234.60	6,578.66	7,208.11

For the Period ended 31st March 2026

Rs. In Lakh

	Gross Block				Depreciation and impairment				Net Book Value	
	As at 01st April 2025	Additions made during the year	Disposals/ adjustments during the year	As on 31st March 2026	As at 01st April 2025	Depreciation charge for the year	Disposal/ adjustments during the year	As at 31st March 2026	As at 31st March 2026	As at 01st April 2025
<u>Owned</u>										
Land	237.16	79.70	-	316.86	-	-	-	-	316.86	237.16
Buildings	1,278.97	17.49	-	1,296.45	372.68	86.80	-	459.48	836.97	906.29
Plant and Equipment	7,691.59	4,134.62	-	11,826.21	2,479.34	1,208.49	-	3,687.83	8,138.38	5,212.24
Furniture and Fixtures	5.14	2.25	-	7.39	2.93	0.84	-	3.77	3.62	2.21
Vehicles	341.04	49.15	18.98	371.20	248.53	39.81	17.28	271.05	100.15	92.51
Office equipment	248.05	112.85	-	360.90	122.43	55.41	-	177.84	183.06	125.62
Computers	11.31	3.57	-	14.88	8.69	2.98	-	11.67	3.21	2.62
	9,813.26	4,399.62	18.98	14,193.90	3,234.60	1,394.33	17.28	4,611.65	9,582.25	6,578.66

Note: There is no Freehold Land Owned by the Company During the Current Year & Previous Year, Whose Title Deed is not in the name of Company

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NOTES TO THE STANDALONE FINANCIAL STATEMENTS

Note 2A: Capital Work-in-Progress

Particulars	Rs. in Lakh
Balance as at 01st April 2024	-
Add:- Additions made during the year	3,317.11
Less:- Disposals/adjustments during the year	-
Balance as at 31st March, 2025	3,317.11
Balance as at 01st April 2025	3,317.11
Add:- Additions made during the year	-
Less:- Disposals/adjustments during the year	(3,317.11)
Balance as at 31st March 2026	-
Carrying Value (Net)	
As at 31st March 2026	-
As at 31st March, 2025	3,317.11

Capital work in progress ageing schedule

As at 31st March 2026

CWIP	Amount in Capital work in progress for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

As at 31 March 2025

CWIP	Amount in Capital work in progress for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	3,317.11	-	-	-	3,317.11
Projects temporarily suspended	-	-	-	-	-

(b) for Capital work in progress whose completion is overdue or has exceeded its cost compared to its original plan

As at 31st March 2026

CWIP	To be completed in			
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years
Nil	-	-	-	-

As at 31 March 2025

CWIP	To be completed in			
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years
Nil	-	-	-	-

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NOTES TO THE STANDALONE FINANCIAL STATEMENTS

Note: 3 Deferred Tax Assets/ (Liability)			Rs. in Lakh
Particulars	31st March 2026	31st March 2025	
Relating to Allowances under Income Tax Act, 1961 (In relation to Depreciation, Gratuity, Investments and ECL - Refer note no. 28A)	(275.99)	(237.87)	
Total	(275.99)	(237.87)	
Note: 4 Investments (Non current)			Rs. in Lakh
Particulars	31st March 2026	31st March 2025	
Financial assets measured at fair value through OCI in Statement of Profit and loss			
(i) Investment in Mutual Funds (Quoted)			
Religare Securities Ltd-Edelweiss Recently Listed IPO Fund-7,797 Units (P.Y 7,797 Units)	2.00	1.97	
(ii) Investment in Equity Shares (Quoted)			
M.K. Proteins Limited- (1,38,658 Units (P.Y 2,98,658 Units)	5.37	17.98	
Surani Steel Tubes Ltd- (400 Units (P.Y 400 Units)	0.42	0.41	
(iii) Investment in Subsidiary Company Equity Shares (Unquoted)			
KKML Welfare Foundation (10,000 Units (P.Y 10,000 Units)	1.00	1.00	
Total	8.78	21.36	
Aggregate Details of Investments			Rs. in Lakh
Particulars	31.03.2026	31.03.2025	
Aggregate amount of quoted investments	7.78	20.36	
Market value of quoted investments	7.78	20.36	
Aggregate amount of unquoted investments	1.00	1.00	
Market value of unquoted investments	1.00	1.00	
Note: 5 Other Non Current Financial Assets			Rs. in Lakh
Particulars	31st March 2026	31st March 2025	
Financial assets at amortized cost			
Unsecured and considered good), unless otherwise stated			
Security Deposits	192.15	207.79	
Total	192.15	207.79	
Note: 5A Other Current Financial Assets			Rs. in Lakh
Particulars	31st March 2026	31st March 2025	
Interest Accrued but Not Due	0.91	0.23	
Total	0.91	0.23	
Note: 6 Other Non Current Assets			Rs. in Lakh
Particulars	31st March 2026	31st March 2025	
Non Financial Assets at amortized cost			
Unsecured and considered good, unless otherwise stated			
Capital Advances	3,508.43	1,457.76	
Balance in deposit accounts with maturity more than 12 months	1.92	1.83	
Total	3,510.36	1,459.59	
Note: 6A Other Non Current Tax Assets			Rs. in Lakh
Particulars	31st March 2026	31st March 2025	
Income Tax	9.86	9.86	
Total	9.86	9.86	
Note: 7 Inventories			Rs. in Lakh
Particulars	31st March 2026	31st March 2025	
(At Cost or Net Realisable Value, whichever is lower)			
Raw Material	3,305.80	6,125.14	
Work In Progress	90.48	83.15	
Finished Goods	3,337.64	1,894.99	
Stores and Spares	56.64	55.11	
Total	6,790.56	8,158.39	
Note: Inventory is pledged and hypothecated to Banks against Pledge Limit and Working Capital Limit			

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NOTES TO THE STANDALONE FINANCIAL STATEMENTS

Note: 8 Trade Receivables			Rs. in Lakh
Particulars	31st March 2026	31st March 2025	
Unsecured			
Considered Good	7,223.04	4,782.38	
Credit Impaired	7.43	-	
Total Trade Receivable	7,230.47	4,782.38	
Less: Allowance for expected Credit Loss	(7.43)	-	
Total	7,223.04	4,782.38	
Note: Trade Receivables are hypothecated to Banks against Working Capital Limit			
			Rs. in Lakh
The Movement in Allowance for Expected Credit Loss is as Follow:-	31st March 2026	31st March 2025	
Balance as at beginning of the year	-	-	
Allowance for expected credit loss during the year	7.43	-	
Trade Receivable written off during the year	-	-	
Balance as at end of the year	7.43	-	
Note: 9 Cash and Cash Equivalents			
			Rs. in Lakh
Particulars	31st March 2026	31st March 2025	
Cash In Hand	1.20	0.29	
Balances with banks		-	
Balance with Bank in Current Accounts	-	0.01	
Total	1.20	0.30	
Note: 10 Bank Balances Other than Cash and Cash Equivalents			
			Rs. in Lakh
Particulars	31st March 2026	31st March 2025	
Balance with Bank in Term Deposit Accounts:- Earmarked Balances with Banks*	159.31	6.52	
Total	159.31	6.52	
* The Deposits are earmarked against BG & LC obtained from Banks			
Note: 11 Other Current Assets			
			Rs. in Lakh
Particulars	31st March 2026	31st March 2025	
(Unsecured and considered good), unless otherwise stated			
Balance with Government Authorities			
Export Incentive Receivable	8.34	0.32	
Goods & Services Tax	215.37	648.84	
	223.71	649.16	
Advance recoverable in cash or in kind	3,547.41	3,581.80	
Prepaid Expenses	38.82	43.31	
Total	3,809.95	4,274.27	

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NOTES TO THE STANDALONE FINANCIAL STATEMENTS

Note 8A: Trade Receivables Ageing Schedules

Rs. in Lakh
As at 31 March, 2026

	Particulars	Unbilled Receivables	Not Due	Outstanding for the following periods from the due date of payment					Total
				Less than 6 Months	6 Months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
a)	Considered Good								
	Disputed Dues	-	-	-	-	-	-	-	-
	Undisputed Dues	-	-	6,398.48	824.56	-	7.43	-	7,230.47
	Sub Total(a)	-	-	6,398.48	824.56	-	7.43	-	7,230.47
b)	Credit Impaired								
	Disputed Dues	-	-	-	-	-	-	-	-
	Undisputed Dues	-	-	-	-	-	-	-	-
	Sub Total(b)	-	-	-	-	-	-	-	-
	Less: Allowance for Expected Credit Loss	-	-	-	-	-	(7.43)	-	(7.43)
	Total (a+b)	-	-	6,398.48	824.56	-	-	-	7,237.90

Rs. in Lakh
As at 31 March, 2025

	Particulars	Unbilled Receivables	Not Due	Outstanding for the following periods from the due date of payment					Total
				Less than 6 Months	6 Months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
a)	Considered Good								
	Disputed Dues	-	-	-	-	-	-	-	-
	Undisputed Dues	-	-	4,235.05	534.91	12.43	-	-	4,782.38
	Sub Total(a)	-	-	4,235.05	534.91	12.43	-	-	4,782.38
b)	Considered Doubtful								
	Disputed Dues	-	-	-	-	-	-	-	-
	Undisputed Dues	-	-	-	-	-	-	-	-
	Less: Allowance for Expected Credit Loss	-	-	-	-	-	-	-	-
	Sub Total(b)	-	-	-	-	-	-	-	-
	Total (a+b)	-	-	4,235.05	534.91	12.43	-	-	4,782.38

A B COTSPIN INDIA LIMITED

(CIN: L17111PB1997PLC020118)

Registered office: NH-54, Goniana Road , Near Lake-3, Bathinda , Punjab

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

Note: 12 Equity Share Capital

a) Equity Share Capital

Particulars	31st March 2026		31st March 2025	
	No. of Shares	Rs. in Lakh	No. of Shares	Rs. in Lakh
Authorised Share Capital				
Equity Share of ₹ 10/- each	2,40,00,000	2,400.00	2,40,00,000	2,400.00
Preference Share of ₹ 10/- each	4,00,000	40.00	4,00,000	40.00
Total	2,44,00,000	2,440.00	2,44,00,000	2,440.00
Issued Share Capital				
Equity Shares of ₹ 10/- each	2,23,55,620	2,235.56	1,68,11,340	1,681.13
Total	2,23,55,620	2,235.56	1,68,11,340	1,681.13
Subscribed and Paid Share Capital				
Equity Shares of ₹ 10/- each fully paid	2,19,63,620	2,196.36	1,64,19,340	1,641.93
Add: Shares forfeited Not yet Issued (392000 Equity Shares of Rs 10/-, Rs 5/- Paid up)	3,92,000	19.60	3,92,000.00	19.60
Total	2,23,55,620	2,215.96	1,68,11,340	1,661.53

b) Reconciliation of share outstanding at the beginning and at the end of the period

Fully paid Equity Share	31st March 2026		31st March 2025	
	No. of Shares	Rs. in Lakh	No. of Shares	Rs. in Lakh
Outstanding at the beginning of the year	1,68,11,340	1,661.53	1,06,84,200	1,048.82
Add: Issue During the Year	55,44,280	554.43	61,27,140	612.71
At the end of the year	2,23,55,620	2,215.96	1,68,11,340	1,661.53

c) Terms and rights attached to equity shares:

The Company has only one class of equity shares having a par value ₹ 10/- per share. The holders of the equity shares are entitled to voting rights proportionate to their share holding at the meetings of shareholders. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholder in the ensuing Annual General meeting. In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all liabilities. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

d) Details of shareholders holding more than 5% shares in the Company:

Name of the shareholders	31st March 2026		31st March 2025	
	No. of shares	Percentage	No. of shares	Percentage
Fully paid Equity Share of ₹ 10 each held by:				
1 Deepak Garg	51,05,671	23.25%	51,05,671	31.10%
2 Suvarna Jindal	23,40,000	10.65%	23,40,000	14.25%
3 Sanya Jindal	28,13,431	12.81%	24,12,003	14.69%

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NOTES TO THE STANDALONE FINANCIAL STATEMENTS

e) Details of shares held by the Promoters

As at 31st March 2026

Promoter Name		No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total shares	% Change during the year
Deepak Garg		51,05,671	-	51,05,671	23.25	-
Sanya Jindal		24,12,003	4,01,428	28,13,431	12.81	16.64%
Suvarna Jindal		23,40,000	-	23,40,000	10.65	-
Abhey Jindal		6,90,000	-	6,90,000	3.14	-
Pooja Garg		3,45,000	-	3,45,000	1.57	-
Seema Garg		1,50,000	-	1,50,000	0.68	-
Renu Jindal		64,500	-	64,500	0.29	-
Manohar Lal		21,240	-	21,240	0.10	-

As at 31st March 2025

Promoter Name		No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total shares	% Change during the year
Deepak Garg		30,77,100	20,28,571	51,05,671	31.10%	65.92%
Manohar Lal Garg		21,240	-	21,240	0.13%	-
Pooja Garg		3,45,000	-	3,45,000	2.10%	-
Seema Garg		1,50,000	-	1,50,000	0.91%	-
Abhey Jindal		6,90,000	-	6,90,000	4.20%	-
Suvarna Jindal		23,40,000	-	23,40,000	14.25%	-
Sanya Jindal		7,84,860	16,27,143	24,12,003	14.69%	207.32%
Renu Jindal		64,500	-	64,500	0.39%	-

f) Details for Bonus Shares, Shares Bought Back and Shares allotted as fully paid up pursuant to contract without payment being received in cash

There is no Transaction in the Preceding Five Years in this Respect

g) Details of shares held by the holding Company

There is no Holding / Ultimate Company of the Company

A B COTSPIN INDIA LIMITED

(CIN: L17111PB1997PLC020118)

Registered office: NH-54, Goniana Road , Near Lake-3, Bathinda , Punjab

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

Note: 13 Other Equity

Rs. in Lakh

Particulars	Reserve and Surplus					Total
	Money Received against Share Warrants	Capital Reserve	Security Premium Reserve	General Reserve	Retained Earnings (Including OCI)	
Balance as at 01st April 2024	2,105.00	76.80	1,132.45	-	2,483.30	5,797.55
Addition/Deletion during the period:	3,216.75	-	3,676.28	-	(4.22)	6,888.82
Profit/Loss for the Year (A)	-	-	-	-	999.02	999.02
Other Comprehensive Income (B)	-	-	-	-	(4.51)	(4.51)
Total Comprehensive Income	-	-	-	-	994.51	994.51
Share Issued During the Year	(4,289.00)	-	-	-	-	(4,289.00)
Balance as at 31st March 2025	1,032.75	76.80	4,808.73	-	3,473.60	9,391.89
Balance as at 01st April 2025	1,032.75	76.80	4,808.73	-	3,473.60	9,391.89
Addition during the period:	2,910.75	62.50	3,326.57	-	0.65	6,300.47
Profit/Loss for the Year (A)	-	-	-	-	1,326.12	1,326.12
Other Comprehensive Income (B)	-	-	-	-	31.74	31.74
Total Comprehensive Income	-	-	-	-	1,357.86	1,357.86
Amount Refund During the Year	(0.00)	-	-	-	-	(0.00)
Amount Forfeited During the Year	(62.50)	-	-	-	-	(62.50)
Share Issued During the Year	(3,881.00)	-	-	-	-	(3,881.00)
Balance as at 31st March 2026	(0.00)	139.30	8,135.30	-	4,832.11	13,106.72

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

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

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

(iv) **Remeasurement of Equity & Debt Instruments & Defined Benefit Obligation through OCI:** Any changes in the Asset i.e. Investments due to change in market price of investments and changes in liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in 'Other comprehensive income' and subsequently not reclassified to the Statement of Profit and Loss.

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NOTES TO THE STANDALONE FINANCIAL STATEMENTS

Note: 14 Borrowings (Non-Current)

	Rs. in Lakh	
Particulars	31st March 2026	31st March 2025
(a) Secured Loans from Banks		
Term Loans		
HDFC Bank Term Loan Secured against Plant & Machinery, Repayable in 72 monthly instalments commencing from 07/02/2021 @ Repo+2.08% (Floating) p.a. interest.	88.88	169.01
HDFC Bank BBG-WC Term Loan (Secured against Plant & Machinery, Inventory and Book Debts and Repayable in 120 monthly instalments commencing from 07/11/2022 @Repo+2.08% p.a. interest.)	2,769.12	3,091.46
HDFC Bank Term Loan Secured against Plant & Machinery, Repayable in 72 monthly instalments commencing from 07/02/2021 @ Repo+2.08% (Floating) p.a. interest.	369.21	452.23
HDFC Bank BBG-WC Term Loan Secured against Plant & Machinery, Repayable in 96 monthly instalments commencing from 07/11/2025 @Repo+2.45% (Floating) p.a. interest.	3,546.88	3,463.25
HDFC Bank USTER Secured against Plant & Machinery, Inventory and Book Debts, Repayable in 120 monthly instalments commencing from 07/11/2022 @ Repo+2.09% (Floating) p.a. interest.	279.79	334.09
HDFC Bank Auto Premium Loan Secured by way of Hypothecation of Vehicle, Repayable in 84 monthly instalments commencing from 05/07/2022 @ 7.30% (floating) p.a. interest.	60.80	76.79
HDFC Vehicle Loan Secured by way of Hypothecation of Car, Repayable in 84 monthly instalments commencing from 07/11/2020 @ 7.40% (floating) p.a. interest.	31.43	49.47
PNB Bank Auto Loan (Secured by way of Hypothecation of Car and Repayable in 120 monthly instalments commencing from 27/06/2025 @ 8.30% (floating) p.a. interest.)	45.47	-
HDFC Bank Auto Loan (Secured by way of Hypothecation of Car and Repayable in 60 monthly instalments commencing from 07/07/2021 @ 7.60% (floating) p.a. interest.)	1.22	5.87
HDFC Bank Ultra Light Commercial Vehicle Loan Secured by way of Hypothecation of Vehicle, Repayable in 60 monthly instalments commencing from 10/12/2021 @ 7.00% (floating) p.a. interest.	1.29	3.12
Sub-Total	7,194.09	7,645.31
Less :- Current Maturities of Long Term Borrowings	1,168.96	781.75
	6,025.13	6,863.55
(b) Un-Secured Loans Due to Banks: HDFC Bank WC Term Loan-GECL EXTN (Repayable in 62 monthly instalments commencing from 07/05/2024 @Repo+2.75% (Floating) p.a. intt.)	85.49	152.92
Sub-Total	85.49	152.92
	-	-
Total	6,110.62	7,016.47

14(A) Details of discrepancy in utilisation of borrowings

There is no Discrepancy in the Utilization of Borrowings obtained during the year

14(B) Details of borrowings obtained on the basis of security of current assets

There is no Material Difference between the Stock & Book Debt Statement submitted to the bank and books of accounts

14(C) The Company has not received any Fund from any person(s) or entity(ies), including foreign entities(Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:

- (a) directly or indirectly lend or investment in other persons or entities identified in any manner whatsoever by or behalf of the funding party (Ultimate Beneficiaries) or,
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

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NOTES TO THE STANDALONE FINANCIAL STATEMENTS

Note: 15 Borrowings (Current)

	Rs. in Lakh	
Particulars	31st March 2026	31st March 2025
Secured :- Working Capital Loan from Banks		
HDFC Bank (CC Limit Secured against Hypothecation of Stock and Book Debts) (Limit sanctioned at Rs. 4700.00 Lacs Repo+2.10%)	3,393.96	2,297.55
HDFC Bank (Warehousing limit Secured against Hypothecation of Stock and Book Debts) (Limit sanctioned at Rs. 1400.00 Lacs Repo+2.20%)	1,073.96	1,409.96
Yes Bank (Pledge limit Secured against Pledge of Agri Commodities) (Limit sanctioned at Rs. 2500.00 Lacs Repo+2.30%)	551.14	2,095.83
Axis Bank LTD (Working Capital Demand Loan) (Limit sanctioned at Rs. 3000.00 Lacs Repo+2.10%)	2,372.99	2,976.98
HDFC Bank Credit Card	10.83	124.66
Axis Bank Credit Card	-	79.74
Current Maturities of Long Term Borrowings	1,168.96	781.75
Total	8,571.83	9,766.48

Note: Terms and conditions as modified and agreed with the Banker basis the last available agreement/ sanction have been disclosed.

Note: 16 Trade Payables

	Rs. in Lakh	
Particulars	31st March 2026	31st March 2025
Total outstanding dues of micro enterprises and small enterprises	150.33	15.67
Total outstanding dues of other than micro enterprises and small enterprises	436.69	411.02
Total	587.03	426.68

Trade Payables Ageing Schedules

As at 31st March 2026

S.No	Particulars	Unbilled Payables	Not Due	Outstanding for the following periods from the due date of payment				Total
				Period Due < 1 Yr	1 - 2 Yrs	2 - 3 Yrs	Period Due > 3 Yr	
a)	Dues to Micro and Small Enterprises	-	-	-	-	-	-	-
	Disputed Dues	-	-	-	-	-	-	-
	Undisputed Dues	-	-	150.33	-	-	-	150.33
	Sub Total(a)	-	-	150.33	-	-	-	150.33
								-
b)	Dues to Others	-	-	-	-	-	-	-
	Disputed Dues	-	-	-	-	-	-	-
	Undisputed Dues	-	-	436.69	-	-	-	436.69
	Sub Total(b)	-	-	436.69	-	-	-	436.69
	Total	-	-	587.03	-	-	-	587.03

* Unbilled dues shall be disclosed separately

As at 31 March 2025

S.No	Particulars	Unbilled Payables	Not Due	Outstanding for the following periods from the due date of payment				Total
				Period Due < 1 Yr	1 - 2 Yrs	2 - 3 Yrs	Period Due > 3 Yr	
a)	Dues to Micro and Small Enterprises	-	-	-	-	-	-	-
	Disputed Dues	-	-	-	-	-	-	-
	Undisputed Dues	-	-	15.67	-	-	-	15.67
	Sub Total(a)	-	-	15.67	-	-	-	15.67
								-
b)	Dues to Others	-	-	-	-	-	-	-
	Disputed Dues	-	-	-	-	-	-	-
	Undisputed Dues	-	-	411.02	-	-	-	411.02
	Sub Total(b)	-	-	411.02	-	-	-	411.02
	Total	-	-	426.68	-	-	-	426.68

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

Note: 17 Other Financial Liabilities

Rs. in Lakh

Particulars	31st March 2026	31st March 2025
Interest accrued but not due	48.98	42.38
Withheld Amount & Capital Creditors	32.15	80.76
Payable to Staff	88.00	69.69
Total	169.14	192.83

Note: 18 Other Current Liabilities

Rs. in Lakh

Particulars	31st March 2026	31st March 2025
Statutory Dues Payable	9.26	13.59
Other Liabilities	1.18	-
Total	10.43	13.59

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NOTES TO THE STANDALONE FINANCIAL STATEMENTS

Note: 19 Provisions

Rs. in Lakh

Particulars	Non-Current		Current	
	31st March 2026	31st March 2025	31st March 2026	31st March 2025
Provision for Gratuity	11.50	46.59	0.23	0.53
Total	11.50	46.59	0.23	0.53

Movement in provisions (Non-current and Current)

Rs. in Lakh

Particulars	Gratuity	Total
Balance as at 01st April, 2024	36.51	36.51
Add: Provision made during the year	10.61	10.61
Less: Amount utilised/reversed during the year	-	-
Balance as at 31st March, 2025	47.12	47.12
Add: Provision made during the year	-	-
Less: Amount utilised/reversed during the year	(35.39)	(35.39)
Balance as at 31st March, 2026	11.73	11.73

Note 19A: Current Tax Liabilities, net

Rs. in Lakh

Particulars	Current	
	31st March 2026	31st March 2025
Provision for Income Tax (Net of Advance Tax & TDS)	228.91	62.00
Total	228.91	62.00

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NOTES TO THE STANDALONE FINANCIAL STATEMENTS

Note: 20 Revenue From Operations

	Rs. in Lakh	
Particulars	31st March 2026	31st March 2025
Sale of Products	29,611.65	29,614.68
Goods Traded	527.84	566.88
Goods Manufactured	29,083.81	29,047.80
Sale of Services		
Nil	-	-
Other Operating Revenue	256.06	191.69
Rebate & Discounts	241.32	180.87
Job Work Receipts	-	8.88
Duty Drawback	4.72	0.17
Weigh Bridge Charges	1.99	1.45
Rodtep	8.02	0.32
Total	29,867.71	29,806.36

A. Reconciliation of Total Revenue above with the Contract Price

	Rs. in Lakh	
	31st March 2026	31st March 2025
Contract Price	29,611.65	29,614.68
Less: Trade Discount, Volume Rebates, etc.	-	-
Total	29,611.65	29,614.68

B. Timing-wise Revenue from Operations

	Rs. in Lakh	
	31st March 2026	31st March 2025
At a Point in Time	29,611.65	29,614.68
Over the Period of Time	-	-
Total	29,611.65	29,614.68

C. Contract Balances

	Rs. in Lakh	
	31st March 2026	31st March 2025
Trade Receivable	7,223.04	4,782.38

Note: 21 Other Income

	Rs. in Lakh	
Particulars	31st March 2026	31st March 2025
Interest Income	255.35	248.53
Interest Income from Bank	4.02	2.13
Interest Income from Other	251.33	246.40
Other Gain		
Net Gain on Disposal of Property, Plant & Equipment	5.30	-
Insurance Claim Received	14.33	24.56
Misc. Income	3.01	0.00
Net Realisation Gain/ Loss	-	0.33
Total	277.99	273.42

Note: 22 Cost of material Consumed

	Rs. in Lakh	
Particulars	31st March 2026	31st March 2025
Opening Stock of Raw Material	6,125.14	4,497.73
Add Purchases during the year	19,528.14	24,026.14
Add Freight and Other Direct Expenses Paid	617.21	668.48
Less Closing Stock of Raw Materials	3,305.80	6,125.14
Cost of Material Consumed	22,964.69	23,067.21

Note: 22A Purchase of Stock in Trade

	Rs. in Lakh	
Particulars	31st March 2026	31st March 2025
Purchase	338.65	413.14
Purchase of Stock in Trade	338.65	413.14

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NOTES TO THE STANDALONE FINANCIAL STATEMENTS

Note: 23 Changes in Inventories of finished goods, work in progress and stock in trade

Rs. in Lakh

Particulars	31st March 2026	31st March 2025
Inventories at the beginning of the Year		
Finished Goods	1,894.99	1,860.44
Work in Progress	83.15	79.71
	1,978.14	1,940.16
Inventories at the end of the Year		
Finished Goods	3,337.64	1,894.99
Work in Progress	90.48	83.15
	3,428.12	1,978.14
Net Changes in Inventory	(1,449.97)	(37.99)

Note: 24 Employees Benefit Expenses

Rs. in Lakh

Particulars	31st March 2026	31st March 2025
Salary, Wages and Allowances	954.96	870.91
Staff Welfare Expenses	33.77	33.37
Contribution to Provident Fund	17.30	18.26
Gratuity Expenses	10.46	20.33
Total	1,016.49	942.87

Note: 25 Finance Costs

Rs. in Lakh

Particulars	31st March 2026	31st March 2025
Interest Expense - Bank	1,053.76	1,005.67
Interest Expense - Others	0.39	-
Other Borrowing Cost	16.97	33.82
Total	1,071.12	1,039.50

Note- The aforesaid Finance cost excludes installation period interest & Other Borrowing Cost charged on specific borrowings from bank, capitalised during the year amounting to CY-Nil & PY - Rs.79.45 Lacs

Note: 26 Depreciation and Amortisation

Rs. in Lakh

Particulars	31st March 2026	31st March 2025
Depreciation and Amortisation Expenses (Refer Note-2 & 2B)	1,394.33	879.12
Total	1,394.33	879.12

Note: 27 Other Expenses

Rs. in Lakh

Particulars	31st March 2026	31st March 2025
Manufacturing Expenses		
Rent Expenses	13.15	19.82
Repair & Maintenance to Machinery	229.58	186.84
Repair & Maintenance to Building	26.94	2.03
Power & Fuel	2,065.45	1,628.93
Packing Expenses	315.34	279.41
Sub- Total	2,650.46	2,117.02
Selling and Distribution Expenses		
Commission to Agents	21.38	23.62
Freight	52.39	18.26
Conveyance Expenses	76.71	117.57
Sub- Total	150.49	159.44

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NOTES TO THE STANDALONE FINANCIAL STATEMENTS

Establishment Expenses		
Insurance Expenses	67.71	63.55
CSR Expenses	17.50	14.00
Professional Fees	65.71	24.78
Telephone Expenses	2.21	2.27
Payment to Auditors	7.25	2.30
Travelling Expenses	5.29	5.54
Rates and Taxes	19.38	18.65
Net Realization Gain & Loss	6.68	-
Expected Credit Loss	7.43	-
Others Misc. Expenses	12.20	22.96
Sub- Total	211.37	154.04
Total	3,012.32	2,430.51

a) Details in respect of payment to auditors:		
As Auditor:		
Statutory Audit Fee	6.45	2.00
Tax Audit Fee	0.30	0.30
Certification Fee	0.50	-
Total	7.25	2.30

Note 27A: Corporate Social Responsibility		Rs. in Lakh
Particulars	31.03.2026	31.03.2025
(i) Amount required to be spent by the company during the year	17.50	14.00
(ii) Amount of expenditure incurred		
(a) Construction/ acquisition of assets	-	-
(b) On purpose other than (a) above	17.50	14.00
(iii) Shortfall at the end of the year	N/A	N/A
(iv) Total of previous year shortfall	N/A	N/A
(v) Reason for shortfall	N/A	N/A
(vi) Nature of CSR activities	Refer note below	Refer note below
(vii) Detail of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,	Refer note below	Refer note below
(viii) Where a provision is made with respect to liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	N/A	N/A
Note		

- i) Above includes a contribution to NGO's for Child Literacy with Mid-day Meals, Animal Welfare & Rescue Mission, Promotion of Education, Donations to Charitable Foundation etc.
- ii) The Company does not carry any provisions for Corporate social responsibility expenses for current year and previous year.
- iii) There are no shortfalls as at the current year or previous year. Moreover, the Company does not wish to carry forward any excess amount spent during
- iv) The Company does not have any ongoing projects as at 31st March, 2026.
- v) Out of the aforesaid spending, ` 17.50 Lakh in Current Year and ` 14.00 Lakh in Previous Year has been given to the related party M/s KKML Welfare Foundation in which trustees are Director's of this Company (CY Rs.7.50 Lakh & PY Rs.14.00 Lakh) & Unrelated Party M/s Balaji Educational Trust (CY Rs.10.00 Lakh & PY Rs. Nil) ,

Note 28: Income Tax Expenses Recognised in Statement of Profit & Loss		Rs. in Lakh
Particulars	31st March 2026	31st March 2025
Current Tax		
Current year tax on Profit	432.50	315.76
Current Tax of prior periods	12.50	3.87
Deferred Tax		
Decrease/Increase in Deferred Tax Assets or Liability	26.95	26.77
Total	471.96	346.40

Note 28A: Income Tax Expenses Recognised in Other Comprehensive Income		Rs. in Lakh
Particulars	31st March 2026	31st March 2025
Deferred Tax		
Items that will not be reclassified to Profit & Loss	(11.16)	(0.74)
Total	(11.16)	(0.74)

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NOTES TO THE STANDALONE FINANCIAL STATEMENTS

Note 28B: Calculation of Deferred Tax Assets/(Liability)

Rs. in Lakh

Particulars	31st March 2026	31st March 2025
Restated Net Deferred Tax Asset/(Liability)		
Deferred Tax Liability in relation to:-		
Share Issue Expenses	(1.70)	(4.21)
Post Employment and Other Long term Employee Benefits	(2.95)	(11.86)
Deferred Tax Liability Recognised	(4.65)	(16.07)
Deferred Tax Asset in relation to:-		
ECL	1.87	-
Property, Plant and Equipment & Intangible Asset	278.16	251.70
Investments	0.61	2.25
Deferred Tax Asset Recognised	280.64	253.95
Net Deferred Tax Asset/(Liability)	275.99	237.88

Note 28C: Movement of Deferred Tax Asset & Liability

Rs. in Lakh

Particulars	Opening Balance As at 01 April 2024	Recognised in Statement of Profit and Loss	Recognised in other comprehensive income (OCI)	Closing Balance As at 31 March 2025
Deferred Tax Liability in relation to:-				
Share Issue Expenses	(6.96)	2.75	-	(4.21)
Post Employment and Other Long term Employee Benefits	(9.29)	(5.12)	2.55	(11.86)
Deferred Tax Liability Recognised	(16.25)	(2.37)	2.55	(16.07)
Deferred Tax Asset in relation to:-				
ECL	-	-	-	-
Property, Plant and Equipment & Intangible Asset	224.01	27.69	-	251.70
Investments	2.60	1.45	(1.81)	2.25
Deferred Tax Asset Recognised	226.61	29.14	(1.81)	253.95
Net Deferred Tax Asset	210.37	26.77	0.74	237.88

Rs. in Lakh

Particulars	Opening Balance As at 01 April 2025	Recognised in Statement of Profit and Loss	Recognised in other comprehensive income (OCI)	Closing Balance As at 31 March 2026
Deferred Tax Liability in relation to:-				
Share Issue Expenses	(4.21)	2.51	-	(1.70)
Post Employment and Other Long term Employee Benefits	(11.86)	(2.63)	11.54	(2.95)
Deferred Tax Liability Recognised	(16.07)	(0.12)	11.54	(4.65)
Deferred Tax Asset in relation to:-				
ECL	-	1.87	-	1.87
Property, Plant and Equipment & Intangible Asset	251.70	26.46	-	278.16
Investments	2.25	(1.26)	(0.38)	0.61
Deferred Tax Asset Recognised	253.95	27.07	(0.38)	280.64
Net Deferred Tax Asset	237.88	26.95	11.16	275.99

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Note 28D: Reconciliation of effective tax rate

Rs. in Lakh

Particulars	31st March 2026	Percentage	31st March 2025	Percentage
Accounting Profit before tax	1,798.07	-	1,345.42	-
Tax @ Statutory Rate of Tax	452.54	25.17%	338.61	25.17%
Effect of the amounts not deductible for computing taxable income				
Permanent Disallowances	17.50	0.97%	14.00	0.54%
Other tax impact*	1.91	0.11%	(6.22)	0.39%
Total Tax @ Effective Rate of Tax	471.95	26.25%	346.39	26.10%

*Other tax impact includes prior period adjustments, tax demands/ refunds, interest on late payment of tax, tax on exceptional items etc.

Note: 29 Disclosure as per Ind AS 33 on 'Earnings per Share'

Rs. in Lakh

Basic and Diluted Earnings per Share	31st March 2026	31st March 2025
Without Options		
Basic earnings per share in rupees (face value ₹ 10 per share)	6.06	9.39
With Options		
Diluted earnings per share in rupees (face value ₹ 10 per share)	6.06	8.03
Profit attributable to equity shareholders	Rs. in Lakh	Rs. in Lakh
Profit after tax as per Statement of Profit and Loss	1,326.12	999.02
From operations excluding regulatory deferral account balances	1,326.12	999.02
Weighted average number of equity shares	Nos.	Nos.
Opening balance of issued equity shares	1,64,19,340	1,02,92,200
Add: Weighted Average Impact of Equity Shares issued During the Year	54,53,141	3,49,158
Weighted average number of equity shares for Basic EPS	2,18,72,481	1,06,41,358
Dilution in Weighted Average Number of Equity Shares	-	17,93,022
Weighted average number of equity shares for Diluted EPS	2,18,72,481	1,24,34,380

Note:

1. Earnings per share calculations are done in accordance with IND AS 33 "Earnings per share". Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year and subsequent to the Balance sheet date but before approval of accounts in the Board is multiplied by the time weighing factor. The time weighing factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.

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Note: 30 CORPORATE INFORMATION

- a) AB COTSPIN INDIA LIMITED is one of the leading names in textile industry in north India. The company is well accepted as a quality manufacturer in cotton yarns & fabrics circle. The company lays its emphasis on manufacturing quality yarns & fabrics with competence. The company has matured over a period of time from ginning, cotton trading and then integrating to a cotton spinning mill and further adding knitting facility at the same premises.
- b) AB COTSPIN INDIA LIMITED is a spinning mill located at Bathinda road, Jaitu District Faridkot (Punjab), the company has 50000 spindles of world class technology with automation of various processes and knitting machines from Mayer & cie (Germany). The company is engaged in manufacturing world class 100% cotton yarns & fabrics both combed and carded, catering to requirements of niche customers who intern are engaged in making garments for their international buyers. The company has world class state of art R & D facility with both online and offline quality monitoring system round the clock. The company has added manufacturing slob yarns, BCI yarns, Double yarns into it's product basket. The company is certified producer of bci yarns from well acclaimed certifying agency and is planning to convert entire unit of spinning & knitting on to BCI yarns & fabrics production in near future. The company maintains complete traceability of BCI Products right from farmers to ginning, spinning yarns & fabrics.

Note: 31 Disclosure as per Indian Accounting Standard - 24 on 'Related Party Disclosures'

a) List of Related parties:

i) Key Managerial Personnel (KMP) of the company.

(as on date)

(i) Deepak Garg	Promoter & Managing Director
(ii) Manohar Lal	Promoter Group & Whole Time Director
(iii) Ramesh Kumar	Director
(iv) Puneet Bhandari	Independent Director
(v) Preet Bhatia	Independent Director
(vi) Rajesh Tuteja	Independent Director
(vii) Rahul Kapasiya	KMP-Company Secretary (w.e.f 08.07.2025)
(viii) Kannu Sharma	KMP-Company Secretary (upto 14.06.2025)
(ix) Rajinder Prashad Garg	KMP-Chief Finance Officer

ii) Relatives of Directors

1) Deepak Garg & Sons HUF	Director's Relative
2) Shimla Devi	Director's Relative
3) Pooja Garg	Promoter & Director's Relative

iii) Promoter & Promoter Group Companies

1) AB Cotton Textiles Pvt Ltd	Entity with Common Promoters
2) Diamond Traexim Private Ltd	Entity with Common Promoters
3) Prestige Oils Pvt Ltd	Entity with Common Promoters
4) Abhey Jindal	Promoter
5) Suvarna Jindal	Promoter
6) Sanya Jindal	Promoter Group
7) Renu Jindal	Promoter Group

iv) Wholly Owned Subsidiary

- 1) KKML Welfare Foundation

b) Transactions with the related parties are as follows:

Rs. In Lakh

Particulars	Relation	For the year ended 31st March 2026	For the year ended 31st March 2025
i) Remuneration to KMP			
Deepak Garg	Promoter & Managing Director	12.00	12.00
Manohar Lal Garg	Promoter Group & Whole Time Director	9.00	9.00
Ramesh Kumar	Director	5.32	4.86
Rajinder Prashad Garg	KMP-Chief Finance Officer	3.60	3.60
Kannu Sharma	KMP-Company Secretary	1.00	4.80
Rahul Kapasia	KMP-Company Secretary	7.20	-
ii) Remuneration to Others			
Pooja Garg	Promoter & Director's Relative	6.00	6.00
Suvarna Jindal	Promoter	11.00	9.00
iii) Sitting Fee to Independent Director			
Preet Bhatia	Independent Director	0.75	0.75
Rajesh Tuteja	Independent Director	4.00	-
iv) Rent Expense			
Pooja Garg	Promoter & Director's Relative	7.80	13.80
Shimla Devi	Director's Relative	0.90	1.80

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v) Capital Advance Against Purchase of Immovable Property			
Deepak Garg	Promoter & Managing Director	120.00	200.00
Pooja Garg	Promoter & Director's Relative	121.21	222.22
vi) Sales			
Deepak Garg & Sons HUF	Director's Relative	1,221.71	33.64
AB Cotton Textiles Pvt Ltd	Entity with Common Promoters	2,508.23	3,032.44
vii) Purchase			
AB Cotton Textiles Pvt Ltd	Entity with Common Promoters	1,039.56	189.93
Diamond Traexim Pvt Ltd	Entity with Common Promoters	-	1,255.68
Prestige Oils Pvt Ltd	Entity with Common Promoters	-	973.53
Deepak Garg & Sons HUF	Director's Relative	32.22	-
viii) Other Operating Revenue			
AB Cotton Textiles Pvt Ltd	Entity with Common Promoters	4.49	10.61
ix) Other Operating Cost			
AB Cotton Textiles Pvt Ltd	Entity with Common Promoters	-	2.67
x) Part Payment Received on Account of Preferential Issue			
Deepak Garg	Promoter & Managing Director	-	1,065.00
Sanya Jindal	Promoter Group	210.75	854.25
xi) Conversion of Share Warrants in Equity Shares			
Deepak Garg	Promoter & Managing Director	-	1,420.00
Sanya Jindal	Promoter Group	281.00	1,139.00
xii) Advance Given			
Diamond Traexim Pvt Ltd	Entity with Common Promoters	1,327.50	-
Prestige Oils Pvt Ltd	Entity with Common Promoters	13.00	-
xiii) Unsecured Loan Received Back			
AB Cotton Textiles Pvt Ltd	Entity with Common Promoters	-	865.73
xiv) Advance Received Back			
Diamond Traexim Pvt Ltd	Entity with Common Promoters	1,974.00	-
Prestige Oils Pvt Ltd	Entity with Common Promoters	20.08	-
xv) Interest Income			
Diamond Traexim Pvt Ltd	Entity with Common Promoters	114.52	103.94
Prestige Oils Pvt Ltd	Entity with Common Promoters	135.22	129.27
xvi) CSR Donation			
KKML Welfare Foundation	Subsidiary	7.50	14.00
xvii) Advance & Repayment of Loan & Advances			
Suvarna Jindal	Promoter	-	500.00
Abhey Jindal	Promoter	-	500.00

c) **Balances due to and from related parties are as follows:**

Rs. In Lakh

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
i) Capital Advance		
Deepak Garg	320.00	200.00
Pooja Garg	343.43	222.22
ii) Sales Receivable		
Deepak Garg & Sons HUF	297.29	35.32
AB Cotton Textiles Pvt Ltd	2,146.53	2,053.79
iii) Remuneration & Sitting Fee Payable		
Suvarna Jindal	1.00	0.75
Pooja Garg	0.50	0.50
Deepak Garg	1.00	1.00
Ramesh Kumar	0.45	0.41
Kannu Sharma	-	0.40
Manohar Lal	0.75	0.75
Rajinder Prashad Garg	0.30	0.30
Rahul Kapasia	0.80	-
Rajesh Tuteja	4.00	-
iv) Advance to Supplier		
Diamond Traexim Pvt Ltd	1,534.31	2,077.73
Prestige Oils Pvt Ltd	1,608.86	1,494.25

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

Note: 32 Provision and Contingency in compliance to the Ind AS 37**I. Contingent Liabilities not provided for**

Particulars	Rs. In Lakh	
	For the year ended 31st March 2026	For the year ended 31st March 2025
(a) Claim against Company not acknowledged as debts		
(i) Indirect Tax Demand	147.96	147.96
(b) Guarantees		
(i) Foreign Trade Ministry of Commerce	1.04	1.04
(ii) Punjab Pollution Board	0.50	0.50

Note: 1 In case quantum of liability is immaterial, the same has been ignored.**Note:** 2 The Indirect Tax Contingent Liability includes Disputed amount in relation to PIDB Act 2002, Punjab VAT Act 2005 and CST Act 1956 for FY 2011-12 and 2013-14 for which Management is of Opinion that the Demand will be Quashed in Hon'ble Punjab & Haryana High Court Forum**II. Commitments not provided for**

Particulars	Rs. In Lakh	
	For the year ended 31st March 2026	For the year ended 31st March 2025
Contracts remaining to be executed on Capital accounts (Net of Advances)	884.00	852.58

The Capital Commitment Includes C.Y Rs. 387.43 Lakh (P.Y Rs. 337.43 Lakh) to be paid to M/s Green Land Real Estate and Developers Pvt Ltd against the Purchase of Immovable Property, C.Y Rs. 65.00 Lakh (P.Y Rs. 185.00 Lakh) to be paid to Mr. Deepak Garg against the Purchase of Immovable Property, C.Y Rs. 51.56 Lakh (P.Y Rs. 172.77 lakh) to be paid to Mrs. Pooja Garg against the Purchase of Immovable Property, C.Y Rs. Nil (P.Y Rs. 138.10 Lakh) to be paid to M/s LMW Limited, C.Y Rs. Nil (P.Y Rs. 19.26 Lakh) to be paid to M/s Rieter AG against the purchase of Plant & Machinery, C.Y Rs.200.00 Lakh (P.Y Rs. Nil) to be paid to M/s AU Real Estate Services Private Limited against the Purchase of Immovable Property & C.Y Rs. 180.00 Lakh (P.Y Rs. Nil) to be paid to RIPSS Infrastructure Private Limited against the Purchase of Immovable Property.

Note: 33 Capital Management

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

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

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

The Capital Structure of the Company consists both debt and equity.

GEARING RATIO	Rs. In Lakh	
	For the year ended 31st March 2026	For the year ended 31st March 2025
Gross Debt (Long term and short term borrowings including current maturities)	14,682.45	16,782.95
Less: Cash and bank balances	1.20	0.30
Net Debt (A)	14,681.25	16,782.65
Total Equity (B)	15,322.68	11,053.42
Net Debt to equity Ratio (A/B)	0.96	0.77

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Note 34: New Labour Code

On November 21, 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations and notified final rules in May, 2026. The Company has assessed and there was no incremental impact of these changes, consistent with the guidance provided by the Institute of Chartered Accountants of India as exceptional item.

Note: 35 The Company has Regrouped/Rearranged/Recast the Expenses Payable from other Current Financial Liabilities to Trade Payable, Other Tax Assets from Current to Non Current, Credit Cards Dues & Other Minor Changes to align with Common Industry practice and improve Presentation

Note 36: Lease Notes

(a) The Company incurred Rs. 13.15 Lakh for the year ended 31st March, 2026 (31st March, 2025: Rs. 19.82 Lakh) towards expenses relating to short-term leases and leases of low-value assets.

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Note: 37 Segment Reporting

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

Particulars	Yarn		Unallocated		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
1. REVENUE						
External sales (Gross)	29,867.71	29,806.36	-	-	29,867.71	29,806.36
Other Operating Income	277.99	273.42	-	-	277.99	273.42
Total revenue	30,145.70	30,079.78	-	-	30,145.70	30,079.78
2. RESULTS						
Segment results	2,869.19	2,384.91	-	-	2,869.19	2,384.91
Unallocated expenses (net of income)	-	-	-	-	-	-
Operating profit	2,869.19	2,384.91	-	-	2,869.19	2,384.91
Finance costs	1,071.12	1,039.50			1,071.12	1,039.50
Profit before tax	1,798.07	1,345.42	-	-	1,798.07	1,345.42
Provision for taxation	471.96	346.40	-	-	471.96	346.40
Net profit after tax	1,326.12	999.02	-	-	1,326.12	999.02
3. OTHER INFORMATION						
A. ASSETS						
Segment assets	31,288.36	28,816.46	-	-	31,288.36	28,816.46
Unallocated assets	-	-	-	-	-	-
Total assets	31,288.36	28,816.46	-	-	31,288.36	28,816.46
B. LIABILITIES						
Segment liabilities	1,283.23	980.09	-	-	1,283.23	980.09
Secured and unsecured	14,682.45	16,782.95	-	-	14,682.45	16,782.95
Unallocated liabilities	-	-	-	-	-	-
Total liabilities	15,965.68	17,763.04	-	-	15,965.68	17,763.04
C. OTHERS						
Unallocated capital expenditure	-	-	-	-	-	-
Unallocated depreciation and amortisation expense	-	-	-	-	-	-
Unallocated non cash expenses other than depreciation	-	-	-	-	-	-

Segment accounting

In addition to the material accounting policies applicable to the operating segments as set out in note 2.1, the accounting policies in relation to segment accounting are as under:

(i) Segment revenue and expenses:

Joint revenue and expenses of segments are allocated amongst them on a reasonable basis. All other segment revenue and expenses are directly attributable to the segments.

(ii) Segment assets and liabilities:

Segment assets include all operating assets used by a segment and consist principally of operating cash, trade receivables , inventories and property, plant and equipment, which are reported as direct offsets in the balance sheet. Segment liabilities include all operating liabilities and consists principally of trade payables. Segment assets and liabilities do not include deferred income taxes. While most of the assets/ liabilities can be directly attributed to individual segment, the carrying amount of certain assets/ liabilities pertaining to two or more segments are allocated to the segments on a reasonable basis.

Segment revenue and profit

The expenses that are not directly attributable to the business segments are shown as unallocable expenses.

Segment assets and liabilities

Segment assets include all operating assets used by a segment and consist principally of debtors, inventories, advances and Property Plant and Equipment's. Assets at the unallocable level including cash and bank balances ,Loans, other financial asset, investment and tax assets are not allocable to segments on a reasonable basis and thus the same have not been allocated.

Segment liabilities include all operating liabilities and consist principally of creditors and accrued liabilities.

The Company's largest customers who represents more than 10% of the total revenues are as follows;

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a) Entity Wide Disclosure

Rs. In Lakh

Particulars	31st March 2026	31st March 2025
Domestic	29,602.72	29,533.82
Overseas	264.99	272.54
Segment Non Current Assets		
- Within India	13,303.40	11,594.37
- Outside India	-	-

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

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

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

b) Customers contributing more than 10% of Company's revenues

Particulars	31st March 2026	31st March 2025
No, of customer contributing 10% or more to the company's revenue for the above mentioned financial periods.	4	3
Percentage of Total Sales	52.33% collectively	56.22% collectively

Note: 38 Financial Instruments

The Company's corporate treasury functions provides services to the business, coordinates access to the financial markets, monitors and manages the financial risks relating to operations of the Company through internal risk reports which analyse exposure by degree and magnitude of risk. These risks include market risk (including currency risk, interest rate risk and other price risks, credit risk and liquidity risk.

The Company seeks to minimize the effects of these risk by using derivative financial instruments to hedge risk exposure. The issue of financial derivatives (If any) is governed by the company's policy approved by the board of directors.

The principal financial assets of the Company include loans, trade and other receivables, and cash and bank balances that derive directly from its operation. The principal financial liabilities of the Company, includes loans and borrowings, trade and other payables and the main purpose of these financial liabilities is to finance the day to day operations of the Company.

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

A. Financial Assets and Liabilities

Rs. In Lakh

Particulars	31st March 2026			31st March 2025		
	Fair Values measured through Profit and loss	Amortised cost	Fair values through other comprehensive income	Fair Values measured through Profit and loss	Amortised cost	Fair values through other comprehensive income
Financial Assets						
Investments	-	1.00	7.78	-	1.00	20.36
Trade Receivables	-	7,223.04	-	-	4,782.38	-
Cash and cash equivalents	-	1.20	-	-	0.30	-
Bank Balances other than above	-	159.31	-	-	6.52	-
Other Financial assets	-	193.06	-	-	208.02	-
Total	-	7,577.60	7.78	-	4,998.23	20.36

Rs. In Lakh

Particulars	31st March 2026			31st March 2025		
	Fair Values measured through Profit and loss	Amortised cost	Fair values through other comprehensive income	Fair Values measured through Profit and loss	Amortised cost	Fair values through other comprehensive income
Financial Liabilities						
Borrowings	-	14,682.45	-	-	16,782.95	-
Trade Payables	-	587.03	-	-	426.68	-
Other Financial Liabilities	-	169.14	-	-	192.83	-
Total	-	15,438.62	-	-	17,402.46	-

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Fair Value Hierarchy

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

Level 2: Valuation techniques with unobservable inputs. This level of hierarchy includes items measured using inputs other than quoted prices included within level 1 that are observable for such items, either directly or indirectly.

Level 3: Valuation techniques with unobservable inputs. This level of hierarchy includes items measured using inputs that are not based on observable market data (unobservable inputs). Fair value determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instruments nor based on available market data.

Sensitivity of Level 3 financial instruments are insignificant.

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

Rs. In Lakh

31st March 2026			
Particulars	Level-I	Level-II	Level-III
Financial Assets			
Investments	7.78	-	1.00

Rs. In Lakh

31st March 2025			
Particulars	Level-I	Level-II	Level-III
Financial Assets			
Investments	20.36	-	1.00

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

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

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

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

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

Note: 39 Risk Management

The Company's activities are exposed to market risk, liquidity risk and credit risk. The Company's Board of Directors has overall Company's responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

a Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to measured at Amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls. Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits. Other financial assets measured at amortized cost includes abandonment cost, security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits. The Company assesses the credit risk based on external credit ratings assigned by credit rating agencies. The Company also assesses the creditworthiness of the customers internally to whom goods are sold on credit. The impairment analysis is performed on client to client basis for the debtors that are past due at the end of each reporting date. The Company has not considered an allowance for doubtful debts in case of trade receivables.

Rs. In Lakh		
Basis of Categorization	Asset Class Exposed to Risk	Provision for ECL
Nature Wise	Financial Assets	7.43
Exposure to Credit Risk		Rs. In Lakh
Particulars	31.03.2026	31.03.2025
Trade Receivables Exposed to Credit Risk	7,230.47	4,782.38
Total	7,230.47	4,782.38

b Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities. Management monitors rolling forecasts of the Company liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company has availed CC Limits, Pledge Limits and WCDL from various Banks.

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NOTES TO THE STANDALONE FINANCIAL STATEMENTS

Maturities of Financial Liabilities

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

Maturity Table for Financial Liabilities

For Current Year

	Rs. In Lakh				
Particulars	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	Total
Borrowings	8,571.83	1,088.49	1,145.42	3,876.72	14,682.45
Other Financial Liabilities	169.14	-	-	-	169.14
Lease Liability	-	-	-	-	-
Trade Payables	587.03	-	-	-	587.03

For Previous Year

	Rs. In Lakh				
Particulars	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	Total
Borrowings	9,766.50	1,068.80	993.46	4,954.19	16,782.95
Other Financial Liabilities	192.83	-	-	-	192.83
Lease Liability	-	-	-	-	-
Trade Payables	426.68	-	-	-	426.68

c Market Risk

The Company's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:

(i) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Exposure to Interest Rate Risk		Rs. In Lakh	
Particulars		31.03.2026	31.03.2025
Borrowing bearing variable rate of interest		14,682.45	16,782.95
Total		14,682.45	16,782.95

(ii) Foreign Currency Risk

Exposure to Foreign Currency Risk		Rs. In Lakh	
Particulars		31.03.2026	31.03.2025
Trade Receivables exposed to foreign Currency risk		146.52	-
Total		146.52	-

Sensitivity Analysis Foreign Currency

For the year ended 31 st March, 2026 and 31 st March, 2025, increase / decrease of 5% in the exchange rate between the Indian rupee and Foreign Currency would impact Company's Profit before tax by Rs. 7.33 lakh/- (P.Y Nil) & Equity by Rs. 5.48 Lakh (P.Y Nil).

Note: 40 The Company has a process whereby periodically all long term contracts (including derivative contracts) are assessed for material foreseeable losses. At the year end, the company has reviewed and ensured that adequate provision as required under any law/ accounting standards for material foreseeable losses on such long term contracts (including derivative contracts) has been made in books of accounts.

Note: 41 The Company does not hold any benami property under the Benami Transactions (Prohibition) Act, 1988 and no proceeding has been initiated or is pending against the Company for holding any benami property.

Note: 42 The Company has not surrendered or disclosed any income during the year in the tax assessments under the Income Tax Act,1961

Note: 43 No scheme of arrangement for the Company has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013

Note: 44 The Company has earned a profit of Nil (FY 2025-26: Nil) on sale of cryptocurrencies during the year. The Company does not hold any cryptocurrency or virtual currency as at 31st March 2026 and 31st March 2025. The Company has also not received any deposits or advances for the purpose of investing in cryptocurrencies or virtual currencies.

Note: 45 RELATIONSHIPS WITH STRUCK OFF COMPANIES

The Company has had the following relationships with struck off companies as at the Balance Sheet date:-

Name of the Struck off Company	Nature of transactions with struck off company	31st March 2026		31st March 2025	
		Balance Outstanding	Relationship with struck off company, if any	Balance Outstanding	Relationship with struck off company, if any
Nil	Nil	Nil	Nil	Nil	Nil

Note 45A: Following disclosures required for Micro and Small Enterprises has been determined on the basis of information available with the Company

	Rs. In Lakh	
	31.03.2026	31.03.2025
DUES TO MICRO AND SMALL ENTERPRISES		
(as per the intimation received from vendors)		
a. Principal and interest amount remaining unpaid	150.33	15.67
b. Interest due thereon remaining unpaid	-	-
c. Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006,	-	-
d. Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day	-	-
e. Interest accrued and remaining unpaid	-	-
f. Interest remaining due and payable even in succeeding years, until such date when the interest dues as above are actually	-	-

Note: 46: There are no Subsequent Events which were required to be adjusted as on the Balance Sheet date.

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Note 47: Compliance with number of layers of Companies

There is no Contravention in Provisions Related to Compliance with number of layers of Companies.

Note 48: The Company has not advance or loaned or invested fund to any person(s) or entity(ies), including foreign entities(Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:

- (a) directly or indirectly lend or investment in other persons or entities identified in any manner whatsoever by or behalf of the funding party (Ultimate Beneficiaries) or,
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

Note 49: There are no amounts which were required to be transferred to the Investor Educational and Protection Fund by the Company.

Note 50: There is no charge pending to be created on the assets of the Company with the Registrar of Companies.

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Note: 51 Accounting Ratios

Particulars	Formula	31st March 2026	31st March 2025		
		Ratio	Ratio	% Variance	Reason for Variance
Current Ratio	Current assets/ Current liabilities	1.88	1.65	14.19	N/A
Debt-equity ratio	Total debt/ Shareholder's Equity	0.96	1.52	(36.89)	Ratio Improved due to Decrease in Debts & Increase in Equity
Debt service coverage ratio	Earnings available for debt service/ Debt service	2.31	1.97	16.96	N/A
Return on equity ratio	Net profit after taxes/ Average shareholder's equity	0.10	0.11	(9.92)	N/A
Inventory turnover ratio	Total Turnover/ Average inventory	4.00	4.07	(1.85)	N/A
Trade receivables turnover ratio	Net credit sales/ Average accounts receivables	4.98	6.93	(28.23)	Increase in Trade Receivables
Trade payables turnover ratio	Net credit purchase/ Average trade payables	39.20	67.73	(42.13)	Increase in Trade Payables
Net capital turnover ratio	Net sales/ Working capital	3.55	4.41	(19.52)	N/A
Net profit ratio	Net profit/ Net sales	0.04	0.03	32.47	Ratio Improved
Return on capital employed	Earning before interest and taxes/ Capital employed	0.09	0.08	11.54	N/A
Return on investments	Return on Investment/ Initial Investment	1.15	4.22	(72.83)	Decrease in Prices of Stock

The Ratio for which Variance is Less than 25% has been marked as N/A as the Reasons for Variance is Not Applicable

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NOTES TO THE STANDALONE FINANCIAL STATEMENTS

Note 52: Employee Benefit Plans

52.1 Defined Contribution Plans

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

Gratuity Fund

The table below shows a summary of the key results of the report including past results as applicable

Rs. In Lakh

Assets / Liability	31.03.2026	31.03.2025
a. Present value of obligation	11.73	47.12
b. Fair value of plan assets	-	-
c. Net assets/(liability) recognized in balance sheet as provision	(11.73)	(47.12)

a) Economic Assumptions

The principal assumptions are the discount rate & salary growth rate. The discount rate has been determined with reference to expected market yields on CG-Secs of currency and term consistent with those of benefit obligations. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis. Valuation assumptions selected by the Corporation are as follows:

	31.03.2026	31.03.2025
i) Discounting Rate	7.60%	6.80%
ii) Future Salary Increase	5.00%	5.00%
iii) Expected Rate of Return on Plan Assets	NA	NA

b) Demographic Assumption

i) Retirement Age (Years)	60	60
ii) Mortality rates inclusive of provision for disability	100% of IALM 2012-14	

Actuarial Method

a) Projected Unit Credit (PUC) Actuarial Method has been used to assess the plan's liabilities of exiting employees for retirement, death-in-service and withdrawals (Resignations / Terminations).

b) Under the PUC method, a projected accrued benefit is calculated at the beginning of the period and again at the end of the period for each benefit that will accrue for all active members of the plan. The projected accrued benefit is based on the plan accrual formula and upon service as at the beginning or end of period, but using member's final compensation, projected to the age at which the employee is assumed to leave active service. The plan liability is the actuarial present value of the projected accrued benefits as on the date of valuation.

Planned Liability

The actuarial value of gratuity liability calculated on the above

Rs. In Lakh

Year Ending	31.03.2026	31.03.2025
Present value of obligation	11.73	47.12
Service Cost		Rs. In Lakh
Particulars	31.03.2026	31.03.2025
a. Current Service Cost	7.26	17.67
b. Past Service Cost including curtailment Gains/Losses	-	-
c. Gains or Losses on Non routine settlements	-	-
Total	7.26	17.67

Net Interest Cost		Rs. In Lakh
Particulars	31.03.2026	31.03.2025
a. Interest Cost on Defined Benefit Obligation	3.20	2.66
b. Interest Income on Plan Assets	-	-
c. Net Interest Cost (Income)	3.20	2.66

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NOTES TO THE STANDALONE FINANCIAL STATEMENTS

Note 52: Employee Benefit Plans

Change in Present Benefit Obligation

Rs. In Lakh

Particulars	31.03.2025	31.03.2024
a. Present value of obligation at the beginning of year	47.12	36.91
b. Interest Cost	3.20	2.66
c. Service Cost	7.26	17.67
d. Benefits Paid	-	-
e. Total Actuarial (Gain)/Loss on Obligation	(45.85)	(10.12)
f. Present value of obligation at the end of year	11.73	47.12

Actuarial (Gain)/Loss on Obligation

Rs. In Lakh

Particulars	31.03.2026	31.03.2025
a. Actuarial (Gain)/Loss arising from Change in Demographic Assumption	-	-
b. Actuarial (Gain)/Loss arising from Change in Financial Assumption	-	-
c. Actuarial (Gain)/Loss arising from Experience Adjustment	-	-

Actuarial (Gain)/Loss on Plan Asset

Rs. In Lakh

Particulars	31.03.2026	31.03.2025
a. Expected Interest Income	-	-
b. Actual Income on Plan Asset	-	-
c. Actuarial Gain / (Loss) for the year on Asset	-	-

Balance Sheet and Related Analyses

Rs. In Lakh

Particulars	31.03.2026	31.03.2025
a. Present Value of the obligation at the end of year	11.73	47.12
b. Fair value of plan assets	-	-
c. Unfunded liability recognized in Balance Sheet	(11.73)	(47.12)

Amounts recognized in the Statement of Profit and Loss:

Rs. In Lakh

Particulars	31.03.2026	31.03.2025
a. Service Cost	7.26	17.67
b. Net Interest Cost	3.20	2.66
c. Expense recognized in the Statement of Profit & Loss	10.46	20.33

Other Comprehensive Income (OCI)

Rs. In Lakh

Particulars	31.03.2026	31.03.2025
a. Net cumulative unrecognized actuarial gain/(loss)- opening	-	-
b. Actuarial gain / (loss) for the year on PBO	(45.85)	(10.12)
c. Return on plan assets other than amounts included in net interest cost	-	-
d. Net (Income)/ Expense for the period recognized in other Comprehensive Income	(45.85)	(10.12)

Change in Plan Assets

Rs. In Lakh

Particulars	31.03.2026	31.03.2025
a. Fair value of plan assets at the beginning of year	-	-
b. Actual return on plan assets	-	-
c. Employer contribution	-	-
d. Benefits paid	-	-
e. Fair value of plan assets at the end of year	-	-

A B COTSPIN INDIA LIMITED
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Registered office: NH-54, Goniana Road , Near Lake-3, Bathinda , Punjab

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

Note 52: Employee Benefit Plans

Change in Net Defined Benefit Obligation

Rs. In Lakh

Particulars	31.03.2026	31.03.2025
a. Net defined benefit liability at the beginning of year	47.12	36.91
b. Expenses as recognized in Statement of Profit & Loss	10.46	20.33
c. Re-measurements	(45.85)	(10.12)
d. Contribution / Benefits paid	-	-
e. Net defined benefit liability at the end of the period	11.73	47.12

Bifurcation of liability recognized in Balance Sheet as provision at the end of year as Current and Non- Current.

Rs. In Lakh

Particulars	31.03.2026	31.03.2025
a. Current liability (Amount due within one year)	0.23	0.53
b. Non-Current liability (Amount due over one year)	11.50	46.59
Net Liability recognized in Balance Sheet as provision	11.73	47.12

Sensitivity Analysis of the defined benefit obligation.

Rs. In Lakh

Particulars	31.03.2026	31.03.2025
a) Impact of the change in discount rate		
Present Value of Obligation at the end of year	11.73	47.12
a. Impact due to increase of 1.0 %	10.34	41.20
b. Impact due to decrease of 1.0 %	13.40	

Particulars	31.03.2026	31.03.2025
b) Impact of the change in salary increase		
Present Value of Obligation at the end of year	11.73	47.12
a. Impact due to increase of 1.0 %	13.42	54.31
b. Impact due to decrease of 1.0 %	10.29	41.06

> Sensitivities due to mortality & withdrawals are not material & hence impact of change has not been calculated.

> Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement .

As per our report of even date attached.

For P L Mittal & Co.

Chartered Accountants

FRN:002697N

Sat Dev Garg

Partner

Membership No.: 081553

UDIN: 26081553BQDTWA1828

Place : Bathinda

Date : May 27, 2026

For and on behalf of the Board of Directors of

A B COTSPIN INDIA LIMITED

Deepak Garg

(Managing Director)

(DIN 00843929)

Manohar Lal

(Whole Time Director)

(DIN 02406686)

Rajinder Prashad Garg

(Chief Financial Officer)

(PAN: AHTPB2201Q)

Rahul Kapasiya

(Company Secretary)

(M. No. A70811)

INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the Ind AS Consolidated Financial Statements of **M/S A B COTSPIN INDIA LIMITED, BATHINDA** ("the Company") and its subsidiaries (the Company and its subsidiaries referred together as a Group) which comprise the Consolidated Balance Sheet as at 31st March 2026, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, notes to the Financial Statements and a summary of material accounting policies and other explanatory information (hereinafter referred to as the "Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2026 and their Consolidated profit and Consolidated comprehensive income, Consolidated changes in equity and their Consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of Consolidated financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated financial statements under

the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the Consolidated financial statements.

Key Audit Matters

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

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report 2025-26 but does not include the Consolidated financial statements, Consolidated financial statements and auditor's report thereon.

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

In connection with our audit of the Consolidated financial statements, our responsibility is to read the other information and, consider whether the other information is materially inconsistent with the Consolidated financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these Consolidated financial statements that give a true and fair view of the Consolidated financial position, Consolidated financial performance including other comprehensive income, Consolidated changes in equity and Consolidated cash flows of the Group in accordance with the Ind AS and accounting principles generally accepted in India.

The respective Boards of Directors of the entities included in the Group are responsible for

maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated financial statements, the respective management and the Board of Directors of the entities included in Group are responsible for assessing the ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Respective Board of Directors of the entities included in the Group are also responsible for overseeing the financial reporting process of the Group.

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

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

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

- a) Identify and assess the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company and its subsidiary Company have adequate internal financial controls with reference to Consolidated financial statements in place and the operating effectiveness of such controls.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d) Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- e) Evaluate the overall presentation, structure, and content of the Consolidated financial statements, including the disclosures, and whether the Consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the Consolidated Financial Statements.

Materiality is the magnitude of misstatements in the Consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated financial statements.

We communicate with those charged with the governance of the company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Report on Other Legal and Regulatory Requirements

1. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the Auditor's Reports on the financial statements of Company and its subsidiaries as at and for the year ended March 31, 2026, included in the Consolidated Financial Statements of the Group, we report in respect of those companies where audits have been completed under section 143 of the Act, we give below a statement on the matters specified in as under:-

Sr No.	Name	Holding Company/ Subsidiary/ Associate	CIN	Clause no of CARO Report
1	AB Cotspin India Limited	Holding	L17111PB1997PLC020118	(vii)

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

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

b) In our opinion, proper books of account as required by law have been kept by the Group, so far as it appears from our examination of those books;

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated Financial Statement.

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

e) On the basis of the written representations received from the directors as on 31st March 2026 and taken on record by the Board of Directors of the Company and the reports of the statutory auditors of the subsidiary companies, none of the directors of the Group is disqualified as on 31st March 2026, from being appointed as a director in terms of sub section (2) of section 164 of the Companies Act, 2013.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “Annexure A” which is based on the auditors’ reports of the company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company’s internal financial controls over financial reporting of those companies.

g) With respect to other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended; In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provision of section 197 of this Act.

h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

- 1) The Consolidated Financial Statements has disclosed the pending litigations which would impact on its financial position. Ref notes no. 32
- 2) The Group did not have any long-term contracts, including derivative contracts for which there were any material foreseeable losses.
- 3) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.

- i. The respective Management of the company and its subsidiaries has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, outside the Group, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - ii. The respective Management of the company and its subsidiaries has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - iii. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the company and its subsidiaries, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- 4) No Dividend is declared or paid by the Holding Company during the Year. Hence there is no non-compliance of Section 123 of the Companies Act 2013.

5) Based on our examination, which included test checks, the Company has used accounting software's for maintaining its books of account for the financial year ended March 31, 2026, which has a feature of recording audit trail (edit log) facility and the same has been operated w.e.f 20th May 2025 for all relevant transactions recorded in the software's. During the course of our audit, we did not notice any instance of audit trail feature being tampered with. Further, the audit trail has been preserved by the Company and its branches as per the statutory requirements for record retention.

For P L Mittal & Co

Chartered Accountant
FRN No.: 002697N

(Sat Dev Garg)
Partner

M. No.: 081553

UDIN: 26081553IAICKG4924

Place: Bathinda

Date: 27th May 2026

ANNEXURE – A TO THE INDEPENDENT AUDITOR’S REPORT

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

We have audited the internal financial controls over financial reporting of M/S A B COTSPIN INDIA LIMITED, BATHINDA (“the Holding Company”) and its subsidiary companies (Collectively Referred to as “the group”, as of 31st March 2026 in conjunction with our audit of the Consolidated financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The respective Company’s management and Board of Directors of the Company and its subsidiary companies is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the 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 with reference to financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control with reference to Consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated 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, to the best of our information and according to the explanation given to us, the Company and its subsidiary companies 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, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

(Sat Dev Garg)
Partner
M No. 081553
UDIN: 26081553IAICKG4924

Place: - Bathinda
Dated: - 27th May 2026

CONSOLIDATED BALANCE SHEET
As on 31st March 2026

S.No.	Particulars	Note No.	Rupees (₹) in Lakh	Rupees (₹) in Lakh
			As on 31st March 2026	As on 31st March 2025
	<u>ASSETS</u>			
I	NON-CURRENT ASSETS			
	(a) Property, Plant and Equipment	2	9,582.25	6,578.66
	(b) Capital work-in-progress	2A	-	3,317.11
	(c) Financial Assets			
	(i) Investments	4	7.78	20.36
	(ii) Other Non-Current Financial Assets	5	192.15	207.79
	(d) Other Non Current Tax Assets	6A	9.86	9.86
	(e) Other Non Current assets	6	3,510.36	1,459.59
	TOTAL NON CURRENT ASSETS		13,302.40	11,593.37
II	CURRENT ASSETS			
	(a) Inventories	7	6,790.56	8,158.39
	(b) Financial Assets			
	(i) Trade receivables	8	7,223.04	4,782.38
	(ii) Cash and Cash Equivalents	9	1.71	11.76
	(iii) Bank Balances Other than Cash and Cash Equivalents	10	159.31	18.52
	(iv) Other Current Financial Assets	5A	0.91	0.30
	(c) Other Current Assets	11	3,809.95	4,274.27
	TOTAL CURRENT ASSETS		17,985.47	17,245.62
	TOTAL ASSETS (I+II)		31,287.87	28,838.99
	<u>EQUITY AND LIABILITIES</u>			
III	EQUITY			
	(a) Equity Share Capital	12	2,215.96	1,661.53
	(b) Other Equity	13	13,105.64	9,414.11
	TOTAL EQUITY		15,321.60	11,075.65
IV	NON-CURRENT LIABILITIES			
	(a) Financial Liabilities			
	(i) Borrowings	14	6,110.62	7,016.47
	(b) Provisions	19	11.50	46.59
	(c) Deferred Tax Liabilities (Net)	3	275.99	237.88
	TOTAL NON- CURRENT LIABILITIES		6,398.12	7,300.94
V	CURRENT LIABILITIES			
	(a) Financial Liabilities			
	(i) Borrowings	15	8,571.83	9,766.48
	(ii) Trade Payables	16		
	Dues to micro and small enterprises		150.33	15.67
	Dues to others		437.29	411.32
	(iii) Other Financial Liabilities	17	169.14	192.83
	(b) Other Current Liabilities	18	10.43	13.59
	(c) Provisions	19	0.23	0.53
	(d) Current Tax Liability, Net	19A	228.90	62.00
	TOTAL CURRENT LIABILITIES		9,568.16	10,462.41
	TOTAL LIABILITIES		15,966.27	17,763.35
	TOTAL EQUITY AND LIABILITIES (III+IV+V)		31,287.87	28,838.99
	Basis of Preparation, Measurement and Material Accounting Policy			1
	The accompanying notes form an integral part of these Financial Statements.			2-52

As per our report of even date attached.

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

Sat Dev Garg
Partner
Membership No.: 081553
UDIN: 26081553IAICKG4924

Place : Bathinda
Date : May 27, 2026

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

Deepak Garg
(Managing Director)
(DIN 00843929)

Manohar Lal
(Whole Time Director)
(DIN 02406686)

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

Rahul Kapasiya
(Company Secretary)
(M. No. A70811)

Sr. No.	Particulars	Note No.	Year ended 31st March 2026	Year ended 31st March 2025
			Rupees (₹) in Lakh	Rupees (₹) in Lakh
	INCOME			
I	Revenue From Operations	20	29,888.21	29,817.61
II	Other Income	21	278.15	273.48
III	Total Income (I+II)		30,166.36	30,091.09
	EXPENSES			
IV	Cost of Material Consumed	22	22,964.69	23,067.21
	Changes in Inventories of Finished Goods, Work in Progress & Stock in Trade	23	(1,449.97)	(37.99)
	Purchase of Stock in Trade		338.65	413.14
	Employees Benefit Expenses	24	1,016.49	942.87
	Finance Costs	25	1,071.12	1,039.50
	Depreciation and Amortisation Expenses	26	1,394.33	879.12
	Other Expenses	27	3,056.30	2,419.60
	Total Expenses (IV)		28,391.60	28,723.45
V	Profit/(Loss) Before Exceptional Items Tax (III-IV)		1,774.76	1,367.64
VI	Exceptional Items		-	-
VII	Profit/(Loss) Before Tax (V-VI)		1,774.76	1,367.64
VIII	Tax expenses:	28		
	Current Tax		445.00	319.62
	Deferred Tax		26.95	26.77
	Total Tax Expenses		471.95	346.40
IX	Profit/(Loss) for the period (VII-VIII)		1,302.81	1,021.25
X	Other Comprehensive Income			
	- Items that will not be re-classified to profit and Loss			
	Net (Loss)/Gain on Fair Value of Investments		(2.95)	(13.88)
	Income Tax Effect thereon		0.38	1.81
	Re-measurement (Loss)/ Gain on defined Benefit Obligations		45.85	10.12
	Income Tax Effect thereon		(11.54)	(2.55)
	Total Other Comprehensive Income		31.74	(4.51)
XI	Total Comprehensive Income for the Year (IX+X)		1,334.55	1,016.74
	Profit/(loss) after tax for the period (III-IV) attributable to:			
	-Owners of the company		1,302.81	1,021.25
	-Non-Controlling Interests		-	-
	Total Other Comprehensive Income (VI) attributable to:			
	-Owners of the company		31.74	(4.51)
	-Non-Controlling Interests		-	-
	Total Comprehensive Income for the period (V+VI) attributable to:			
	-Owners of the company		1,334.55	1,016.74
	-Non-Controlling Interests		-	-
XII	Earnings per equity share (Par value ₹ 10/- each)*	29		
	Basic		5.96	9.60
	Diluted		5.96	8.21
	Basis of Preparation, Measurement and Material Accounting Policy			1
	The accompanying notes form an integral part of these Financial Statements.			2-52

As per our report of even date attached.

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

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

Sat Dev Garg
Partner
Membership No.: 081553
UDIN: 26081553IAICKG4924

Place : Bathinda
Date : May 27, 2026

Deepak Garg
(Managing Director)
(DIN 00843929)

Manohar Lal
(Whole Time Director)
(DIN 02406686)

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

Rahul Kapasiya
(Company Secretary)
(M. No. A70811)

Sr No	Particulars	Year Ended 31st March 2026 Rupees (₹) in Lakh	Year Ended 31st March 2025 Rupees (₹) in Lakh
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit before tax	1,774.76	1,367.64
	Add:		
	Depreciation & Amortisation Expenses	1,394.33	879.12
	Provision for Gratuity	10.46	20.33
	Finance Cost	1,071.12	1,039.50
	Less:		
	Profit on Sale of Property Plant & Equipment's	(5.30)	-
	Operating (loss)/profit before Working Capital Changes	4,245.37	3,306.59
	Movements in working capital :-		
	(Increase)/ Decrease in Inventories	1,367.84	(1,675.10)
	(Increase)/ Decrease in Trade Receivables	(2,440.66)	(966.19)
	(Increase)/ Decrease in Other than Cash Bank Balances	(140.79)	(15.59)
	(Increase)/ Decrease in Other Current Assets	464.32	(3,581.33)
	(Increase)/ Decrease in Other Financial Assets	(0.61)	(0.15)
	(Increase)/ Decrease in Loans	-	865.73
	Increase/ (Decrease) in Trade Payables	160.64	101.94
	Increase/ (Decrease) in Other Current Liabilities	(3.16)	3.03
	Increase/ (Decrease) in Other Financial Liabilities	57.06	14.49
	Operating (loss)/profit after Working Capital Changes	3,710.02	(1,946.58)
	(Increase)/ Decrease in Non- Current/Security Deposits	15.64	416.12
	(Increase)/ Decrease in Non- Current Term Deposits	(0.10)	(0.26)
	Cash Generated from Operations	3,725.56	(1,530.72)
	Refund/(Payment) of Taxes (including TDS)	(278.09)	(256.05)
	Net Cash Flow from Operating Activities (A)	3,447.47	(1,786.77)
B	CASH FLOW FROM INVESTMENT ACTIVITIES		
	Add:		
	Sale of Property, Plant and Equipment	7.00	-
	Sale of Non Current Investments	10.28	57.72
	Less:		
	Amount spent on Capital Work in Progress	-	(3,296.88)
	Purchase of Non Current Investments	-	(1.00)
	Capital Advances against Purchase of Property Plant & Equipment's	(2,050.67)	(1,457.76)
	Purchase of Property Plant & Equipment's Net of Capital Advances	(1,163.27)	(189.14)
	Net Cash Flow from Investing Activities (B)	(3,196.66)	(4,887.06)
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Add:		
	Allotment of Shares	2,910.75	3,217.75
	Proceeds from Long Term Loans and Borrowings	49.00	-
	Repayment of Long Term Loans and Borrowings	(954.85)	2,516.66
	Repayment of Short Term Loans and Borrowings	(1,194.65)	1,988.35
	Less:		
	Finance Cost Paid	(1,071.12)	(1,039.50)
	Net Cash Flow from Financing Activities (C)	(260.86)	6,683.26

	Net Increase in Cash and Cash Equivalents(A+B+C)	(10.05)	9.43
	Cash and Cash Equivalents (Opening Balance)	11.76	2.33
	Cash and Cash Equivalents (Closing Balance)	1.71	11.76
	Cash and cash equivalents consist of Balance with Bank.	1.71	11.76

Note: 1 The Above Statement of Cash Flows has been Prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

Note: 2 The accompanying notes form an integral part of these Financial Statements.

Note: 3 Reconciliation of liabilities arising from

financing activities:

Rupees (₹) in Lakh

Particulars	As at 1st April 2025	Cash Flow	Interest Expense	As at 31 March 2026
Borrowing	16,782.95	(3,171.61)	1,071.12	14,682.45

Rupees (₹) in Lakh

Particulars	As at 1st April 2024	Cash Flow	Interest Expense	As at 31 March 2025
Borrowing	12,166.76	3,576.69	1,039.50	16,782.95

Note: 4 Cash outflow for CSR Activity is Rs.61.17 Lakh & P.Y 2.50 Lakh

As per our report of even date attached.

For and on behalf of the Board of Directors of

A B COTSPIN INDIA LIMITED

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

Sat Dev Garg
Partner
Membership No.: 081553
UDIN: 26081553IAICKG4924

Place : Bathinda
Date : May 27, 2026

Deepak Garg
(Managing Director)
(DIN 00843929)

Manohar Lal
(Whole Time Director)
(DIN 02406686)

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

Rahul Kapasiya
(Company Secretary)
(M. No. A70811)

(A) Equity Share Capital

Particulars	Rupees (₹) in Lakh As at 31st March 2026	Rupees (₹) in Lakh As at 31st March 2025
Balance as the beginning of the reporting year	1,661.53	1,048.82
Changes in Equity Share Capital during the year	554.43	612.71
Balance at the end of the reporting year	2,215.96	1,661.53

(B) Other Equity

Particulars	Share Application on money pending allotment	Reserve and Surplus					Total
		Capital Reserve	Security Premium Reserve	General Reserve	Retained Earnings (Including OCI)	Minority Interest	
Balance as at 01st April 2024	2,105.00	76.80	1,132.45	-	2,483.30	-	5,797.55
Addition/Deletion during the period:	3,216.75	-	3,676.28	-	(4.22)	-	6,888.82
Profit/Loss for the Year (A)	-	-	-	-	1,021.25	-	1,021.25
Other Comprehensive Income (B)	-	-	-	-	(4.51)	-	(4.51)
Total Comprehensive Income (A+B)	-	-	-	-	1,016.74	-	1,016.74
Share Issued During the Year	(4,289.00)	-	-	-	-	-	(4,289.00)
Balance as at 31st March 2025	1,032.75	76.80	4,808.73	-	3,495.83	-	9,414.11
Balance as at 01st April 2025	1,032.75	76.80	4,808.73	-	3,495.83	-	9,414.11
Addition during the period:	2,910.75	62.50	3,326.57	-	0.65	-	6,300.47
Profit/Loss for the Year (A)	-	-	-	-	1,302.81	-	1,302.81
Other Comprehensive Income (B)	-	-	-	-	31.74	-	31.74
Total Comprehensive Income (A+B)	-	-	-	-	1,334.55	-	1,334.55
Amount Refund During the Year	(0.00)	-	-	-	-	-	(0.00)
Amount Forfeited During the Year	(62.50)	-	-	-	-	-	(62.50)
Share Issued During the Year	(3,881.00)	-	-	-	-	-	(3,881.00)
Balance as at 31st March 2026	(0.00)	139.30	8,135.30	-	4,831.03	-	13,105.64

Pursuant to the requirements of Division II to Schedule III, below is the nature and purpose of each reserve:

- (i) **Capital Reserve:** Capital Reserves include Capital Subsidy received by the Group in earlier years.
- (ii) **Securities Premium Reserve:** Securities premium is used to record the premium received on issue of shares. This reserve can be utilised in accordance with the provisions of the Companies Act 2013.
- (iii) **Retained Earnings:** Retained earnings are the profits that the Group has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.
- (iv) **Equity Instruments & FVBD0 though OCI:** Any changes in the Asset i.e. Investments due to change in Market Price of Investments and Changes in liabilities over the year due to changes

in actuarial assumptions or experience adjustments within the plans, are recognised in 'Other comprehensive income' and subsequently not reclassified to the Statement of Profit and Loss.

- (vi) **Minority Interest:** Amount of Profit Pertaining to Shareholders other than the Holding Company

As per our report of even date attached.

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

Sat Dev Garg
Partner
Membership No.: 081553
UDIN: 26081553IAICKG4924

Place : Bathinda
Date : May 27, 2026

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

Deepak Garg
(Managing Director)
(DIN 00843929)

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

Manohar Lal
(Whole Time Director)
(DIN 02406686)

Rahul Kapasiya
(Company Secretary)
(M. No. A70811)

Note 1: MATERIAL ACCOUNTING POLICIES

1.01 Statement of Compliance with Ind AS

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

1.02 Basis of Preparation and Presentation of Financial Statements

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

The Ind AS Financial Statements comprise of the Balance Sheet as at year ended 31st March 2026, the Statement of profit and loss (including Other Comprehensive Income) for the year ended 31st March 2026, statement of cash flows for the year ended 31st March 2026 and Statement of changes in equity for the year ended on that date, and accounting policies and other explanatory information.

The Financial Statements were approved by the Company’s Board of Directors and authorized for issue on 27th May 2026.

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

1.03 Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above. When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company’s voting rights in an investee are sufficient to give it power, including:

- the size of the Company’s holding of voting rights relative to the size and dispersion of holdings of the other vote holders;

- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the Consolidated Statement of Profit and Loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component's other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

The financial statements of the Company and its Subsidiary Companies have been consolidated on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. The financial statements of the subsidiary companies used in the consolidation are drawn up to the same reporting date as that of the Company.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. Unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated unless transaction provides evidence of an impairment of the transferred asset.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the Group.

1.04 Basis of Measurement

The Financial Statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India to comply with Indian Accounting Standards (Ind AS) prescribed in Companies Act 2013.

These statements are prepared under historical cost convention on accrual basis and also certain financial assets and financial liabilities which are measured at fair values at the end of each reporting period as mentioned below: -

- net defined benefit liability measured at fair value of plan assets less the present value of the defined benefit obligation (refer note 52).
- Certain financial assets and liabilities

The Company has an established control framework with respect to the measurement of fair values.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on this basis.

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

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

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

Current/ non-current classification

An asset is treated as current when it is: Expected to be realized or intended to be sold or consumed in normal operating cycle.

- Held primarily for the purpose of trading.
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
- All other assets are classified as non-current.

A liability is current when: It is expected to be settled in normal operating cycle.

- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The Group's normal operating cycle is twelve months.

Statement of Cash Flows

The statement of cash flows has been prepared under indirect method as explained in Ind AS- 7 Statement of Cash Flows. Cash flows are reported using the indirect method, whereby profit after tax is adjusted for the effects of transactions of a non-cash nature, any deferrals, or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows are segregated into operating, investing, and financing activities.

Functional and Presentation Currency

These financial statements are presented in Indian Rupees (INR), which is also the functional currency of the Group. All amounts have been rounded to the nearest lacs up to two decimal places, unless otherwise indicated. Per share data are presented in Indian Rupees to two decimals places.

The functional currency is the currency of the primary economic environment in which the Group operates and is normally the currency in which the Group primarily generates and expends cash.

1.05 Use of Key Accounting Estimates and Judgements

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

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

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

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

i) Judgments

- **Lease term:** whether the Group is reasonably certain to exercise extension options: The Group has an option to extend the term of lease at the end of lock-in period in most of its leases. The Group makes a judgement by considering future economic incentives for exercising the extension option in order to ensure reasonable certainty.

ii) Assumptions and estimation uncertainties

- **Note 52:** measurement of defined benefit obligations: key actuarial assumptions
- **Note 19 & 32:** recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.
- **Note 2 and 2B:** Useful lives of property, plant, and equipment: The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. The estimated useful life is reviewed at least annually.

1.06 Recent Accounting Developments

A. Application of newly amended Standards

Amendments to Ind AS 107 – Financial Instruments

Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments: Disclosures, applicable w.e.f. April 1, 2025 – The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Group has reviewed the amendment and based on its valuation has determined that it does not have any significant impact in its financial statements.

Amendments to Ind AS 1 – Presentation of Financial Statements

Ind AS 1, Presentation of Financial Statements, applicable w.e.f. April 1, 2025 – The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Group has no impact of these amendments in its classification criteria of current and non-current liabilities.

Amendment to Ind AS 12- Income Taxes

The Group has applied mandatory exception of recognizing and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes as required by Ind AS 12 (as amended).

Amendment to Ind AS 21- The Effects of Changes in Foreign Exchange Rates

In May 2025, MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 1, 2025. The Group has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

B. Standards notified but not yet effective.

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

1.07 Exceptional items

- An item of income or expense which by its size, nature and incidence requires disclosure in order to improve an understanding of the performance of the Group is treated as an exceptional item and disclosed as such in the financial statements.

1.08 Property, Plant and Equipment

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

Property, plant, and equipment are stated at their cost of acquisition less accumulated depreciation and impairment (if any). The cost comprises the purchase price, borrowing cost and attributable cost of bringing the asset to its working condition for its intended use. When significant parts of property, plant and equipment are required to be replaced at intervals, the Group depreciates them, separately based on their specific useful lives.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located. Cost includes, for qualifying assets, borrowing costs capitalized in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant, and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

The cost of an item of property, plant and equipment shall be recognized as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

- The land used for the factory/office building is stated at historical cost less any accumulated impairment losses.
- Gains or losses arising on retirement or sale/disposal of property, plant and equipment are recognized in the statement of Profit and Loss.
- The residual values, useful lives, and method of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

1.09 Depreciation & Amortization and Useful Life

- Depreciation on Property, Plant and Equipment is provided on Written Down Value Method and computed on the basis of the useful life prescribed in Schedule II to the Companies Act, 2013 (Act) from the date the asset is ready to put to use. Freehold land is not depreciated.
- The residual value of 5% of Original Cost/Deemed Cost is considered for the purpose of calculating Depreciation rates. The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.
- Depreciation is provided on a pro-rata basis in the year in which the assets are put to use.
- The Group has used rates to provide depreciation which coincide with the rates indicated in schedule II of the Companies Act 2013 on its fixed assets.
- Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives given below best represent the period over which management expects to use these assets.

Particulars	Minimum useful life (in years)	Maximum useful life (in years)
Buildings	30	30
Plant and Equipment	5	25
Furniture and Fixtures	5	10
Vehicles	8	10
Office Equipment	3	10
Computers	3	3

1.10 Capital Work in Progress and Intangible Assets under Development

- Property, Plant and Equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as “Capital Work-in-Progress.” These are carried at cost, comprising direct cost, related incidental expenses and attributable interest.
- Intangible Assets which are not ready for intended use as on the date of Balance Sheet are disclosed as “Intangible Assets under Development.” These are carried at cost, comprising direct cost, related incidental expenses and attributable interest.
- Advances paid towards the acquisition of property, plant and equipment and Intangible Assets outstanding at each balance sheet date are classified as capital advances under other non-current assets.

1.11 Impairment of Non-Financial Assets

At the end of each reporting period, the Group reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment

loss (if any). For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units. Each cash-generating unit represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or cash-generating units. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or cash-generating unit) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

1.12 Inventories

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

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

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

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

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

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

1.13 Assets held for Sale

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

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

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

1.14 Investments in Subsidiaries & Joint Ventures

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

1.15 Revenue Recognition

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

a) Revenue from Contracts with Customers

Pursuant to the application of Ind AS 115 - 'Revenue from Contracts with Customers' issued on 01/04/2018, the Group has applied following accounting policy for revenue recognition:

The Group recognizes revenue from contracts with customers when it satisfies a performance obligation by transferring promised goods or service to a customer. The revenue is recognized to the extent of transaction price allocated to the performance obligation satisfied. Performance obligation is satisfied over time when the transfer of control of goods or service to a customer is done over time and in other cases, performance obligation is satisfied at a point in time.

For performance obligation to satisfy overtime, the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of the actual cost incurred to date, to the total estimated cost attributable to the performance

obligation. Transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring goods or services to a customer excluding amounts collected on behalf of a third party.

Revenue is measured at the fair value of the consideration received /receivable, taking into account contractually defined terms of payment, and excluding taxes or duties collected on behalf of the government and is net of rebates and discounts.

The Group assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Group has concluded that it is acting as a principal in all of its revenue arrangements.

Revenue is recognized in the income statement to the extent that it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably. The Group has applied five step model as per Ind AS 115 'Revenue from contracts with customers' to recognize revenue in the Financial Statements. The Group satisfies a performance obligation and recognizes revenue over time, if one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs: or
- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced: or
- The Group's performance does not create an asset with an alternative use to the Group, and the entity has an enforceable right to payments for performance completed to date.

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

b) Sale of Goods

The Group recognizes revenue in relation to sale of products when it satisfies a performance obligation in accordance with the contract with the customer. This is achieved when control of the product has been transferred to the customer, which is generally determined when legal title, physical possession, risk of obsolescence, loss and rewards of ownership pass to the customer and the Group has the present right to payment, all of which occurs at a point in time upon shipment or delivery of the product.

The Group considers the terms of the contract in determining the transaction price. The transaction price is based upon the amount the Group expects to be entitled to in exchange for transferring of promised goods and services to the customer. Transaction price excludes taxes and duties collected on behalf of the government. Invoices are issued according to contractual terms and are usually payable as per the credit period agreed with the customer.

c) Rendering of Services

Revenue from providing services is recognized in the accounting period in which the services are rendered. Invoices are issued according to contractual terms and are usually payable as per the credit period agreed with the customer.

d) Other Operating Income

Export benefits under Duty Drawback fits and Remission of Duties and Taxes on Export Products Scheme (RoDTEP) are accounted for as other operating revenue on accrual basis when export of goods takes place, where there is a reasonable assurance that the benefit will be received and the Group will comply with all the attached conditions.

e) Dividend and Interest Income

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

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

1.16 Government Grants

• Capital Grants

- In the case of depreciable assets, the cost of the assets is shown at Net value.
- Government grants shall be recognized in Profit or Loss on a systematic basis over the periods of the useful life of the related asset.

• Revenue Grants

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

1.17 Employee Benefits

• Short-term employee benefits

All employee benefits falling due within twelve months of the end of the period in which the employees render the related services are classified as short-term employee benefits, which include benefits like salaries, wages, short term compensated absences, performance incentives, etc. and are recognized as

expenses in the period in which the employee renders the related service and measured on an undiscounted basis. A liability is recognized for the amount expected to be paid e.g., salaries, wages and bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

- **Post-employment benefits**

Post-employment benefit plans are classified into defined benefits plans and defined contribution plans as under:

Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and will have no legal or constructive obligation to pay further amounts. The Group's contribution is recognized as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Gratuity is a defined benefit plan. The Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment. The Group's net obligation in respect of gratuity is calculated separately by estimating the amount of future benefit that employees have earned in the current and prior periods and discounting that amount. The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

1.18 Borrowing Cost

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

1.19 Earnings per Share

- Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted-average number of equity shares outstanding during the period is adjusted for events including a bonus issue.
- For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted-average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.20 Accounting for Taxes on Income

Income taxes

The income tax expense comprises of current and deferred income tax. Income tax is recognized in the statement of profit and loss, except to the extent that it relates to items recognized in the other comprehensive income or directly in equity, in which case the related income tax is also recognized accordingly. The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets

Current tax

Current income tax for the current and prior periods is measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amounts are those that are enacted or substantively enacted as at the reporting date and applicable for the period.

While determining the tax provisions, the Group assesses whether each uncertain tax position is to be considered separately or together with one or more uncertain tax positions depending upon the nature and circumstances of each uncertain tax position. The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realise the asset and liability simultaneously.

Deferred tax

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequence that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary difference could be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Temporary differences in relation to a right-of-use asset and a lease liability for a specific lease are regarded as a net package (the lease) for the purpose of recognizing deferred tax.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Unrecognized deferred tax assets are reassessed at each reporting and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.

The Group offsets deferred tax assets and deferred tax liabilities if it has a legally enforceable right and these relate to taxes on income levied by the same governing taxation laws

1.21 Provisions, Contingent Liabilities and Contingent Assets

- Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.
- If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.
- Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.
- Provision for onerous contracts. i.e. contracts where the expected unavoidable cost of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognized when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligatory event based on a reliable estimate of such obligation.
- Contingent asset is not recognized in financial statements since this may result in the recognition of income that may never be realized. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognized.

1.22 Lease

- The Group's lease asset classes consist of leases for Land and Building. The Group assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.
- To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:
 - The contract involves the use of an identified asset.
 - The Group has substantially all of the economic benefits from use of the asset through the period of the lease and,
 - The Group has the right to direct the use of the asset.

As a lessee

- At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.
- The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.
- The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.
- The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.
- The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.
- Lease payments included in the measurement of the lease liability comprise the following:
 - fixed payments, including in-substance fixed payments;
 - variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
 - amounts expected to be payable under a residual value guarantee; and
 - the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.
- The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

- When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.
- The Group presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities separately in the balance sheet within 'Financial Liabilities'.

As a lessor

- At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.
- When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.
- To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for a major part of the economic life of the asset.
- When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.
- If an arrangement contains lease and non-lease components, then the Group applies Ind AS 115 to allocate the consideration in the contract.
- The Group applies the derecognition and impairment requirements in Ind AS 109 to the net investment in the lease (see Note 1.33). The Group further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.
- The Group recognizes lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'other income'

Short-term leases and leases of low-value assets

- The Group has elected not to recognize right-of-use assets and lease liabilities for leases of low-value assets and short-term leases having lease term of 12 months or less. The Group recognizes the lease payments associated with these leases as an expense in profit or loss on a straight-line basis over the lease term.

1.23 Offsetting of Assets and Liabilities

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

1.24 Cash and Cash Equivalents

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

1.25 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables without a significant financing component, which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to or deducted from the fair value on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Financial assets

Classification of financial instruments

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial asset at amortized cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Equity instruments at fair value through other comprehensive income (FVTOCI)
- Financial assets instruments at fair value through profit or loss (FVTPL)

Amortized Cost

A financial asset that meets the following conditions is subsequently measured at amortized cost (except for financial asset that are designated as at fair value through profit or loss on initial recognition):

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair value through other comprehensive income (FVTOCI)

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for financial asset that are designated as at fair value through profit or loss on initial recognition):

- The asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis. The Group does not have any financial assets measured at FVTOCI.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets that do not meet the amortized cost criteria or FVTOCI criteria (see above) are measured at FVTPL. In addition, debt instruments financial assets that meet the amortized cost criteria or the FVTOCI criteria may irrevocably be but are designated as at FVTPL are measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Subsequent measurement of financial instruments

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
Debt instruments at FVTOCI	These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity instruments at FVTOCI	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are not reclassified to profit or loss.

Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit losses associated with their assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition. If credit risk has not increased significantly, twelve month expected credit loss (ECL) is used to provide for impairment loss, otherwise lifetime ECL is used.

However, only in case of trade receivables, the Group applies the simplified approach using provision matrix, which takes into account historical credit loss experience and adjusted for forward-looking information.

Derecognition of financial assets

The Group derecognizes a financial asset when the contractual rights to the cash flows from the asset expiration, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

Financial liabilities and equity instruments

Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination (if any) which is subsequently measured at fair value through profit or loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition of financial liabilities

A financial liability (or a part of a financial liability) is derecognized from the Group's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Group are recognized at the proceeds received, net of direct issue costs.

Fair value of financial instruments

In determining the fair value of its financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available and quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

Refer to the table on Note. 37 for the disclosure on carrying value and fair value of financial assets and liabilities. For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments.

1.26 Foreign Currency Transactions and Translations

Transactions in currencies other than the Group's functional currency are recorded on initial recognition using the exchange rate at the transaction date.

At each reporting date, foreign currency monetary items are reported at the prevailing closing spot rate. Exchange differences that arise on settlement of monetary items or on reporting of monetary items at each reporting date at the closing spot rate are recognized in the Statement of Profit and Loss in the period in which they arise.

Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction and are not retranslated at each reporting date.

Foreign currency exchange differences are generally recognized in profit or loss.

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets which are capitalized as cost of assets.

Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency exchange differences are recognized in profit or loss.

1.27 Segment Reporting

An Operating Segment is the level at which discrete financial information is available. Business segments are identified by Chief Operating Decision Maker (CODM) considering:

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

Based on the guiding principles given in Ind AS 108 on 'Operating Segments, the Group's business activity falls within Single operating segments, i.e. Yarn. The directors monitor the operating results for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

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

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 2: Property, Plant and Equipment's

For the year ended 31st March, 2025

For the year ended 31st March, 2025									Rupees (₹) in Lakh	
	Gross Block				Depreciation and impairment				Net Book Value	
	As at 01st April 2024	Additions made during the year	Disposals/ adjustments during the year	As at 31st March, 2025	As at 01st April 2024	Depreciation charge for the year	Disposal/ adjustments during the year	As at 31st March, 2025	As at 31st March, 2025	As at 01st April 2024
<u>Owned</u>										
Land	237.16	-	-	237.16	-	-	-	-	237.16	237.16
Buildings	1,273.32	5.64	-	1,278.97	278.21	94.46	-	372.68	906.29	995.11
Plant and Equipment	7,456.57	235.02	-	7,691.59	1,779.83	699.51	-	2,479.34	5,212.24	5,676.73
Furniture and Fixtures	5.14	-	-	5.14	2.38	0.55	-	2.93	2.21	2.77
Vehicles	334.25	6.79	-	341.04	209.89	38.64	-	248.53	92.51	124.36
Office equipment	248.05	-	-	248.05	78.42	44.01	-	122.43	125.62	169.63
Computers	9.10	2.21	-	11.31	6.74	1.95	-	8.69	2.62	2.35
	9,563.59	249.67	-	9,813.26	2,355.48	879.12	-	3,234.60	6,578.66	7,208.11

For the Period ended 31st March 2026

For the Period ended 31st March 2026									Rupees (₹) in Lakh	
	Gross Block				Depreciation and impairment				Net Book Value	
	As at 01st April 2025	Additions made during the year	Disposals/ adjustments during the year	As on 31st March 2026	As at 01st April 2025	Depreciation charge for the year	Disposal/ adjustments during the year	As at 31st March 2026	As at 31st March 2026	As at 01st April 2025
<u>Owned</u>										
Land	237.16	79.70	-	316.86	-	-	-	-	316.86	237.16
Buildings	1,278.97	17.49	-	1,296.45	372.68	86.80	-	459.48	836.97	906.29
Plant and Equipment	7,691.59	4,134.62	-	11,826.21	2,479.34	1,208.49	-	3,687.83	8,138.38	5,212.24
Furniture and Fixtures	5.14	2.25	-	7.39	2.93	0.84	-	3.77	3.62	2.21
Vehicles	341.04	49.15	18.98	371.20	248.53	39.81	17.28	271.05	100.15	92.51
Office equipment	248.05	112.85	-	360.90	122.43	55.41	-	177.84	183.06	125.62
Computers	11.31	3.57	-	14.88	8.69	2.98	-	11.67	3.21	2.62
	9,813.26	4,399.62	18.98	14,193.90	3,234.60	1,394.33	17.28	4,611.65	9,582.25	6,578.66

Note: There is no Freehold Land Owned by the Group During the Current Year & Previous Year, Whose Title Deed is not in the name of Group

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 2A: Capital Work-in-Progress

Particulars	Rupees (₹) in Lakh
Balance as at 01st April 2024	-
Add:- Additions made during the year	3,317.11
Less:- Disposals/adjustments during the year	-
Balance as at 31st March, 2025	3,317.11
Balance as at 01st April 2025	3,317.11
Add:- Additions made during the year	-
Less:- Disposals/adjustments during the year	(3,317.11)
Balance as at 31st March 2026	-
Carrying Value (Net)	
As at 31st March 2026	-
As at 31st March, 2025	3,317.11

Capital work in progress ageing schedule

Rupees (₹) in Lakh
As at 31st March 2026

CWIP	Amount in Capital work in progress for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

Rupees (₹) in Lakh
As at 31 March 2025

CWIP	Amount in Capital work in progress for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	3,317.11	-	-	-	3,317.11
Projects temporarily suspended	-	-	-	-	-

(b) for Capital work in progress whose completion is overdue or has exceeded its cost compared to its original plan

As at 31st March 2026

CWIP	To be completed in			
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years
Nil	-	-	-	-

As at 31 March 2025

CWIP	To be completed in			
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years
Nil	-	-	-	-

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note: 3 Deferred Tax Assets/ (Liability)

		Rupees (₹) in Lakh	
Particulars	31st March 2026	31st March 2025	
Relating to Allowances under Income Tax Act, 1961 (In relation to Depreciation, Gratuity, Investments and ECL - Refer note no. 28A)	(275.99)	(237.88)	
Total	(275.99)	(237.88)	

Note: 4 Investments (Non current)

		Rupees (₹) in Lakh	
Particulars	31st March 2026	31st March 2025	
Financial assets measured at fair value through OCI in Statement of Profit and loss			
(i) Investment in Mutual Funds (Quoted)			
Religare Securities Ltd-Edelweiss Recently Listed IPO Fund-7,797 Units (P.Y 7,797 Units)	2.00	1.97	
(ii) Investment in Equity Shares (Quoted)			
M.K. Proteins Limited- (1,38,658 Units (P.Y 2,98,658 Units)	5.37	17.98	
Surani Steel Tubes Ltd- (400 Units (P.Y 400 Units)	0.42	0.41	
(iii) Investment in Subsidiary Company Equity Shares (Unquoted)			
KKML Welfare Foundation (10,000 Units (P.Y 10,000 Units)	-	-	
Total	7.78	20.36	

Aggregate Details of Investments

		Rupees (₹) in Lakh	
Particulars	31.03.2026	31.03.2025	
Aggregate amount of quoted investments	7.78	20.36	
Market value of quoted investments	7.78	20.36	
Aggregate amount of unquoted investments	-	-	
Market value of unquoted investments	-	-	

Note: 5 Other Non Current Financial Assets

		Rupees (₹) in Lakh	
Particulars	31st March 2026	31st March 2025	
Financial assets at amortized cost			
Unsecured and considered good), unless otherwise stated			
Security Deposits	192.15	207.79	
Total	192.15	207.79	

Note: 5A Other Current Financial Assets

		Rupees (₹) in Lakh	
Particulars	31st March 2026	31st March 2025	
Interest Accrued but Not Due	0.91	0.30	
Total	0.91	0.30	

Note: 6 Other Non Current Assets

		Rupees (₹) in Lakh	
Particulars	31st March 2026	31st March 2025	
Non Financial Assets at amortized cost			
Unsecured and considered good, unless otherwise stated			
Capital Advances	3,508.43	1,457.76	
Balance in deposit accounts with maturity more than 12 months	1.92	1.83	
Total	3,510.36	1,459.59	

Note: 6A Other Non Current Tax Assets

		Rupees (₹) in Lakh	
Particulars	31st March 2026	31st March 2025	
Income Tax	9.86	9.86	
Total	9.86	9.86	

Note: 7 Inventories

		Rupees (₹) in Lakh	
Particulars	31st March 2026	31st March 2025	
(At Cost or Net Realisable Value, whichever is lower)			
Raw Material	3,305.80	6,125.14	
Work In Progress	90.48	83.15	
Finished Goods	3,337.64	1,894.99	
Stores and Spares	56.64	55.11	
Total	6,790.56	8,158.39	

Note: Inventory is pledged and hypothecated to Banks against Pledge Limit and Working Capital Limit

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note: 8 Trade Receivables

Particulars	Rupees (₹) in Lakh	
	31st March 2026	31st March 2025
Unsecured		
Considered Good	7,223.04	4,782.38
Credit Impaired	7.43	-
Total Trade Receivable	7,230.47	4,782.38
Less: Allowance for expected Credit Loss	(7.43)	-
Total	7,223.04	4,782.38

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

The Movement in Allowance for Expected Credit Loss is as Follow:-	Rupees (₹) in Lakh	
	31st March 2026	31st March 2025
Balance as at beginning of the year	-	-
Allowance for expected credit loss during the year	7.43	-
Trade Receivable written off during the year	-	-
Balance as at end of the year	7.43	-

Note: 9 Cash and Cash Equivalents

Particulars	Rupees (₹) in Lakh	
	31st March 2026	31st March 2025
Cash In Hand	1.34	0.29
Balances with banks		
Balance with Bank in Current Accounts	0.38	11.47
Total	1.71	11.76

Note: 10 Bank Balances Other than Cash and Cash Equivalents

Particulars	Rupees (₹) in Lakh	
	31st March 2026	31st March 2025
Balance with Bank in Term Deposit Accounts:- Earmarked Balances with Banks*	159.31	18.52
Total	159.31	18.52

* The Deposits are earmarked against BG & LC obtained from Banks

Note: 11 Other Current Assets

Particulars	Rupees (₹) in Lakh	
	31st March 2026	31st March 2025
(Unsecured and considered good), unless otherwise stated		
Balance with Government Authorities		
Export Incentive Receivable	8.34	0.32
Goods & Services Tax	215.37	648.84
	223.71	649.16
Advance recoverable in cash or in kind	3,547.41	3,581.80
Prepaid Expenses	38.82	43.31
Total	3,809.95	4,274.27

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Rupees (₹) in Lakh

Note 8A: Trade Receivables Ageing Schedules

As at 31 March, 2026

	Particulars	Unbilled Receivables	Not Due	Outstanding for the following periods from the due date of payment					Total
				Less than 6 Months	6 Months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
a)	Considered Good								
	Disputed Dues	-	-	-	-	-	-	-	-
	Undisputed Dues	-	-	6,398.48	824.56	-	7.43	-	7,230.47
	Sub Total(a)	-	-	6,398.48	824.56	-	7.43	-	7,230.47
b)	Credit Impaired								
	Disputed Dues	-	-	-	-	-	-	-	-
	Undisputed Dues	-	-	-	-	-	-	-	-
	Sub Total(b)	-	-	-	-	-	-	-	-
	Less: Allowance for Expected Credit Loss	-	-	-	-	-	(7.43)	-	(7.43)
	Total (a+b)	-	-	6,398.48	824.56	-	-	-	7,237.90

Rupees (₹) in Lakh

As at 31 March, 2025

	Particulars	Unbilled Receivables	Not Due	Outstanding for the following periods from the due date of payment					Total
				Less than 6 Months	6 Months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
a)	Considered Good								
	Disputed Dues	-	-	-	-	-	-	-	-
	Undisputed Dues	-	-	4,235.05	534.91	12.43	-	-	4,782.38
	Sub Total(a)	-	-	4,235.05	534.91	12.43	-	-	4,782.38
b)	Considered Doubtful								
	Disputed Dues	-	-	-	-	-	-	-	-
	Undisputed Dues	-	-	-	-	-	-	-	-
	Less: Allowance for Expected Credit Loss	-	-	-	-	-	-	-	-
	Sub Total(b)	-	-	-	-	-	-	-	-
	Total (a+b)	-	-	4,235.05	534.91	12.43	-	-	4,782.38

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note: 12 Equity Share Capital

a) Equity Share Capital

Particulars	31st March 2026		31st March 2025	
	No. of Shares	Rupees (₹) in Lakh	No. of Shares	Rupees (₹) in Lakh
Authorised Share Capital				
Equity Share of ₹ 10/- each	240	2,400.00	240	2,400.00
Preference Share of ₹ 10/- each	4,00,000	40.00	4,00,000	40.00
Total	4,00,240	2,440.00	4,00,240	2,440.00
Issued Share Capital				
Equity Shares of ₹ 10/- each	2,23,55,620	2,235.56	1,68,11,340	1,681.13
Total	2,23,55,620	2,235.56	1,68,11,340	1,681.13
Subscribed and Paid Share Capital				
Equity Shares of ₹ 10/- each fully paid	2,19,63,620	2,196.36	1,64,19,340	1,641.93
Add: Shares forfeited Not yet Issued (392000 Equity Shares of Rs 10/-, Rs 5/- Paid up)	3,92,000	19.60	3,92,000	19.60
Total	2,23,55,620	2,215.96	1,68,11,340	1,661.53

b) Reconciliation of share outstanding at the beginning and at the end of the period

Fully paid Equity Share	31st March 2026		31st March 2025	
	No. of Shares	Rupees (₹) in Lakh	No. of Shares	Rupees (₹) in Lakh
Outstanding at the beginning of the year	1,68,11,340	1,661.53	1,06,84,200	1,048.82
Add: Issue During the Year	55,44,280	554.43	61,27,140	612.71
At the end of the year	2,23,55,620	2,215.96	1,68,11,340	1,661.53

c) Terms and rights attached to equity shares:

The Company has only one class of equity shares having a par value ₹ 10/- per share. The holders of the equity shares are entitled to voting rights proportionate to their share holding at the meetings of shareholders. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholder in the ensuing Annual General meeting. In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all liabilities. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

d) Details of shareholders holding more than 5% shares in the Company:

Name of the shareholders	31st March 2026		31st March 2025	
	No. of shares	Percentage	No. of shares	Percentage
Fully paid Equity Share of ₹ 10 each held by:				
1 Deepak Garg	51,05,671	23.25%	51,05,671	31.10%
2 Suvarna Jindal	23,40,000	10.65%	23,40,000	14.25%
3 Sanya Jindal	28,13,431	12.81%	24,12,003	14.69%

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e) Details of shares held by the Promoters

As at 31st March 2026

Promoter Name		No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total shares	% Change during the year
Deepak Garg		51,05,671	-	51,05,671	23.25	-
Sanya Jindal		24,12,003	4,01,428	28,13,431	12.81	16.64%
Suvarna Jindal		23,40,000	-	23,40,000	10.65	-
Abhey Jindal		6,90,000	-	6,90,000	3.14	-
Pooja Garg		3,45,000	-	3,45,000	1.57	-
Seema Garg		1,50,000	-	1,50,000	0.68	-
Renu Jindal		64,500	-	64,500	0.29	-
Manohar Lal		21,240	-	21,240	0.10	-

As at 31st March 2025

Promoter Name		No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total shares	% Change during the year
Deepak Garg		30,77,100	20,28,571	51,05,671	31.10%	65.92%
Manohar Lal Garg		21,240	-	21,240	0.13%	-
Pooja Garg		3,45,000	-	3,45,000	2.10%	-
Seema Garg		1,50,000	-	1,50,000	0.91%	-
Abhey Jindal		6,90,000	-	6,90,000	4.20%	-
Suvarna Jindal		23,40,000	-	23,40,000	14.25%	-
Sanya Jindal		7,84,860	16,27,143	24,12,003	14.69%	207.32%
Renu Jindal		64,500	-	64,500	0.39%	-

f) Details for Bonus Shares, Shares Bought Back and Shares allotted as fully paid up pursuant to contract without payment being received in cash

There is no Transaction in the Preceding Five Years in this Respect

g) Details of shares held by the holding Company

There is no Holding / Ultimate Company of the Company

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note: 30 CORPORATE INFORMATION

- a) AB COTSPIN INDIA LIMITED is one of the leading names in textile industry in north India. The company is well accepted as a quality manufacturer in cotton yarns & fabrics circle. The company lays its emphasis on manufacturing quality yarns & fabrics with competence's company has matured over a period of time from ginning, cotton trading and then integrating to a cotton spinning mill and further adding knitting facility at the same premises.
- b) AB COTSPIN INDIA LIMITED is a spinning mill located at Bathinda road, Jaitu District Faridkot (Punjab), the company has 50000 spindles of world class technology with automation of various processes and knitting machines from Mayer & cie (Germany). The company is engaged in manufacturing world class 100% cotton yarns & fabrics both combed and carded, catering to requirements of niche customers who intern are engaged in making garments for their international buyers. The company has world class state of art R & D facility with both online and offline quality monitoring system round the clock. The company has added manufacturing slob yarns, BCI yarns, Double yarns into it's product basket. The company is certified producer of bci yarns from well acclaimed certifying agency and is planning to convert entire unit of spinning & knitting on to BCI yarns & fabrics production in near future. The company maintains complete traceability of BCI Products right from farmers to ginning, spinning yarns & fabrics.

Note: 31 Disclosure as per Indian Accounting Standard - 24 on 'Related Party Disclosures'

a) List of Related parties:

i) Key Managerial Personnel (KMP) of the company.

(as on date)

(i) Deepak Garg	Promoter & Managing Director
(ii) Manohar Lal	Promoter Group & Whole Time Director
(iii) Ramesh Kumar	Director
(iv) Puneet Bhandari	Independent Director
(v) Preet Bhatia	Independent Director
(vi) Rajesh Tuteja	Independent Director
(vii) Rahul Kapasiya	KMP-Company Secretary (w.e.f 08.07.2025)
(viii) Kannu Sharma	KMP-Company Secretary (upto 14.06.2025)
(ix) Rajinder Prashad Garg	KMP-Chief Finance Officer

ii) Relatives of Directors

1) Deepak Garg & Sons HUF	Director's Relative
2) Shimla Devi	Director's Relative
3) Pooja Garg	Promoter & Director's Relative

iii) Promoter & Promoter Group Companies

1) AB Cotton Textiles Pvt Ltd	Entity with Common Promoters
2) Diamond Traexim Private Ltd	Entity with Common Promoters
3) Prestige Oils Pvt Ltd	Entity with Common Promoters
4) Abhey Jindal	Promoter
5) Suvarna Jindal	Promoter
6) Sanya Jindal	Promoter Group
7) Renu Jindal	Promoter Group

iv) Wholly Owned Subsidiary

- 1) KKML Welfare Foundation

b) Transactions with the related parties are as follows:

Transactions with the related parties are as follows:			Rupees (₹) in Lakh
Particulars	Relation	For the year ended 31st March 2026	For the year ended 31st March 2025
i) Remuneration to KMP			
Deepak Garg	Promoter & Managing Director	12.00	12.00
Manohar Lal Garg	Promoter Group & Whole Time Director	9.00	9.00
Ramesh Kumar	Director	5.32	4.86
Rajinder Prashad Garg	KMP-Chief Finance Officer	3.60	3.60
Kannu Sharma	KMP-Company Secretary	1.00	4.80
Rahul Kapasia	KMP-Company Secretary	7.20	-
ii) Remuneration to Others			
Pooja Garg	Promoter & Director's Relative	6.00	6.00
Suvarna Jindal	Promoter	11.00	9.00
iii) Sitting Fee to Independent			
Preet Bhatia	Independent Director	0.75	0.75
Rajesh Tuteja	Independent Director	4.00	-
iv) Rent Expense			
Pooja Garg	Promoter & Director's Relative	7.80	13.80
Shimla Devi	Director's Relative	0.90	1.80

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v) Capital Advance Against Purchase			
Deepak Garg	Promoter & Managing Director	120.00	200.00
Pooja Garg	Promoter & Director's Relative	121.21	222.22
vi) Sales			
Deepak Garg & Sons HUF	Director's Relative	1,221.71	33.64
AB Cotton Textiles Pvt Ltd	Entity with Common Promoters	2,508.23	3,032.44
vii) Purchase			
AB Cotton Textiles Pvt Ltd	Entity with Common Promoters	1,039.56	189.93
Diamond Traexim Pvt Ltd	Entity with Common Promoters	-	1,255.68
Prestige Oils Pvt Ltd	Entity with Common Promoters	-	973.53
Deepak Garg & Sons HUF	Director's Relative	32.22	-
viii) Other Operating Revenue			
AB Cotton Textiles Pvt Ltd	Entity with Common Promoters	4.49	10.61
ix) Other Operating Cost			
AB Cotton Textiles Pvt Ltd	Entity with Common Promoters	-	2.67
x) Part Payment Received on Account of Preferential Issue			
Deepak Garg	Promoter & Managing Director	-	1,065.00
Sanya Jindal	Promoter Group	210.75	854.25
xi) Conversion of Share Warrants in Equity Shares			
Deepak Garg	Promoter & Managing Director	-	1,420.00
Sanya Jindal	Promoter Group	281.00	1,139.00
xii) Advance Given			
Diamond Traexim Pvt Ltd	Entity with Common Promoters	1,327.50	-
Prestige Oils Pvt Ltd	Entity with Common Promoters	13.00	-
xiii) Unsecured Loan Received Back			
AB Cotton Textiles Pvt Ltd	Entity with Common Promoters	-	865.73
xiv) Advance Received Back			
Diamond Traexim Pvt Ltd	Entity with Common Promoters	1,974.00	-
Prestige Oils Pvt Ltd	Entity with Common Promoters	20.08	-
xv) Interest Income			
Diamond Traexim Pvt Ltd	Entity with Common Promoters	114.52	103.94
Prestige Oils Pvt Ltd	Entity with Common Promoters	135.22	129.27
xvi) CSR Donation			
KKML Welfare Foundation	Subsidiary	7.50	14.00
xvii) Advance & Repayment of Loan & Advances			
Suvarna Jindal	Promoter	-	500.00
Abhey Jindal	Promoter	-	500.00

c) Balances due to and from related parties are as follows:

			Rupees (₹) in Lakh	
Particulars	Relation	For the year ended 31st March 2026	For the year ended 31st March 2025	
i) Capital Advance				
Deepak Garg	Promoter & Managing Director	320.00	200.00	
Pooja Garg	Promoter & Director's Relative	343.43	222.22	
ii) Sales Receivable				
Deepak Garg & Sons HUF	Director's Relative	297.29	35.32	
AB Cotton Textiles Pvt Ltd	Entity with Common Promoters	2,146.53	2,053.79	
iii) Remuneration & Sitting Fee Payable				
Suvarna Jindal	Promoter	1.00	0.75	
Pooja Garg	Promoter & Director's Relative	0.50	0.50	
Deepak Garg	Promoter & Managing Director	1.00	1.00	
Ramesh Kumar	Director	0.45	0.41	
Kannu Sharma	KMP-Company Secretary	-	0.40	
Manohar Lal	Promoter Group & Whole Time Director	0.75	0.75	
Rajinder Prashad Garg	KMP-Chief Finance Officer	0.30	0.30	
Rahul Kapasia	KMP-Company Secretary	0.80	-	
Rajesh Tuteja	Independent Director	4.00	-	

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iv) Advance to Supplier			
Diamond Traexim Pvt Ltd	Entity with Common Promoters	1,534.31	2,077.73
Prestige Oils Pvt Ltd	Entity with Common Promoters	1,608.86	1,494.25

d) Terms and conditions of transactions with the related parties

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

Note: 32 Provision and Contingency in compliance to the Ind AS 37

I. Contingent Liabilities not provided for

Particulars	Rupees (₹) in Lakh	
	For the year ended 31st March 2026	For the year ended 31st March 2025
(a) Claim against Group not acknowledged as debts		
(i) Indirect Tax Demand	147.96	147.96
(b) Guarantees		
(i) Foreign Trade Ministry of Commerce	1.04	1.04
(ii) Punjab Pollution Board	0.50	0.50

Note: 1 In case quantum of liability is immaterial, the same has been ignored.

Note: 2 The Indirect Tax Contingent Liability includes Disputed amount in relation to PIDB Act 2002, Punjab VAT Act 2005 and CST Act 1956 for FY 2011-12 and 2013-14 for which Management is of Opinion that the Demand will be Quashed in Hon'ble Punjab & Haryana High Court Forum

II. Commitments not provided for

Particulars	Rupees (₹) in Lakh	
	For the year ended 31st March 2026	For the year ended 31st March 2025
Contracts remaining to be executed on Capital accounts (Net of Advances)	884.00	852.58

The Capital Commitment Includes C.Y Rs. 387.43 Lakh (P.Y Rs. 337.43 Lakh) to be paid to M/s Green Land Real Estate and Developers Pvt Ltd against the Purchase of Immovable Property, C.Y Rs. 65.00 Lakh (P.Y Rs. 185.00 Lakh) to be paid to Mr. Deepak Garg against the Purchase of Immovable Property, C.Y Rs. 51.56 Lakh (P.Y Rs. 172.77 Lakh) to be paid to Mrs. Pooja Garg against the Purchase of Immovable Property, C.Y Rs. Nil (P.Y Rs. 138.10 Lakh) to be paid to M/s LMW Limited, C.Y Rs. Nil (P.Y Rs. 19.26 Lakh) to be paid to M/s Rieter AG against the purchase of Plant & Machinery, C.Y Rs.200.00 Lakh (P.Y Rs. Nil) to be paid to M/s AU Real Estate Services Private Limited against the Purchase of Immovable Property & C.Y Rs. 180.00 Lakh (P.Y Rs. Nil) to be paid to RIPSS Infrastructure Private Limited against the Purchase of Immovable Property.

Note: 33 Capital Management

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

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

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

The Capital Structure of the Group consists both debt and equity.

GEARING RATIO	Rupees (₹) in Lakh	
	For the year ended 31st March 2026	For the year ended 31st March 2025
Gross Debt (Long term and short term borrowings including current maturities)	14,682.45	16,782.95
Less: Cash and bank balances	1.71	11.76
Net Debt (A)	14,680.74	16,771.18
Total Equity (B)	15,321.60	11,075.65
Net Debt to equity Ratio (A/B)	0.96	0.77

Note 34: New Labour Code

On November 21, 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations and notified final rules in May, 2026. The Group has assessed and there was no incremental impact of these changes, consistent with the guidance provided by the Institute of Chartered Accountants of India as exceptional item.

Note: 35 The Group has Regrouped/Rearranged/Recast the Expenses Payable from other Current Financial Liabilities to Trade Payable, Other Tax Assets from Current to Non Current, Credit Cards Dues & Other Minor Changes to align with Common Industry practice and improve Presentation

Note 36: Lease Notes

(a) The Group incurred Rs. 13.15 Lakh for the year ended 31st March, 2026 (31st March, 2025: Rs. 19.82 Lakh) towards expenses relating to short-term leases and leases of low-value assets.

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Note: 13 Other Equity

Rupees (₹) in Lakh

Particulars	Reserve and Surplus						Total
	Money Received against Share Warrants	Capital Reserve	Security Premium Reserve	General Reserve	Retained Earnings (Including OCI)	Minority Interest	
Balance as at 01st April 2024	2,105.00	76.80	1,132.45	-	2,483.30	-	5,797.55
Addition/Deletion during the period:	3,216.75	-	3,676.28	-	(4.22)	-	6,888.82
Profit/Loss for the Year (A)	-	-	-	-	1,021.25	-	1,021.25
Other Comprehensive Income (B)	-	-	-	-	(4.51)	-	(4.51)
Total Comprehensive Income	-	-	-	-	1,016.74	-	1,016.74
Share Issued During the Year	(4,289.00)	-	-	-	-	-	(4,289.00)
Balance as at 31st March 2025	1,032.75	76.80	4,808.73	-	3,495.83	-	9,414.11
Balance as at 01st April 2025	1,032.75	76.80	4,808.73	-	3,495.83	-	9,414.11
Addition during the period:	2,910.75	62.50	3,326.57	-	0.65	-	6,300.47
Profit/Loss for the Year (A)	-	-	-	-	1,302.81	-	1,302.81
Other Comprehensive Income (B)	-	-	-	-	31.74	-	31.74
Total Comprehensive Income	-	-	-	-	1,334.55	-	1,334.55
Amount Refund During the Year	(0.00)	-	-	-	-	-	(0.00)
Amount Forfeited During the Year	(62.50)	-	-	-	-	-	(62.50)
Share Issued During the Year	(3,881.00)	-	-	-	-	-	(3,881.00)
Balance as at 31st March 2026	(0.00)	139.30	8,135.30	-	4,831.03	-	13,105.64

(i) Capital Reserve: Capital Reserves include Capital Subsidy received by the Group in earlier years.

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

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

(iv) **Remeasurement of Equity & Debt Instruments & Defined Benefit Obligation through OCI:** Any changes in the Asset i.e. Investments due to change in market price of investments and changes in liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in 'Other comprehensive income' and subsequently not reclassified to the Statement of Profit and Loss.

(vi) Minority Interest: Amount of Profit Pertaining to Shareholders other than the Holding Company

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Note: 14 Borrowings (Non-Current)

	Rupees (₹) in Lakh	
Particulars	31st March 2026	31st March 2025
(a) Secured Loans from Banks		
Term Loans		
HDFC Bank Term Loan	88.88	169.01
Secured against Plant & Machinery, Repayable in 72 monthly instalments commencing from 07/02/2021 @ Repo+2.08% (Floating) p.a. interest.		
HDFC Bank BBG-WC Term Loan	2,769.12	3,091.46
(Secured against Plant & Machinery, Inventory and Book Debts and Repayable in 120 monthly instalments commencing from 07/11/2022 @Repo+2.08% p.a. interest.)		
HDFC Bank Term Loan	369.21	452.23
Secured against Plant & Machinery, Repayable in 72 monthly instalments commencing from 07/02/2021 @ Repo+2.08% (Floating) p.a. interest.		
HDFC Bank BBG-WC Term Loan	3,546.88	3,463.25
Secured against Plant & Machinery, Repayable in 96 monthly instalments commencing from 07/11/2025 @Repo+2.45% (Floating) p.a. interest.		
HDFC Bank USTER	279.79	334.09
Secured against Plant & Machinery, Inventory and Book Debts, Repayable in 120 monthly instalments commencing from 07/11/2022 @ Repo+2.09% (Floating) p.a. interest.		
HDFC Bank Auto Premium Loan	60.80	76.79
Secured by way of Hypothecation of Vehicle, Repayable in 84 monthly instalments commencing from 05/07/2022 @ 7.30% (floating) p.a. interest.		
HDFC Vehicle Loan	31.43	49.47
Secured by way of Hypothecation of Car, Repayable in 84 monthly instalments commencing from 07/11/2020 @ 7.40% (floating) p.a. interest.		
PNB Bank Auto Loan	45.47	-
(Secured by way of Hypothecation of Car and Repayable in 120 monthly instalments commencing from 27/06/2025 @ 8.30% (floating) p.a. interest.)		
HDFC Bank Auto Loan	1.22	5.87
(Secured by way of Hypothecation of Car and Repayable in 60 monthly instalments commencing from 07/07/2021 @ 7.60% (floating) p.a. interest.)		
HDFC Bank Ultra Light Commercial Vehicle Loan	1.29	3.12
Secured by way of Hypothecation of Vehicle, Repayable in 60 monthly instalments commencing from 10/12/2021 @ 7.00% (floating) p.a. interest.		
Sub-Total	7,194.09	7,645.31
Less :- Current Maturities of Long Term Borrowings	1,168.96	781.75
	6,025.13	6,863.55
(b) Un-Secured Loans		
Due to Banks:	85.49	152.92
HDFC Bank WC Term Loan-GECL EXTN (Repayable in 62 monthly instalments commencing from 07/05/2024 @Repo+2.75% (Floating) p.a. interest.)		
Sub-Total	85.49	152.92
	-	-
Total	6,110.62	7,016.47

14(A) Details of discrepancy in utilisation of borrowings

There is no Discrepancy in the Utilization of Borrowings obtained during the year

14(B) Details of borrowings obtained on the basis of security of current assets

There is no Material Difference between the Stock & Book Debt Statement submitted to the bank and books of accounts

14(C) The Group has not received any Fund from any person(s) or entity(ies), including foreign entities(Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

- (a) directly or indirectly lend or investment in other persons or entities identified in any manner whatsoever by or behalf of the funding party (Ultimate Beneficiaries) or,
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

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Note: 15 Borrowings (Current)

Particulars	Rupees (₹) in Lakh	
	31st March 2026	31st March 2025
Secured :- Working Capital Loan from Banks		
HDFC Bank (CC Limit Secured against Hypothecation of Stock and Book Debts) (Limit sanctioned at Rs. 4700.00 Lacs Repo+2.10%)	3,393.96	2,297.55
HDFC Bank (Warehousing limit Secured against Hypothecation of Stock and Book Debts) (Limit sanctioned at Rs. 1400.00 Lacs Repo+2.20%)	1,073.96	1,409.96
Yes Bank (Pledge limit Secured against Pledge of Agri Commodities) (Limit sanctioned at Rs. 2500.00 Lacs Repo+2.30%)	551.14	2,095.83
Axis Bank LTD (Working Capital Demand Loan) (Limit sanctioned at Rs. 3000.00 Lacs Repo+2.10%)	2,372.99	2,976.98
HDFC Bank Credit Card	10.83	124.66
Axis Bank Credit Card	-	79.74
Current Maturities of Long Term Borrowings	1,168.96	781.75
Total	8,571.83	9,766.48

Note: Terms and conditions as modified and agreed with the Banker basis the last available agreement/ sanction have been disclosed.

Note: 16 Trade Payables

Particulars	Rupees (₹) in Lakh	
	31st March 2026	31st March 2025
Total outstanding dues of micro enterprises and small enterprises	150.33	15.67
Total outstanding dues of other than micro enterprises and small enterprises	437.29	411.32
Total	587.63	426.98

Trade Payables Ageing Schedules

Rupees (₹) in Lakh
As at 31st March 2026

S.No	Particulars	Unbilled Payables	Not Due	Outstanding for the following periods from the due date of payment				Total
				Period Due < 1 Yr	1 - 2 Yrs	2 - 3 Yrs	Period Due > 3 Yr	
a)	Dues to Micro and Small Enterprise	-	-	-	-	-	-	-
	Disputed Dues	-	-	-	-	-	-	-
	Undisputed Dues	-	-	150.33	-	-	-	150.33
	Sub Total(a)	-	-	150.33	-	-	-	150.33
								-
b)	Dues to Others	-	-	-	-	-	-	-
	Disputed Dues	-	-	-	-	-	-	-
	Undisputed Dues	-	-	436.69	-	-	-	436.69
	Sub Total(b)	-	-	436.69	-	-	-	436.69
	Total	-	-	587.03	-	-	-	587.03

* Unbilled dues shall be disclosed separately

As at 31 March 2025

S.No	Particulars	Unbilled Payables	Not Due	Outstanding for the following periods from the due date of payment				Total
				Period Due < 1 Yr	1 - 2 Yrs	2 - 3 Yrs	Period Due > 3 Yr	
a)	Dues to Micro and Small Enterprise	-	-	-	-	-	-	-
	Disputed Dues	-	-	-	-	-	-	-
	Undisputed Dues	-	-	15.67	-	-	-	15.67
	Sub Total(a)	-	-	15.67	-	-	-	15.67
								-
b)	Dues to Others	-	-	-	-	-	-	-
	Disputed Dues	-	-	-	-	-	-	-
	Undisputed Dues	-	-	411.32	-	-	-	411.32
	Sub Total(b)	-	-	411.32	-	-	-	411.32
	Total	-	-	426.98	-	-	-	426.98

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

Note: 17 Other Financial Liabilities

Rupees (₹) in Lakh

Particulars	31st March 2026	31st March 2025
Interest accrued but not due	48.98	42.38
Withheld Amount & Capital Creditors	32.15	80.76
Payable to Staff	88.00	69.69
Total	169.14	192.83

Note: 18 Other Current Liabilities

Rupees (₹) in Lakh

Particulars	31st March 2026	31st March 2025
Statutory Dues Payable	9.26	13.59
Other Liabilities	1.18	-
Total	10.43	13.59

Note: 19 Provisions

Rupees (₹) in Lakh

Particulars	Non-Current		Current	
	31st March 2026	31st March 2025	31st March 2026	31st March 2025
Provision for Gratuity	11.50	46.59	0.23	0.53
Total	11.50	46.59	0.23	0.53

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Movement in provisions (Non-current and Current)		Rupees (₹) in Lakh	
Particulars	Gratuity	Total	
Balance as at 01st April, 2024	36.51	36.51	
Add: Provision made during the year	10.61	10.61	
Less: Amount utilised/reversed during the year	-	-	
Balance as at 31st March, 2025	47.12	47.12	
Add: Provision made during the year	-	-	
Less: Amount utilised/reversed during the year	(35.39)	(35.39)	
Balance as at 31st March, 2026	11.73	11.73	

Note 19A: Current Tax Liabilities, net		Rupees (₹) in Lakh	
Particulars	Current		
	31st March 2026	31st March 2025	
Provision for Income Tax (Net of Advance Tax & TDS)	228.90	62.00	
Total	228.90	62.00	

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Note: 20 Revenue From Operations

Particulars	Rupees (₹) in Lakh	
	31st March 2026	31st March 2025
Sale of Products	29,611.65	29,614.68
Goods Traded	527.84	566.88
Goods Manufactured	29,083.81	29,047.80
Sale of Services		
Nil	-	-
Donation Received	20.50	11.25
Other Operating Revenue	256.06	191.69
Rebate & Discounts	241.32	180.87
Job Work Receipt	-	8.88
Duty Drawback	4.72	0.17
Weigh Bridge Charges	1.99	1.45
Rodtep	8.02	0.32
Total	29,888.21	29,817.61

A. Reconciliation of Total Revenue above with the Contract Price

	Rupees (₹) in Lakh	
	31st March 2026	31st March 2025
Contract Price	29,632.15	29,625.93
Less: Trade Discount, Volume Rebates, etc.	-	-
Total	29,632.15	29,625.93

B. Timing-wise Revenue from Operations

	Rupees (₹) in Lakh	
	31st March 2026	31st March 2025
At a Point in Time	29,632.15	29,625.93
Over the Period of Time	-	-
Total	29,632.15	29,625.93

C. Contract Balances

	Rupees (₹) in Lakh	
	31st March 2026	31st March 2025
Trade Receivable	7,223.04	4,782.38

Note: 21 Other Income

Particulars	Rupees (₹) in Lakh	
	31st March 2026	31st March 2025
Interest Income	255.51	248.59
Interest Income From Bank	4.18	2.19
Interest Income From Other	251.33	246.40
Other Gain		
Net Gain on Disposal of Property, Plant & Equipment	5.30	-
Insurance Claim Received	14.33	24.56
Misc. Income	3.01	0.00
Net Realisation Gain/ Loss	-	0.33
Total	278.15	273.48

Note: 22 Cost of material Consumed

Particulars	Rupees (₹) in Lakh	
	31st March 2026	31st March 2025
Opening Stock of Raw Material	6,125.14	4,497.73
Add Purchases during the year of Raw Material	19,528.14	24,026.14
Add Freight and Other Direct Expenses Paid of Raw Material	617.21	668.48
Less Closing Stock of Raw Material	3,305.80	6,125.14
Cost of Material Consumed	22,964.69	23,067.21

Note: 22A Purchase of Stock in Trade

Particulars	Rupees (₹) in Lakh	
	31st March 2026	31st March 2025
Purchase	338.65	413.14
Purchase of Stock in Trade	338.65	413.14

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**Note: 23 Changes in Inventories of finished goods, work in progress and stock in trade**

Particulars	Rupees (₹) in Lakh	
	31st March 2026	31st March 2025
Inventories at the beginning of the Year		
Finished Goods	1,894.99	1,860.44
Work in Progress	83.15	79.71
	1,978.14	1,940.16
Inventories at the end of the Year		
Finished Goods	3,337.64	1,894.99
Work in Progress	90.48	83.15
	3,428.12	1,978.14
Net Changes in Inventory	(1,449.97)	(37.99)

Note: 24 Employees Benefit Expenses

Particulars	Rupees (₹) in Lakh	
	31st March 2026	31st March 2025
Salary, Wages and Allowances	954.96	870.91
Staff Welfare Expenses	33.77	33.37
Contribution to Provident Fund	17.30	18.26
Gratuity Expenses	10.46	20.33
Total	1,016.49	942.87

Note: 25 Finance Costs

Particulars	Rupees (₹) in Lakh	
	31st March 2026	31st March 2025
Interest Expense - Bank	1,053.76	1,005.67
Interest Expense - Others	0.39	-
Other Borrowing Cost	16.97	33.82
Total	1,071.12	1,039.50

Note- The aforesaid Finance cost excludes installation period interest & Other Borrowing Cost charged on specific borrowings from bank, capitalised during the year amounting to CY-Nil & PY - Rs.79.45 Lacs

Note: 26 Depreciation and Amortisation

Particulars	Rupees (₹) in Lakh	
	31st March 2026	31st March 2025
Depreciation and Amortisation Expenses (Refer Note-2 & 2B)	1,394.33	879.12
Total	1,394.33	879.12

Note: 27 Other Expenses

Particulars	Rupees (₹) in Lakh	
	31st March 2026	31st March 2025
Manufacturing Expenses		
Rent Expenses	13.15	19.82
Repair & Maintenance to Machinery	229.58	186.84
Repair & Maintenance to Building	26.94	2.03
Power & Fuel	2,065.45	1,628.93
Packing Expenses	315.34	279.41
Sub- Total	2,650.46	2,117.02
Selling and Distribution Expenses		
Commission to Agents	21.38	23.62
Freight	52.39	18.26
Conveyance Expenses	76.71	117.57
Sub- Total	150.49	159.44

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Establishment Expenses		
Insurance Expenses	67.71	63.55
CSR Expenses	61.17	2.50
Professional Fees	65.71	25.03
Telephone Expenses	2.21	2.27
Payment to Auditors	7.55	2.60
Travelling Expenses	5.29	5.54
Rates and Taxes	19.38	18.69
Net Realization Gain & Loss	6.68	-
Expected Credit Loss	7.43	-
Others Misc. Expenses	12.20	22.96
Sub- Total	255.34	143.13
Total	3,056.30	2,419.60

a) Details in respect of payment to auditors:

As Auditor:		
Statutory Audit Fee	6.75	2.30
Tax Audit Fee	0.30	0.30
Certification Fee	0.50	-
Total	7.55	2.60

Note 27A: Corporate Social Responsibility

Rupees (₹) in Lakh

Particulars	31.03.2026	31.03.2025
(i) Amount required to be spent by the Group during the year	61.17	2.50
(ii) Amount of expenditure incurred		
(a) Construction/ acquisition of assets	-	-
(b) On purpose other than (a) above	61.17	2.50
(iii) Shortfall at the end of the year	N/A	N/A
(iv) Total of previous year shortfall	N/A	N/A
(v) Reason for shortfall	N/A	N/A
(vi) Nature of CSR activities	Refer note below	Refer note below
(vii) Detail of related party transactions, e.g., contribution to a trust controlled by the Group in relation to CSR expenditure as per relevant Accounting Standard,	Refer note below	Refer note below
(viii) Where a provision is made with respect to liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	N/A	N/A

Note

- i) Above includes a contribution to NGO's for Child Literacy with Mid-day Meals, Animal Welfare & Rescue Mission, Promotion of Education, Donations to Charitable Foundation etc.
- ii) The Group does not carry any provisions for Corporate social responsibility expenses for current year and previous year.
- iii) There are no shortfalls as at the current year or previous year. Moreover, the Group does not wish to carry forward any excess amount spent during the
- iv) The Group does not have any ongoing projects as at 31st March, 2026.
- v) The aforesaid spending, ` 61,17,000.00 in Current Year and ` 2,50,000.00 in Previous Year has been given to the Various Educational & Charitable Institution. The Intra Group Transaction of Donation Given by Parent Company to Subsidiary Company is Eliminated

Note 28: Income Tax Expenses Recognised in Statement of Profit & Loss

Rupees (₹) in Lakh

Particulars	31st March 2026	31st March 2025
Current Tax		
Current year tax on Profit	432.50	315.76
Current Tax of prior periods	12.50	3.87
Deferred Tax		
Decrease/Increase in Deferred Tax Assets or Liability	26.95	26.77
Total	471.95	346.40

Note 28A: Income Tax Expenses Recognised in Other Comprehensive Income

Rupees (₹) in Lakh

Particulars	31st March 2026	31st March 2025
Deferred Tax		
Items that will not be reclassified to Profit & Loss	(11.16)	(0.74)
Total	(11.16)	(0.74)

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Note 28B: Calculation of Deferred Tax Assets/(Liability)

Rupees (₹) in Lakh

Particulars	31st March 2026	31st March 2025
Restated Net Deferred Tax Asset/(Liability)		
Deferred Tax Liability in relation to:-		
Share Issue Expenses	(1.70)	(4.21)
Post Employment and Other Long term Employee Benefits	(2.95)	(11.86)
Deferred Tax Liability Recognised	(4.65)	(16.07)
Deferred Tax Asset in relation to:-		
ECL	1.87	-
Property, Plant and Equipment & Intangible Asset	278.16	251.70
Investments	0.61	2.25
Deferred Tax Asset Recognised	280.64	253.95
Net Deferred Tax Asset/(Liability)	275.99	237.88

Note 28C: Movement of Deferred Tax Asset & Liability

Rupees (₹) in Lakh

Particulars	Opening Balance As at 01 April 2024	Recognised in Statement of Profit and Loss	Recognised in other comprehensive income (OCI)	Closing Balance As at 31 March 2025
Deferred Tax Liability in relation to:-				
Share Issue Expenses	(6.96)	2.75	-	(4.21)
Post Employment and Other Long term Employee Benefits	(9.29)	(5.12)	2.55	(11.86)
Deferred Tax Liability Recognised	(16.25)	(2.37)	2.55	(16.07)
Deferred Tax Asset in relation to:-				
ECL	-	-	-	-
Property, Plant and Equipment & Intangible Asset	224.01	27.69	-	251.70
Investments	2.60	1.45	(1.81)	2.25
Deferred Tax Asset Recognised	226.61	29.14	(1.81)	253.95
Net Deferred Tax Asset	210.37	26.77	0.74	237.88

Rupees (₹) in Lakh

Particulars	Opening Balance As at 01 April 2025	Recognised in Statement of Profit and Loss	Recognised in other comprehensive income (OCI)	Closing Balance As at 31 March 2026
Deferred Tax Liability in relation to:-				
Share Issue Expenses	(4.21)	2.51	-	(1.70)
Post Employment and Other Long term Employee Benefits	(11.86)	9.29	(0.38)	(2.95)
Deferred Tax Liability Recognised	(16.07)	11.80	(0.38)	(4.65)
Deferred Tax Asset in relation to:-				
ECL	-	1.87	-	1.87
Property, Plant and Equipment & Intangible Asset	251.70	26.46	-	278.16
Investments	2.25	(13.18)	11.54	0.61
Deferred Tax Asset Recognised	253.95	15.15	11.54	280.64
Net Deferred Tax Asset	237.88	26.95	11.16	275.99

Note 28D: Reconciliation of effective tax rate

Rupees (₹) in Lakh

Particulars	31st March 2026	Percentage	31st March 2025	Percentage
Accounting Profit before tax	1,774.76	-	1,367.64	-
Tax @ Statutory Rate of Tax	446.67	25.17%	344.21	25.17%
Effect of the amounts not deductible for computing taxable income				
Permanent Disallowances	61.17	3.45%	14.00	0.54%
Other tax impact*	1.91	0.11%	(6.22)	0.39%
Total Tax @ Effective Rate of Tax	509.75	28.72%	351.98	26.10%

*Other tax impact includes prior period adjustments, tax demands/ refunds, interest on late payment of tax, tax on exceptional items etc.

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Note: 29 Disclosure as per Ind AS 33 on 'Earnings per Share'

	Rupees (₹) in Lakh	
Basic and Diluted Earnings per Share	31st March 2026	31st March 2025
Without Options		
Basic earnings per share in rupees (face value ₹ 10 per share)	5.96	9.60
With Options		
Diluted earnings per share in rupees (face value ₹ 10 per share)	5.96	8.21
Profit attributable to equity shareholders	Rupees (₹) in Lakh	Rupees (₹) in Lakh
Profit after tax as per Statement of Profit and Loss	1,302.81	1,021.25
From operations excluding regulatory deferral account balances	1,302.81	1,021.25
Weighted average number of equity shares	Nos.	Nos.
Opening balance of issued equity shares	1,64,19,340	1,02,92,200
Add: Weighted Average Impact of Equity Shares issued During the Year	54,53,141	3,49,158
Weighted average number of equity shares for Basic EPS	2,18,72,481	1,06,41,358
Dilution in Weighted Average Number of Equity Shares	-	17,93,022
Weighted average number of equity shares for Diluted EPS	2,18,72,481	1,24,34,380

Note:

1. Earnings per share calculations are done in accordance with IND AS 33 "Earnings per share". Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year and subsequent to the Balance sheet date but before approval of accounts in the Board is multiplied by the time weighing factor. The time weighing factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.

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Note: 37 Segment Reporting

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

Rupees (₹) in Lakh

Particulars	Yarn and CSR		Unallocated		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
1. REVENUE						
External sales (Gross)	29,888.21	29,817.61	-	-	29,888.21	29,817.61
Other Operating Income	278.15	273.48	-	-	278.15	273.48
Total revenue	30,166.36	30,091.09	-	-	30,166.36	30,091.09
2. RESULTS						
Segment results	2,845.88	2,407.14	-	-	2,845.88	2,407.14
Unallocated expenses (net of income)	-	-	-	-	-	-
Operating profit	2,845.88	2,407.14	-	-	2,845.88	2,407.14
Finance costs	1,071.12	1,039.50	-	-	1,071.12	1,039.50
Profit before tax	1,774.76	1,367.64	-	-	1,774.76	1,367.64
Provision for taxation	471.95	346.40	-	-	471.95	346.40
Net profit after tax	1,302.81	1,021.25	-	-	1,302.81	1,021.25
3. OTHER INFORMATION						
A. ASSETS						
Segment assets	31,287.87	28,838.99	-	-	31,287.87	28,838.99
Unallocated assets	-	-	-	-	-	-
Total assets	31,287.87	28,838.99	-	-	31,287.87	28,838.99
B. LIABILITIES						
Segment liabilities	1,283.82	980.40	-	-	1,283.82	980.40
Secured and unsecured loans	14,682.45	16,782.95	-	-	14,682.45	16,782.95
Unallocated liabilities	-	-	-	-	-	-
Total liabilities	15,966.27	17,763.35	-	-	15,966.27	17,763.35
C. OTHERS						
Unallocated capital expenditure	-	-	-	-	-	-
Unallocated depreciation and amortisation expense	-	-	-	-	-	-
Unallocated non cash expenses other than depreciation	-	-	-	-	-	-

Segment accounting

In addition to the material accounting policies applicable to the operating segments as set out in note 2.1, the accounting policies in relation to segment accounting are as under:

(i) Segment revenue and expenses:

Joint revenue and expenses of segments are allocated amongst them on a reasonable basis. All other segment revenue and expenses are directly attributable to the segments.

(ii) Segment assets and liabilities:

Segment assets include all operating assets used by a segment and consist principally of operating cash, trade receivables , inventories and property, plant and equipment, which are reported as direct offsets in the balance sheet. Segment liabilities include all operating liabilities and consists principally of trade payables. Segment assets and liabilities do not include deferred income taxes. While most of the assets/ liabilities can be directly attributed to individual segment, the carrying amount of certain assets/ liabilities pertaining to two or more segments are allocated to the segments on a reasonable basis.

Segment revenue and profit

The expenses that are not directly attributable to the business segments are shown as unallocable expenses.

Segment assets and liabilities

Segment assets include all operating assets used by a segment and consist principally of debtors, inventories, advances and Property Plant and Equipment's. Assets at the unallocable level including cash and bank balances ,Loans, other financial asset, investment and tax assets are not allocable to segments on a reasonable basis and thus the same have not been allocated.

Segment liabilities include all operating liabilities and consist principally of creditors and accrued liabilities.

The Company's largest customers who represents more than 10% of the total revenues are as follows;

a) Entity Wide Disclosure

Rupees (₹) in Lakh

Particulars	31st March 2026	31st March 2025
Domestic	29,623.22	29,545.07
Overseas	264.99	272.54
Segment Non Current Assets		
- Within India	13,302.40	11,593.37
- Outside India	-	-

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

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

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

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b) Customers contributing more than 10% of Company's revenues

Particulars	31st March 2026	31st March 2025
No, of customer contributing 10% or more to the company's revenue for the above mentioned financial periods.	4	3
Percentage of Total Sales	52.33% collectively	56.22% collectively

Note: 38 Financial Instruments

The Company's corporate treasury functions provides services to the business, coordinates access to the financial markets, monitors and manages the financial risks relating to operations of the Company through internal risk reports which analyse exposure by degree and magnitude of risk. These risks include market risk (including currency risk, interest rate risk and other price risks, credit risk and liquidity risk.

The Company seeks to minimize the effects of these risk by using derivative financial instruments to hedge risk exposure. The issue of financial derivatives (If any) is governed by the company's policy approved by the board of directors.

The principal financial assets of the Company include loans, trade and other receivables, and cash and bank balances that derive directly from its operation. The principal financial liabilities of the Company, includes loans and borrowings, trade and other payables and the main purpose of these financial liabilities is to finance the day to day operations of the Company.

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

A. Financial Assets and Liabilities

Rupees (₹) in Lakh

Particulars	31st March 2026			31st March 2025		
	Fair Values measured through Profit and loss	Amortised cost	Fair values through other comprehensive income	Fair Values measured through Profit and loss	Amortised cost	Fair values through other comprehensive income
Financial Assets						
Investments	-	-	7.78	-	-	20.36
Trade Receivables	-	7,223.04	-	-	4,782.38	-
Cash and cash equivalents	-	1.71	-	-	11.76	-
Bank Balances other than above	-	159.31	-	-	18.52	-
Other Financial assets	-	193.06	-	-	208.09	-
Total	-	7,577.12	7.78	-	5,020.75	20.36

Rupees (₹) in Lakh

Particulars	31st March 2026			31st March 2025		
	Fair Values measured through Profit and loss	Amortised cost	Fair values through other comprehensive income	Fair Values measured through Profit and loss	Amortised cost	Fair values through other comprehensive income
Financial Liabilities						
Borrowings	-	14,682.45	-	-	16,782.95	-
Trade Payables	-	587.63	-	-	426.98	-
Other Financial Liabilities	-	169.14	-	-	192.83	-
Total	-	15,439.22	-	-	17,402.76	-

Fair Value Hierarchy

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

Level 2: Valuation techniques with unobservable inputs. This level of hierarchy includes items measured using inputs other than quoted prices included within level 1 that are observable for such items, either directly or indirectly.

Level 3: Valuation techniques with unobservable inputs. This level of hierarchy includes items measured using inputs that are not based on observable market data (unobservable inputs). Fair value determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instruments nor based on available market data.

Sensitivity of Level 3 financial instruments are insignificant.

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

Rupees (₹) in Lakh

Particulars	31st March 2026		
	Level-I	Level-II	Level-III
Financial Assets			
Investments	7.78	-	-

Rupees (₹) in Lakh

Particulars	31st March 2025		
	Level-I	Level-II	Level-III
Financial Assets			
Investments	20.36	-	-

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

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

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

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

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

Note: 39 Risk Management

The Company's activities are exposed to market risk, liquidity risk and credit risk. The Company's Board of Directors has overall Company's responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

a Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to measured at Amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls. Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits. Other financial assets measured at amortized cost includes abandonment cost, security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits. The Company assesses the credit risk based on external credit ratings assigned by credit rating agencies. The Company also assesses the creditworthiness of the customers internally to whom goods are sold on credit. The impairment analysis is performed on client to client basis for the debtors that are past due at the end of each reporting date. The Company has not considered an allowance for doubtful debts in case of trade receivables.

Rupees (₹) in Lakh		
Basis of Categorization	Asset Class Exposed to Risk	Provision for ECL
Nature Wise	Financial Assets	7.43
Exposure to Credit Risk		
Rupees (₹) in Lakh		
Particulars	31.03.2026	31.03.2025
Trade Receivables Exposed to Credit Risk	7,230.47	4,782.38
Total	7,230.47	4,782.38

b Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities. Management monitors rolling forecasts of the Company liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company has availed CC Limits, Pledge Limits and WCDL from various Banks.

Maturities of Financial Liabilities

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

Maturity Table for Financial Liabilities

For Current Year

Rupees (₹) in Lakh

Particulars	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	Total
Borrowings	8,571.83	1,088.49	1,145.42	3,876.72	14,682.45
Other Financial Liabilities	169.14	-	-	-	169.14
Lease Liability	-	-	-	-	-
Trade Payables	587.63	-	-	-	587.63

For Previous Year

Rupees (₹) in Lakh

Particulars	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	Total
Borrowings	9,766.50	1,068.80	993.46	4,954.19	16,782.95
Other Financial Liabilities	192.83	-	-	-	192.83
Lease Liability	-	-	-	-	-
Trade Payables	426.98	-	-	-	426.98

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c Market Risk

The Company's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:

(i) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The

Exposure to Interest Rate Risk		Rupees (₹) in Lakh	
Particulars	31.03.2026	31.03.2025	
Borrowing bearing variable rate of interest	14,682.45	16,782.95	
Total	14,682.45	16,782.95	

(ii) Foreign Currency Risk

Rupees (₹) in Lakh

Exposure to Foreign Currency Risk		Rupees (₹) in Lakh	
Particulars	31.03.2026	31.03.2025	
Trade Receivables exposed to foreign Currency risk	146.52	-	
Total	146.52	-	

Sensitivity Analysis Foreign Currency

For the year ended 31 st March, 2026 and 31 st March, 2025, increase / decrease of 5% in the exchange rate between the Indian rupee and Foreign Currency would impact Company's Profit before tax by Rs. 7.32 Lakh (P.Y Nil) & Equity by Rs. 5.48 Lakh (P.Y Nil).

Note: 40 The Company has a process whereby periodically all long term contracts (including derivative contracts) are assessed for material foreseeable losses. At the year end, the company has reviewed and ensured that adequate provision as required under any law/ accounting standards for material foreseeable losses on such long term contracts (including derivative contracts) has been made in books of accounts.

Note: 41 The Group does not hold any benami property under the Benami Transactions (Prohibition) Act, 1988 and no proceeding has been initiated or is pending against the Group for holding any benami property.

Note: 42 The Company has not surrendered or disclosed any income during the year in the tax assessments under the Income Tax Act,1961

Note: 43 No scheme of arrangement for the Group has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013

Note: 44 The Group has earned a profit of Nil (FY 2025-26: Nil) on sale of cryptocurrencies during the year. The Group does not hold any cryptocurrency or virtual currency as at 31st March 2026 and 31st March 2025. The Group has also not received any deposits or advances for the purpose of investing in cryptocurrencies or virtual currencies.

Note: 45 RELATIONSHIPS WITH STRUCK OFF COMPANIES

The Group has had the following relationships with struck off companies as at the Balance Sheet date:-

Name of the Struck off Company	Nature of transactions with struck off company	31st March 2026		31st March 2025	
		Balance Outstanding	Relationship with struck off company, if any	Balance Outstanding	Relationship with struck off company, if any
Nil	Nil	Nil	Nil	Nil	Nil

Note 45A: Following disclosures required for Micro and Small Enterprises has been determined on the basis of information available with the Group **Rupees (₹) in Lakh**

	31.03.2026	31.03.2025
DUES TO MICRO AND SMALL ENTERPRISES		
(as per the intimation received from vendors)		
a. Principal and interest amount remaining unpaid	150.33	15.67
b. Interest due thereon remaining unpaid	-	-
c. Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along	-	-
d. Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day	-	-
e. Interest accrued and remaining unpaid	-	-
f. Interest remaining due and payable even in succeeding years, until such date when the interest dues as above are actually paid	-	-

Note: 46: There are no Subsequent Events which were required to be adjusted as on the Balance Sheet date.

Note 47: Compliance with number of layers of Companies

There is no Contravention in Provisions Related to Compliance with number of layers of Companies.

Note 48: The Group has not advance or loaned or invested fund to any person(s) or entity(ies), including foreign entities(Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:

- directly or indirectly lend or investment in other persons or entities identified in any manner whatsoever by or behalf of the funding party (Ultimate Beneficiaries) or,
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

Note 49: There are no amounts which were required to be transferred to the Investor Educational and Protection Fund by the Group.

Note 50: There is no charge pending to be created on the assets of the Group with the Registrar of Companies.

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Note 50A: Additional Information As Required By Paragraph 2 Of The General Instructions For Preparation Of Consolidated Financial Statements To Division Ii To Schedule Iii To The Companies Act. 2013

Name of the entities Consolidated in Financial Statements		Rupees (₹) in Lakh		31st March 2026
		Parent	Indian Subsidiaries	Total
		AB Cotspin India Limited	KKML Welfare Foundation (Wholly Owned Subsidiary of Parent Company)	
Net Assets i.e. Total Assets-Total Liabilities	As % of Consolidated Net Assets	100.00%	0.00%	100%
	Amount	15,321.69	(0.09)	15,321.60
Share in Profit & Loss	As % of Consolidated Profit & Loss	101.79%	-1.79%	100%
	Amount	1,326.12	(23.31)	1,302.81
Share in Other Comprehensive Income	As % of Consolidated OCI	100.00%	0.00%	100%
	Amount	31.74	-	31.74
Share in Total Comprehensive Income	As % of Consolidated TCI	101.75%	-1.75%	100%
	Amount	1,357.87	(23.31)	1,334.55

Name of the entities Consolidated in Financial Statements		Rupees (₹) in Lakh		31st March 2025
		Parent	Indian Subsidiaries	Total
		AB Cotspin India Limited	KKML Welfare Foundation (Wholly Owned Subsidiary of Parent Company)	
Net Assets i.e. Total Assets-Total Liabilities	As % of Consolidated Net Assets	99.80%	0.20%	100%
	Amount	11,053.32	22.33	11,075.65
Share in Profit & Loss	As % of Consolidated Profit & Loss	97.82%	2.18%	100%
	Amount	999.02	22.23	1,021.25
Share in Other Comprehensive Income	As % of Consolidated OCI	100.00%	0.00%	100%
	Amount	(4.51)	-	-4.51
Share in Total Comprehensive Income	As % of Consolidated TCI	97.81%	2.19%	100%
	Amount	994.51	22.23	1,016.74

A B COTSPIN INDIA LIMITED
(CIN: U17111PB1997PLC020118)
Registered office: NH-54, Goniana Road , Near Lake-3, Bathinda , Punjab
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note: 51 Accounting Ratios

Particulars	Formula	31st March 2026	31st March 2025		
		Ratio	Ratio	% Variance	Reason for Variance
Current Ratio	Current assets/ Current liabilities	1.88	1.65	14.04	N/A
Debt-equity ratio	Total debt/ Shareholder's Equity	0.96	1.52	(36.76)	Ratio Improved due to Decrease in Debts & Increase in Equity
Debt service coverage ratio	Earnings available for debt service/ Debt service	2.29	1.99	15.53	N/A
Return on equity ratio	Net profit after taxes/ Average shareholder's equity	0.10	0.11	(13.50)	N/A
Inventory turnover ratio	Total Turnover/ Average inventory	4.00	4.07	(1.82)	N/A
Trade receivables turnover ratio	Net credit sales/ Average accounts receivables	4.98	6.94	(28.21)	Increase in Trade Receivables
Trade payables turnover ratio	Net credit purchase/ Average trade payables	39.16	67.70	(42.16)	Increase in Trade Payables
Net capital turnover ratio	Net sales/ Working capital	3.55	4.40	(19.22)	N/A
Net profit ratio	Net profit/ Net sales	0.04	0.03	27.27	Ratio Improved
Return on capital employed	Earning before interest and taxes/ Capital employed	0.09	0.09	9.70	N/A
Return on investments	Return on Investment/ Initial Investment	1.15	4.22	(72.83)	Decrease in Prices of Stock

The Ratio for which Variance is Less than 25% has been marked as N/A as the Reasons for Variance is Not Applicable

A B COTSPIN INDIA LIMITED

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 52: Employee Benefit Plans

52.1 Defined Contribution Plans

Gratuity Fund

The table below shows a summary of the key results of the report including past results as applicable.

Rupees (₹) in Lakh

Assets / Liability	31.03.2026	31.03.2025
a. Present value of obligation	11.73	47.12
b. Fair value of plan assets	-	-
c. Net assets/(liability) recognized in balance sheet as provision	(11.73)	(47.12)

a) Economic Assumptions

The principal assumptions are the discount rate & salary growth rate. The discount rate has been determined with reference to expected market yields on CG-Secs of currency and term consistent with those of benefit obligations. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis. Valuation assumptions selected by the Corporation are as follows:

	31.03.2026	31.03.2025
i) Discounting Rate	7.60%	6.80%
ii) Future Salary Increase	5.00%	5.00%
iii) Expected Rate of Return on Plan Assets	NA	NA

b) Demographic Assumption

i) Retirement Age (Years)	60	60
ii) Mortality rates inclusive of provision for disability	100% of IALM 2012-14	

Actuarial Method

a) Projected Unit Credit (PUC) Actuarial Method has been used to assess the plan's liabilities of exiting employees for retirement, death-in-service and withdrawals (Resignations / Terminations).

b) Under the PUC method, a projected accrued benefit is calculated at the beginning of the period and again at the end of the period for each benefit that will accrue for all active members of the plan. The projected accrued benefit is based on the plan accrual formula and upon service as at the beginning or end of period, but using member's final compensation, projected to the age at which the employee is assumed to leave active service. The plan liability is the actuarial present value of the projected accrued benefits as on the date of valuation.

Planned Liability

The actuarial value of gratuity liability calculated on the above

Rupees (₹) in Lakh

Year Ending	31.03.2026	31.03.2025
Present value of obligation	11.73	47.12
Service Cost		
Particulars	31.03.2026	31.03.2025
a. Current Service Cost	7.26	17.67
b. Past Service Cost including curtailment Gains/Losses	-	-
c. Gains or Losses on Non routine settlements	-	-
Total	7.26	17.67

Net Interest Cost		Rupees (₹) in Lakh
Particulars	31.03.2026	31.03.2025
a. Interest Cost on Defined Benefit Obligation	3.20	2.66
b. Interest Income on Plan Assets	-	-
c. Net Interest Cost (Income)	3.20	2.66

A B COTSPIN INDIA LIMITED

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 52: Employee Benefit Plans

Change in Present Benefit Obligation

Rupees (₹) in Lakh

Particulars	31.03.2026	31.03.2025
a. Present value of obligation at the beginning of year	47.12	36.91
b. Interest Cost	3.20	2.66
c. Service Cost	7.26	17.67
d. Benefits Paid	-	-
e. Total Actuarial (Gain)/Loss on Obligation	(45.85)	(10.12)
f. Present value of obligation at the end of year	11.73	47.12

Actuarial (Gain)/Loss on Obligation

Rupees (₹) in Lakh

Particulars	31.03.2026	31.03.2025
a. Actuarial (Gain)/Loss arising from Change in Demographic Assumption	-	-
b. Actuarial (Gain)/Loss arising from Change in Financial Assumption	-	-
c. Actuarial (Gain)/Loss arising from Experience Adjustment	-	-

Actuarial (Gain)/Loss on Plan Asset

Rupees (₹) in Lakh

Particulars	31.03.2026	31.03.2025
a. Expected Interest Income	-	-
b. Actual Income on Plan Asset	-	-
c. Actuarial Gain /(Loss) for the year on Asset	-	-

Balance Sheet and Related Analyses

Rupees (₹) in Lakh

Particulars	31.03.2026	31.03.2025
a. Present Value of the obligation at the end of year	11.73	47.12
b. Fair value of plan assets	-	-
c. Unfunded liability recognized in Balance Sheet	(11.73)	(47.12)

Amounts recognized in the Statement of Profit and Loss:

Rupees (₹) in Lakh

Particulars	31.03.2026	31.03.2025
a. Service Cost	7.26	17.67
b. Net Interest Cost	3.20	2.66
c. Expense recognized in the Statement of Profit & Loss	10.46	20.33

Other Comprehensive Income (OCI)

Rupees (₹) in Lakh

Particulars	31.03.2026	31.03.2025
a. Net cumulative unrecognized actuarial gain/(loss)- opening	-	-
b. Actuarial gain / (loss) for the year on PBO	(45.85)	(10.12)
c. Return on plan assets other than amounts included in net interest cost	-	-
d. Net (Income)/ Expense for the period recognized in other Comprehensive Income	(45.85)	(10.12)

Change in Plan Assets

Rupees (₹) in Lakh

Particulars	31.03.2026	31.03.2025
a. Fair value of plan assets at the beginning of year	-	-
b. Actual return on plan assets	-	-
c. Employer contribution	-	-
d. Benefits paid	-	-
e. Fair value of plan assets at the end of year	-	-

A B COTSPIN INDIA LIMITED**(CIN: U17111PB1997PLC020118)****Registered office: NH-54, Goniana Road , Near Lake-3, Bathinda , Punjab****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****Note 52: Employee Benefit Plans****Change in Net Defined Benefit Obligation****Rupees (₹) in Lakh**

Particulars	31.03.2026	31.03.2025
a. Net defined benefit liability at the beginning of year	47.12	36.91
b. Expenses as recognized in Statement of Profit & Loss	10.46	20.33
c. Re-measurements	(45.85)	(10.12)
d. Contribution / Benefits paid	-	-
e. Net defined benefit liability at the end of the period	11.73	47.12

Bifurcation of liability recognized in Balance Sheet as provision at the end of year as Current and Non- Current.**Rupees (₹) in Lakh**

Particulars	31.03.2026	31.03.2025
a. Current liability (Amount due within one year)	0.23	0.53
b. Non-Current liability (Amount due over one year)	11.50	46.59
Net Liability recognized in Balance Sheet as provision	11.73	47.12

Sensitivity Analysis of the defined benefit obligation.**Rupees (₹) in Lakh**

Particulars	31.03.2026	31.03.2025
a) Impact of the change in discount rate		
Present Value of Obligation at the end of year	11.73	47.12
a. Impact due to increase of 1.0 %	10.34	41.20
b. Impact due to decrease of 1.0 %	13.40	

Rupees (₹) in Lakh

Particulars	31.03.2026	31.03.2025
b) Impact of the change in salary increase		
Present Value of Obligation at the end of year	11.73	47.12
a. Impact due to increase of 1.0 %	13.42	54.31
b. Impact due to decrease of 1.0 %	10.29	41.06

> Sensitivities due to mortality & withdrawals are not material & hence impact of change has not been calculated.

> Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

As per our report of even date attached.

For P L Mittal & Co.

Chartered Accountants

FRN:002697N

Sat Dev Garg

Partner

Membership No.: 081553

UDIN: 26081553IAICKG4924

Place : Bathinda

Date : May 27, 2026

For and on behalf of the Board of Directors of

A B COTSPIN INDIA LIMITED**Deepak Garg**

(Managing Director)

(DIN 00843929)

Manohar Lal

(Whole Time Director)

(DIN 02406686)

Rajinder Prashad Garg

(Chief Financial Officer)

(PAN: AHTPB2201Q)

Rahul Kapasiya

(Company Secretary)

(M. No. A70811)