



Date: 05th September, 2022

To,
The National Stock Exchange of India Limited,
Exchange Plaza,
Plot no. C/1, G Block,
Bandra-Kurla Complex
Bandra (E), Mumbai-400051

Sub: Notice of the 05th Annual General Meeting and Annual Report of the Company for the Financial Year 2021-22

Symbol: PASHUPATI – EQ (SM)

Dear Sir/Ma'am,

We would like to inform you that the 05th Annual General Meeting ("AGM") of the Company will be held on Thursday, 29th September, 2022 at 02:00 p.m. in compliance with the applicable circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India to transact the business mentioned in the Notice of 05th Annual General Meeting.

Pursuant to Regulation 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company along with the Notice of AGM for the financial year 2021-22 which is being sent through electronic mode to the Members.

Please take the same on your record.

Yours faithfully,
For, **PASHUPATI COTSPIN LIMITED**

SAURIN JAGDISHBHAI PARIKH
MANAGING DIRECTOR
DIN: - 02136530

ALWAYS SETTING
NEW STANDARDS **OF EXCELLENCE**



PASHUPATI
COTSPIN LIMITED

ANNUAL REPORT 2021-22

CORPORATE INFORMATION

BOARD OF DIRECTORS

| | |
|----------------------------------|------------------------------|
| Mr. Saurin Jagdish Bhai Parikh | Chairman & Managing Director |
| Mr. Tushar Rameshchandra Trivedi | Whole-time Director |
| Mr. Dakshesh Jayantilal Patel | Non-Executive Director |
| Mr. Sandip Ashwinbhai Parikh | Independent Director |
| Mrs. Sheela Kirtankumar Roy | Independent Director |

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Bijal Nareshbhai Thakkar (Upto 04-10-2021)
Mr. Nisarg Dineshkumar Shah (From 04-10-2021)

CHIEF FINANCIAL OFFICER (CFO)

Mr. Hareshkumar Rameshchandra Shah

STATUTORY AUDITOR

M/s. Mahendra N. Shah & Co.

Chartered Accountants, Statutory Auditor

COST AUDITOR

M/s. Ashish Bhavsar & Associates
Cost Accountants

SECRETARIAL AUDITOR

M/s. Khandelwal Devesh & Associates
Practicing Company Secretary

BANKER

Punjab National Bank
Yes Bank Limited
HDFC Bank Limited
Axis Bank Limited
State Bank of India

CORPORATE IDENTITY NUMBER (CIN)

L17309GJ2017PLC098117

REGISTERED OFFICE

Survey No.404 At& Post Balasar,
Kadi-Detroj Road,
Kadi Mahesana-382715
Phone: 02764-262200

E-MAIL & WEBSITE

cs@pashupaticotspin.com
www.pashupaticotspin.com

REGISTRAR AND SHARE TRANSFER AGENT (RTA)

Link Intime India Pvt. Ltd.
C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai-400083
E-mail: rnt.helpdesk@linkintime.co.in
Website: www.linkintime.co.in

COMMITTEES

1. Audit Committee

| | |
|----------------------|----------|
| Mr. Sandip A. Parikh | Chairman |
| Mrs. Sheela K. Roy | Member |
| Mr. Saurin J. Parikh | Member |

2. Nomination and Remuneration Committee

| | |
|-----------------------|----------|
| Mrs. Sheela K. Roy | Chairman |
| Mr. Sandip A. Parikh | Member |
| Mr. Dakshesh J. Patel | Member |

3. Stakeholders Relationship Committee

| | |
|-----------------------|----------|
| Mrs. Sheela K. Roy | Chairman |
| Mr. Tushar R. Trivedi | Member |
| Mr. Dakshesh J. Patel | Member |

4. Corporate Social Responsibility Committee

| | |
|-----------------------|----------|
| Mr. Saurin J. Parikh | Chairman |
| Mrs. Sheela K. Roy | Member |
| Mr. Tushar R. Trivedi | Member |

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LETTER TO SHAREHOLDERS

Dear Shareholders,

We take immense pleasure in sharing with you the performance of your Company and presenting the Annual Report for the Financial Year 2021-22. We are happy to report again a good performed FY 2021-22 and the Board of your Company has recommended a Final Dividend of 0.75 paisa (7.50%) per share for the FY2021-22.

We would like to state that your Company is progressing to achieve new milestones in its journey towards growth through total excellence. Pashupati Cotspin Limited has pursued business excellence through a passion and expansion project carried out successfully which would result in improved cost competitiveness and profitability.

We have undertaken several strategic initiatives to drive improvement across operating parameters and created a more efficient and sustainable business framework to successfully meet the challenges that arose due to the outbreak of the Covid-19 pandemic in the last few years. We believe that with proper planning on all fronts of the business we can overcome the adverse effects of this Covid-19 pandemic and took this opportunity to thank all our office and factory staff, workers, suppliers, buyers, business associates, bank, and other stakeholders to jointly contribute to face this pandemic situation.

Your Company is engaged in the processing of textiles since incorporation. Over the years we believe that we have established a strong customer base and good marketing setup. Further, our group has sufficient marketing expertise and a wide marketing network, which is and would be channelled for our business and future expansion, if any. We have dedicated divisions for marketing different types of products and for different geographical locations. The sales division and export division are responsible for the marketing of our products and fabrics. All the divisions have well-trained and adequate teams to handle daily activities and are supervised regularly.

To meet the need of the international market, we have carried out changes in our machinery and for that purpose, we stopped the machines for a certain period which caused for loss of production for a certain period of time and also interest loss, depreciation, etc., but such improvements in machines would definitely result in improvement of various parameters of the Company in coming years.

I would like to draw your attention to the fact that as our raw material is Cotton, and during the FY 2021-22, the fluctuation of cotton price caused an adverse impact on the profitability of the Company.

Your Company has now focused to give utmost priority to cost-cutting and also undertaken necessary steps to reduce per unit cost. Your Company has a clear vision that we have to take the maximum benefit of the forward Integration in our same compound.

We would like to assure you that we will continuously seek opportunities and make our best efforts to contribute to the growth and success of the organization.

I thank all valued shareholders of the Company for their confidence and trust and we assure that all efforts shall be put forth for achieving greater heights in the future and shareholders can look forward to the robust growth of our Company in the years to come.

We extend our sincere appreciation to our colleagues on the board for their wise and mature counsel for the smooth functioning of the Company. We would like to express our profound gratitude to all our stakeholders, our customers, business associates, employees, bankers, vendors, and shareholders who have reposed their trust in us and given us constant support.

With Warm Regards,
Yours Sincerely
SD/-

SAURIN JAGDISH BHAI PARIKH
CHAIRMAN & MANAGING DIRECTOR
DIN: 02136530

NOTICE OF 5TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the 05th (Fifth) Annual General Meeting of the Shareholders of **PASHUPATI COTSPIN LIMITED** will be held on Thursday, 29th September, 2022 at 02.00 p.m. at Survey No.404 New Survey No. 919 At& Post Balasar, Kadi-Detroj Road, Kadi Mahesana-382715, Gujarat, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Standalone audited Financial Statement of the Company for the financial year ended March 31, 2022 and the reports of the Board of Directors and Auditors thereon;
2. To appoint a Director in place of Mr. Dakshesh Jayantilal Patel (DIN: 07859419) who retires by rotation and being eligible, offers himself for re-appointment.
3. To declare Final Dividend of ₹ 0.75 (Seventy Five Paise Only) (7.5%) per equity share for the Financial Year ended March 31, 2022 as recommended by the Board of Directors.

SPECIAL BUSINESS:

4. **Ratification of Remuneration of Cost Auditor of the Company.**

To consider and if thought fit, to give your assent/dissent to the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148 of the Companies Act 2013 read with the Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment thereof, for the time being in force, M/s Ashish Bhavsar & Associates, Cost Accountants, Ahmedabad, the Cost Auditor appointed by the Board of Directors, to conduct the audit of the Cost Records of the Company for the financial year ending 31st March, 2023 be paid the remuneration of ₹ 35,000/- plus applicable taxes and out of pocket expenses incurred by them during the course of Audit.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to take such steps and actions as may be necessary for implementing the above resolution."

5. **Appointment of Mr. Sandip Ashwinbhai Parikh (DIN: 00030990) as a Director and his re-appointment as an Independent Director for the second term.**

To consider and if thought fit, to give your assent/dissent to the following resolution as an **Special Resolution**:

"RESOLVED THAT Mr. Sandip Ashwinbhai Parikh (DIN: 00030990), who was appointed as an Additional Director under the category of Independent Director of the Company effective from closure of business hour of July 25, 2022 by the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, and who holds office upto the

date of this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013 ('Act') [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], and who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company under the category of Independent Director.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Act read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014, Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, the re-appointment of Mr. Sandip Ashwinbhai Parikh, that meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(1) (b) of the SEBI Listing Regulations and who has submitted a declaration to that effect, and who is eligible for re-appointment as an Independent Director of the Company, for the second consecutive term, i.e., from closure of business hours of July 25, 2022 to July 24, 2027 (both days inclusive) and who would not be liable to retire by rotation, be and is hereby approved."

RESOLVED FURTHER THAT the Board of Directors (including any Committee thereof) be and is hereby authorized to do all acts and take all such steps as may be necessary, proper, or expedient to give effect to this resolution."

6. **Appointment of Mrs. Sheela Kirtankumar Roy (DIN: 07891440) as a Director and her re-appointment as an Independent Director for the second term.**

To consider and if thought fit, to give your assent/dissent to the following resolution as an **Special Resolution**:

"RESOLVED THAT Mrs. Sheela Kirtankumar Roy (DIN: 07891440), who was appointed as an Additional Director under the category of Independent Director of the Company effective from closure of business hour of July 25, 2022 by the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, and who holds office upto the date of this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013 ('Act') [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], and who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company under the category of Independent Director.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Act read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014, Regulation 17 and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, the re-appointment of Mrs. Sheela Kirtankumar Roy, that meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(1) (b) of the SEBI Listing Regulations and who has submitted a declaration to that effect, and who is eligible for re-appointment as an Independent Director of the Company, for the second consecutive term, i.e., from closure of business hours of July 25, 2022 to July 24, 2027 (both days inclusive) and who would not be liable to retire by rotation, be and is hereby approved."

RESOLVED FURTHER THAT the Board of Directors (including any Committee thereof) be and is hereby authorized to do all acts and take all such steps as may be necessary, proper, or expedient to give effect to this resolution."

Regd Office:

Survey No.404,
At & Post Balasar
Kadi-Detroj Road, Kadi
Mahesana-382715, Gujarat
Date: 23/08/2022
Place: Ahmedabad

**By Order of the Board of Directors
For, PASHUPATI COTSPIN LIMITED**

SD/-
Saurin Jagdish Bhai Parikh
Chairman & Managing Director
DIN: 02136530

NOTES

1. A statement pursuant to Section 102(1) of the Companies Act, 2013 ("the Act") relating to the Special Business to be transacted at the Annual General Meeting ("AGM"/"Meeting") is annexed hereto.
2. 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. The instrument appointing the proxy should, however, be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the Meeting.

A person can act as a proxy on behalf of Members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or Member. The proxy holder shall prove his identity at the time of attending the Meeting.
3. Attendance slip, proxy form and the route map of the venue of the Meeting are annexed hereto.
4. In terms of the provisions of Section 152 of the Act, Mr. Dakshesh Jayantilal Patel, retires by rotation as a Director at this Meeting. Mr. Dakshesh Jayantilal Patel and his relatives shall be deemed to be interested in the Ordinary Resolution set out at Item No.2 of the Notice with regard to his re-appointment. Save and except

above, none of the Directors / Key Managerial Personnel of the Company / their relatives are, in anyway, concerned or interested, financially or otherwise, in the Ordinary Business set out at Item No. 2 of the Notice.

5. A detailed profile of Mr. Dakshesh Jayantilal Patel along with additional information required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and Secretarial Standard on General Meetings is provided separately by way of an Annexure to the Notice.
6. In compliance with the Ministry of Corporate Affairs ("MCA") Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose e-mail address is registered with the Company/Depository Participants (DPs). Members may note that the Notice and Annual Report 2021-22 will also be available on the Company's website at www.pashupaticotspin.com. The Notice can also be accessed from websites of the Stock Exchanges i.e., National Stock Exchange of India Limited at www.nseindia.com. The AGM Notice is also available on the website of NSDL (agency for providing the Remote E-voting facility) i.e. www.evoting.nsdl.com.
7. For receiving all communication (including Annual Report) from the Company electronically:
 - I. Members holding the shares in physical mode and who have not registered / updated their e-mail address with the Company are requested to register/ update the same by writing to the Registrar and Transfer Agent of the Company viz. M/s. Link Intime India Private Limited ("Link Intime" or "RTA"), C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai - 400083 Tel: (022) 4918 6270, Fax: (022) 4918 6060, e-mail: rnt.helpdesk@linkintime.co.in.
 - II. Members holding the shares in dematerialized mode are requested to register/ update their e-mail address with the relevant Depository Participant.
8. Institutional/ Corporate Members (i.e. other than Individuals, HUFs, NRIs, etc.) intending to send their authorized representative(s) to attend the Meeting are required to send legible scanned certified true copy (in PDF Format) of the Board Resolution / Power of Attorney/Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s) at info@csdevesh.com in with a copy marked to evoting@nsdl.co.in. Such authorization shall contain necessary authority in favour of its authorized representative(s).
9. Members / Proxies / Authorized Representatives are requested to bring to the Meeting necessary details of their shareholding, attendance slip(s) and copy(ies) of Annual Report.
10. In case of joint holders, the Member whose name appears as first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
11. Members of the Company under the category of 'Institutional Investors' are encouraged to attend and vote at the AGM.

12. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act and other documents as referred in the Notice are available for inspection by the Members at the Registered Office of the Company during business hours on all working days except Saturdays, Sundays and National Holidays up to the date of the AGM.
13. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off Date i.e. 22nd September, 2022 only shall be entitled to avail the facility of remote e-voting. A person, who is not a Member as on the Cut-off Date, should treat the Notice for information purpose only.
14. MCA has notified provisions relating to unpaid /unclaimed dividend under Sections 124 and 125 of the Act and Investor Education and Protection Fund(Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"). As per these Rules, dividends which are not encashed / claimed by the Member for a period of seven consecutive years shall be transferred to the Investor Education and Protection Fund ("IEPF") Authority. The IEPF Rules also mandate the companies to transfer the shares of Members whose dividends remain unpaid / unclaimed for a period of seven consecutive years to the demat account of IEPF Authority.
15. Members are requested to address all correspondences, including shareholding related documents and dividend matters to the Company's RTA.
16. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, PAN, registering of nomination and power of attorney, Bank Mandate details such as name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DP in case the shares are held in electronic form, and to the RTA in case the shares are held in physical form.

To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified from time to time.
17. 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. The members, who are desirous of availing this facility, may kindly write to Company's R & T Agent for nominating form by quoting their folio number.
18. Non-Resident Indian Members are requested to inform the Company / Link Intime (if shareholding is in physical mode) / respective DPs (if shareholding is in demat mode), immediately of:
 - I. Change in their residential status on return to India for permanent settlement; and
 - II. Particulars of their bank account maintained in India with account type, account number, name and address of the bank with pin code number, if not furnished earlier.

19. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before 22nd September, 2022 by sending e-mail on cs@pashupaticotspin.com The same will be replied by the Company suitably.

20. (A) PROCEDURE FOR REMOTE E-VOTING:

- I. Pursuant to the provisions of Section 108 and other applicable provisions of the Act read with the Rules made there under and Regulation 44 of Listing Regulations, as amended, read with circular dated 9th December, 2020 of SEBI on e-voting Facility provided by Listed Entities, the Company is providing e-voting facility of National Securities Depository Limited ("NSDL") to its Members to exercise their right to vote on the resolutions proposed to be passed at AGM by electronic means("remote e-voting").

- II. The remote e-voting facility will be available during the following period:

- **Commencement of e-voting:** 09:00 a.m. (IST) on Monday, 26th September, 2022
- **End of e-voting:** 05:00 p.m. (IST) on Wednesday, 28th September, 2022

The remote e-voting will not be allowed beyond the aforesaid date and time and the remote e-voting module shall be forthwith disabled by NSDL upon expiry of the aforesaid period.

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, being 22nd September, 2022.

- III. The Board of Directors has appointed CS Devesh Khandelwal, Company Secretary in Practice, (Membership No. FCS: 4202; COP No: 6897) to act as the Scrutinizer for conducting the remote e-voting process as well as the e-voting system on the date of 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.

- IV. The manner of voting by Individual Members holding shares of the Company in demat mode, Members other than individuals holding shares of the Company in demat mode, Members holding shares of the Company in physical mode, and Members who have not registered their e-mail address, is explained in the instructions given herein below.

(B) INFORMATION AND INSTRUCTIONS RELATING TO E-VOTING:

Once the Member has exercised the vote, whether partially or otherwise, the Member shall not be allowed to change it subsequently or cast the vote again.

How do I vote electronically using NSDL e-voting system?


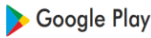


The way to vote electronically on NSDL e-voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-voting system

A) Login method for e-voting for Individual Members holding shares in demat mode:

In terms of SEBI circular dated 9th December, 2020 on e-voting facility provided by Listed Companies, Individual Members holding shares in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are advised to update their mobile number and e-mail ID in their demat accounts in order to access e-voting facility.

Login method for Individual Members holding shares in demat mode is given below:

| Type of Member | Login Method |
|--|--|
| Individual Members holding shares in demat mode with NSDL. | <ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-voting services under Value added 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 i.e. NSDL and you will be re-directed to e-voting website of NSDL for casting your vote during the remote e-voting period. If you are 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 Visit 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 held 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 i.e. NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period. Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on     |
| Individual Members holding shares in demat mode with CDSL | <ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & E-mail as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-voting is in progress. |
| Individual Members (holding shares in demat mode) login through their depository participants | You can also login using the credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. Upon logging in, you will be able to see e-voting option. 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 i.e. NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period. |

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 Members holding shares in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

| Login type | Helpdesk details |
|---|---|
| Individual Members holding shares 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 toll free no.: 1800 1020 990 and 1800 22 44 30 |
| Individual Members holding shares 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 022- 23058738 or 022-23058542-43 |

B) Login method for Members other than Individual Members holding shares in demat mode and Members holding shares in physical mode.

How to Log-in to NSDL e-voting website?

1. Visit 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.
2. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e. cast your vote electronically.

4. Your User ID details are given below:

| Manner of holding the shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is: |
|--|---|
| a) For Members who hold the shares in demat account with NSDL. | 8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****. |
| b) For Members who hold shares in demat account with CDSL. | 16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****. |
| c) For Members holding the shares in Physical Form. | EVEN Number followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** |

5. Password details for Members other than Individual Members are given below:
 - a. If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
 - b. If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c. How to retrieve your 'initial password'?
 - i. If your e-mail ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your e-mail ID. Trace the e-mail sent to you from NSDL from your mailbox. Open the e-mail and open the attachment i.e. a.pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'UserID' and your 'initial password'.
 - ii. If your e-mail ID is not registered, please follow steps mentioned below in process for those Members whose e-mail ids are not registered.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a. Click on "Forgot User Details/ Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b. Physical User Reset Password? (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d. Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL

7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-voting will open.

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

How to cast your vote electronically on NSDL e-voting system?

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

General Guidelines for Members

1. Institutional / Corporate Members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Power of Attorney/ Authority Letter, etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to info@csdevesh.com with a copy marked to evoting@nsdl.co.in. Institutional / Corporate Members (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter, etc. by clicking on “Upload Board Resolution / Authority Letter” displayed under “e-voting” tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (“FAQs”) for Members and e-voting user manual for Members available at the download section of www.evoting.nsdl.com or call on toll free no.:1800 1020 990 and

1800 22 44 30 or send a request to Ms. Soni Singh, Assistant Manager, at evoting@nsdl.co.in.

- C).** Process for those Members whose e-mail ids are not registered with the depositories for procuring user id and password and registration of e-mail ids for e-voting for the resolutions set out in this Notice:

1. In case shares are held in physical mode please provide Folio No., Name of Member, scanned copy of the share certificate (front and back) or Letter of Confirmation, PAN (self-attested scanned copy of PAN Card), AADHAR (self-attested scanned copy of Aadhar Card) by e-mail to rnt.helpdesk@linkintime.co.in.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, Client Master or copy of Consolidated Account Statement, PAN (self-attested scanned copy of PAN Card), AADHAR (self-attested scanned copy of Aadhar Card) to RTA at rnt.helpdesk@linkintime.co.in. If you are an Individual Members holding shares in demat mode, you are requested to refer to the login method explained at Step 1 (A) i.e. Login method for e-voting for Individual Members holding shares in demat mode.
3. Alternatively, Members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated 9th December, 2020 on e-voting facility provided by Listed Companies, Individual Members holding shares in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are required to update their mobile number and e-mail ID correctly in their demat account in order to access e-voting facility.
21. The facility for ballot / polling paper shall be made available at the AGM and the Members attending AGM who have not cast their vote by remote e-voting shall be able to vote at the AGM through ballot / polling paper.
22. Members 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.
23. Any person, who acquires the shares of the Company and becomes Member of the Company after dispatch of the Notice and holding the shares as of the cut-off date i.e. 22nd September, 2022 may obtain the login ID and password by sending a request at evoting@nsdl.co.in.
24. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
25. The Scrutinizer shall after the conclusion of voting at the AGM, first scrutinize the votes cast at the Meeting and there after

unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make and submit, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized in writing, who shall countersign the same and declare the result of the voting forthwith.

26. The Results of voting shall be declared within two working days of the conclusion of the AGM of the Company and subject to receipt of requisite number of votes, the Resolutions proposed in this Notice shall be deemed to have been passed on the date of the Meeting, i.e., 29th September, 2022.
27. The Results declared along with the consolidated scrutinizer's report will be available on Company's website at www.pashupaticotspin.com. The results shall simultaneously be communicated to National Stock Exchange of India Limited.
28. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 23rd September, 2022 to Thursday, 29th September, 2022 (both days inclusive) For the purpose of determining the shareholders eligible for dividend, if any, declared by the shareholders of the Company at the Annual General Meeting and for the purpose of 05th Annual General Meeting.
29. The Final Dividend, subject to approval of Members at the Annual General Meeting on 29th September, 2022, will be paid to the Members whose names appear in the Register of Members, as on the date of Book Closure/Record Date of the Company and for that the Register of Members and Share Transfer Books of the Company will remain closed from Friday, 23rd September, 2022 to Thursday, 29th September, 2022.

Regd Office:

Survey No.404,
At & Post Balasar
Kadi-Detroj Road, Kadi
Mahesana-382715, Gujarat
Date: 23/08/2022
Place: Ahmedabad

**By Order of the Board of Directors
For, PASHUPATI COTSPIN LIMITED**

SD/-

Saurin Jagdish Bhai Parikh
Chairman & Managing Director
DIN: 02136530

CONTACT DETAILS

Company: PASHUPATI COTSPIN LIMITED

Regd. Office: Survey No.404 At& Post Balasar, Kadi-Detroj Road, Kadi Mahesana-382715

Phone: 9099977560

CIN: L17309GJ2017PLC098117

E-mail: cs@pashupaticotspin.com

Website: www.pashupaticotspin.com

Registrar and Transfer Agent: Link Intime India Pvt. Ltd.

Regd. Office: C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai-400083

E-mail: rent.helpdesk@linkintime.co.in

Website: www.linkintime.co.in

E-Voting Agency: National Securities Depository Limited (NSDL)

E-mail: evoting@nsdl.co.in

Phone: 1800 1020 990/1800 22 44 30

Scrutinizer: CS Devesh Khandelwal Practicing Company Secretary (FCS: 6897 and COP: 4202)

E-mail: info@csdevesh.com

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4

The Board at its meeting held on 28th May, 2022 on the recommendation of Audit Committee, has appointed M/s. Ashish Bhavsar & Associates, Cost Accountant, Ahmedabad as the Cost Auditor to conduct the audit of cost records of the Company for the financial year 2022-23 on a remuneration of ₹ 35,000/- (excluding Taxes) plus reimbursement of out of pocket expenses and conveyance.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration as mentioned above, payable to the Cost Auditor is required to be ratified by the shareholders of the Company. The Board recommends the aforesaid resolution for approval of the members.

None of the Directors, Key Managerial Personnel (KMP) of the Company or their relatives are concerned or interested in the aforesaid resolution except to the extent of their shareholding.

Item No. 5

Mr. Sandip Ashwinbhai Parikh (DIN: 00030990) was appointed as a Non-Executive Independent Director of the Company for a term of five years, i.e., from July 26, 2017 to July 25, 2022 (both days inclusive).

Pursuant to the performance evaluation of Mr. Sandip Ashwinbhai Parikh and considering that his continued association as a Member of the Board would be beneficial to the Company and based on recommendation of the NRC, the Board considered his appointment for second consecutive term of 5 years and accordingly appointed Mr. Sandip Ashwinbhai Parikh as an Additional Director under the category of Independent Director effective from closure of business hours of July 25, 2022 to July 24, 2027 (both days inclusive), not liable to retire by rotation, subject to approval of the Members.

Pursuant to the provisions of Section 161(1) of the Act Mr. Sandip Ashwinbhai Parikh shall hold office up to the date of this AGM. The Company has, in terms of Section 160(1) of the Act, received in writing a notice from Member, proposing his candidature for the office of Director. The profile and specific areas of expertise of Mr. Sandip Ashwinbhai Parikh are provided as Annexure to this Notice.

Mr. Sandip Ashwinbhai Parikh has given his declaration to the Board, inter alia, that (i) he meets the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations, (ii) is not restrained from acting as a Director by virtue of any Order passed by SEBI or any such authority and (iii) is eligible to be appointed as a Director in terms of Section 164 of the Act. He has also given his consent to act as a Director.

In the opinion of the Board, Mr. Sandip Ashwinbhai Parikh is a person of integrity possesses relevant expertise / experience and fulfills the conditions specified in the Act and the SEBI Listing Regulations for appointment as an Independent Director and he is independent of the management.

Given his experience, the Board considers it desirable and in the interest of the Company to continue Mr. Sandip Ashwinbhai Parikh on the Board of the Company and accordingly the Board recommends the appointment of Mr. Sandip Ashwinbhai Parikh as an Independent Director as proposed in the Resolution set out at Item No. 5 for approval by the Members for second consecutive term of 5 years.

Except for Mr. Sandip Ashwinbhai Parikh and/or his relatives, no other Director, Key Managerial Personnel or their respective relatives are, in anyway, concerned or interested, financially or otherwise, in the said Resolution.

Disclosures, as required under Regulation 36 of the Listing Regulations and Secretarial Standard -2 on General Meetings issued by the Institute of Company Secretaries of India, are annexed to this Notice.

Item No. 6

Mrs. Sheela Kirtankumar Roy (DIN: 07891440) was appointed as a Non-Executive Independent Director of the Company for a term of five years, i.e., from July 26, 2017 to July 25, 2022 (both days inclusive).

Pursuant to the performance evaluation of Mrs. Sheela Kirtankumar Roy and considering that her continued association as a Member of the Board would be beneficial to the Company and based on recommendation of the NRC, the Board considered her appointment for second consecutive term of 5 years and accordingly appointed Mrs. Sheela Kirtankumar Roy as an Additional Director under the category of Independent Director effective from closure of business hours of July 25, 2022 to July 24, 2027 (both days inclusive), not liable to retire by rotation, subject to approval of the Members.

Pursuant to the provisions of Section 161(1) of the Act Mrs. Sheela Kirtankumar Roy shall hold office up to the date of this AGM. The Company has, in terms of Section 160(1) of the Act, received in writing a notice from Member, proposing her candidature for the office of Director. The profile and specific areas of expertise of Mrs. Sheela Kirtankumar Roy are provided as Annexure to this Notice.

Mrs. Sheela Kirtankumar Roy has given her declaration to the Board, inter alia, that (i) she meets the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations, (ii) is not restrained from acting as a Director by virtue of any Order passed by SEBI or any such authority and (iii) is eligible to be appointed as a Director in terms of Section 164 of the Act. She has also given her consent to act as a Director.

In the opinion of the Board, Mrs. Sheela Kirtankumar Roy is a person of integrity possesses relevant expertise / experience and fulfills the conditions specified in the Act and the SEBI Listing Regulations for appointment as an Independent Director and she is independent of the management.

Given her experience, the Board considers it desirable and in the interest of the Company to continue Mrs. Sheela Kirtankumar Roy on the Board of the Company and accordingly the Board recommends

the appointment of Mrs. Sheela Kirtankumar Roy as an Independent Director as proposed in the Resolution set out at Item No. 6 for approval by the Members for second consecutive term of 5 years.

Except for Mrs. Sheela Kirtankumar Roy and/or her relatives, no other Director, Key Managerial Personnel or their respective relatives are, in anyway, concerned or interested, financially or otherwise, in the said Resolution.

Disclosures, as required under Regulation 36 of the Listing Regulations and Secretarial Standard -2 on General Meetings issued by the Institute of Company Secretaries of India, are annexed to this Notice.

Regd Office:

Survey No.404,
At & Post Balasar
Kadi-Detroj Road, Kadi
Mahesana-382715, Gujarat
Date: 23/08/2022
Place: Ahmedabad

**By Order of the Board of Directors
For, PASHUPATI COTSPIN LIMITED**

SD/-

Saurin Jagdish Bhai Parikh

Chairman & Managing Director

DIN: 02136530

ANNEXURE TO THE NOTICE

DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AS REQUIRED UNDER REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS 2015

(In pursuance of Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

| Name of Director | Dakshesh Jayantilal Patel |
|--|--|
| DIN | 07859419 |
| Date of Birth | 06/01/1968 |
| Date of Appointment | 03/07/2017 |
| Relationship Between Directors inter se | Nil |
| Expertise in Specific functional area | He has around 24 years of experience in areas related to manufacturing of raw cotton, cotton yarn and related Products |
| Qualification | Bachelor of Engineering (Civil) |
| Other Board Membership* | Nil |
| Committee Membership in other public companies | Nil |
| Number of Shares held in the Company | 5,25,000 |

*Pvt. Companies excluded.

| Name of Director | SandipAshwinbhai Parikh |
|--|---|
| DIN | 00030990 |
| Date of Birth | 08/08/1963 |
| Date of Appointment | 26/07/2017 |
| Relationship Between Directors inter se | Nil |
| Expertise in Specific functional area | He has a distinguished track record of service to several global Organizations providing counsel in addressing tax issues encompassing transfer pricing regulations applicable to multinational corporations. |
| Qualification | Chartered Accountant |
| Other Board Membership | 06 |
| Committee Membership in other public companies | Nil |
| Number of Shares held in the Company | Nil |

| Name of Director | Mrs. Sheela Kirtankumar Roy |
|--|---|
| DIN | 07891440 |
| Date of Birth | 13/10/1969 |
| Date of Appointment | 26/07/2017 |
| Relationship Between Directors inter se | Nil |
| Expertise in Specific functional area | She has an experience of more than 20 years in the field of imparting education |
| Qualification | Bachelor of Commerce |
| Other Board Membership | Nil |
| Committee Membership in other public companies | Nil |
| Number of Shares held in the Company | Nil |

Regd Office:

Survey No.404,
At & Post Balasar
Kadi-Detroj Road, Kadi
Mahesana-382715, Gujarat
Date: 23/08/2022
Place: Ahmedabad

**By Order of the Board of Directors
For, PASHUPATI COTSPIN LIMITED**

SD/-

Saurin Jagdish Bhai Parikh
Chairman & Managing Director
DIN: 02136530

DIRECTOR'S REPORT

Dear Members,

Your Directors take pleasure in presenting the 05th Annual Report on business and operations along with Audited Financial Statements and the Auditor's report of your Company for the financial year ended 31st March, 2022.

1. Financial Results

Financial Performance of the company for the year ended 31st March; 2022 is summarized as below:

(Standalone) (₹ in Lakh except EPS)

| Particulars for the year ended | March 31, 2022 | March 31, 2021 |
|--|-----------------|-----------------|
| Net revenue from Operations (Sales) | 66138.19 | 44098.11 |
| Profit Before Depreciation, Exceptional Item and Tax | 2962.04 | 2278.45 |
| Less: Depreciation | 1354.69 | 1540.58 |
| Profit Before Extra ordinary Items and Tax | 1607.36 | 737.86 |
| Extra Ordinary Items | 0.00 | 0.00 |
| Profit Before Tax | 1607.36 | 737.86 |
| Tax Expense | | |
| - Current Tax | 641.06 | 343.87 |
| Less: MAT Credit Receivable | 0.00 | 0.00 |
| - Deferred Tax | (146.25) | (136.45) |
| Profit After Tax | 1112.55 | 530.44 |
| EPS (Basic) (In ₹) | 7.28 | 3.80 |
| EPS (Diluted) (In ₹) | 7.28 | 3.80 |

2. Overview Of Company's Financial Performance:

During the year under review, your Company has achieved a total net sale of ₹ 66138.19 lacs and achieved Net Profit after Tax (NP) of ₹ 1112.55 lacs. Your directors are optimistic about the performance of the Company in the coming years.

3. Share Capital

The authorised share capital of the Company as on date of balance sheet is ₹ 15,50,00,000/- divided into 1,55,00,000 equity shares of ₹ 10/- each.

The paid up share capital of the Company as on date of balance sheet is ₹ 15,28,40,000/- divided into 1,52,84,000 equity shares of ₹ 10/- each.

a) Status of shares

As the members are aware, the Company's shares are compulsorily tradable in electronic form. As on March 31, 2022, 100.00% of the Company's total paid up capital representing 1,52,84,000 shares are in de-materialized form.

b) Other shares

Your company has not issued any equity shares with differential rights, sweat equity shares, employee stock options and did not purchase its own shares. Hence there is no information to be provided as required under Rule 4(4), Rule 8(13), Rule 12(9) and Rule 16(4) of the Companies

(Share Capital and Debentures) Rules, 2014 and Section 62 of the Companies Act 2013 respectively.

4. Dividend

Your Directors are pleased to recommend a Final Dividend of Re.0.75 (Rupee Seventy Five Paise) (7.5%) per equity share of face value of ₹ 10/- each for the financial year ended on 31st March, 2022 which shall be paid subject to approval of members at the ensuing 05th Annual General Meeting.

The Final Dividend, subject to approval of Members at the Annual General Meeting on 29th September, 2022, will be paid to the Members whose names appear in the Register of Members, as on the date of Book Closure/Record Date of the Company for the purpose of 05th AGM and Payment of Final Dividend.

5. Dividend Distribution Policy:

In accordance with Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2016, the Company is not required to prepare Dividend Distribution policy.

6. Transfer of Unclaimed Dividend to Investor Education and Protection Fund

Since there was no unpaid/unclaimed dividend, the provision of Section 125 of the Companies Act, 2013 do not apply.

7. Change in the nature of business, if any-

There is no change in the nature of business carried out by the Company in the Year 2021-2022.

8. Amounts Transferred To Reserves:

In accordance to the provisions of Section 134(3)(j) of the Companies Act, 2013, (hereinafter "the Act") the Company has not proposed any amount to transfer to the General reserves of the Company for the financial year 2021-22.

9. Subsidiary, Joint Ventures and Associate Companies

During the year under review, your company has no subsidiaries, joint ventures or associate companies.

10. Public Deposit

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act, 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014 during the period under review. Hence, the requirement for furnishing the details of deposits which are not in compliance with Chapter V of the Act is not applicable.

times on 21/06/2021, 23/08/2021, 07/10/2021, 26/10/2021, 13/11/2021, 11/12/2021, 12/01/2022, 11/02/2022, 23/03/2022 and 28/03/2022 during the year. The Composition, category and attendance of each Director at the Board and Annual General Meeting and Number of other Directorship and Chairmanship/ Membership of Committee of each Director in various companies is as follows:-

| Name of Director | Designation | Category | No of Board Meetings held during the year | No of Board Meetings attended during the year | Attendance at the Last AGM |
|---------------------------------|------------------------------|-------------|---|---|----------------------------|
| Mr.Saurin Jagdish Bhai Parikh | Chairman & Managing Director | Promoter | 10 | 10 | Yes |
| Mr.Tushar Rameshchandra Trivedi | Whole Time Director | Promoter | 10 | 10 | Yes |
| Mr.Dakshesh Jayantilal Patel | Non-Executive Director | Promoter | 10 | 10 | Yes |
| Mr.Sandip Ashwinbhai Parikh | Non-Executive Director | Independent | 10 | 09 | Yes |
| Mrs.Sheela Kirtankumar Roy | Non-Executive Director | Independent | 10 | 10 | Yes |

II. Appointments:

During the financial year 2021-22 there no Director has been appointed by the Company. After the completion of the financial year, Company had re-appointed Mr. Sandip Ashwinbhai Parikh (DIN: 00030990) and Mrs. Sheela Kirtankumar Roy (DIN: 07891440) as an Additional Directors under the category of Independent Director for second consecutive term of 5 years effective from closure of business hours of July 25, 2022 to July 24, 2027 (both days inclusive), subject to shareholders' approval and as proposed in the ensuing annual general meeting to be held on 29th September, 2022.

III. Cessations:

During the year under review, no Director has been resigned from the Company.

IV. Retirement by Rotation:

In accordance with the provisions of Section 152 of the Companies Act, 2013 read with the Companies (Appointment & Qualification of Directors) Rules, and Companies Articles

11. Particulars of loan, Guarantees or Investment made under Section 186

The details of the loans, guarantees and investments are provided in the note no 12 the audited financial statements annexed with the Annual Report.

12. Extract of the Annual Return

Pursuant to the provisions of Section 134(3)(a) and Section 92 of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, Annual Return of the Company as at 31st March, 2022 is available on the website of the Company at <https://pashupaticotspin.com/annual-return/>

13. Directors & Key Management Personnel

I. Composition of Board & Board Meetings

The Board of Directors of the Company has an optimum combination of Executive, Non Executive and Independent Directors. As on the date of this report, the Board comprises of 5(Five) Directors, out of which 2 are Executive Directors, 1 is Non Executive Director and 2 are Independent Directors that includes one Woman Independent Director. The Chairman of the Board is an executive Director. The Board of Directors duly met ten (10)

of Association, Mr. Dakshesh Jayantilal Patel (DIN: 07859419), Non Executive Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. Necessary resolution for his re-appointment is placed before the shareholder for approval.

V. Profile of Directors seeking appointment / reappointment:

As required under regulation 36(3) of SEBI (LODR), 2015, particulars of the Directors retiring and seeking reappointment at the ensuing Annual General Meeting is annexed to the notice convening 05th Annual General Meeting.

VI. Key Managerial Personnel:

As on the date of this report, the following persons are the Key Managerial Personnel(s) of the Company:

- Mr. Saurin Jagdish Bhai Parikh, Chairman & Managing Director
- Mr. Tushar Rameshchandra Trivedi, Whole Time Director

- c) Mr. Hareshkumar Rameshchandra Shah, Chief Financial Officer
- d) Ms. Bijal Nareshbhai Thakkar, Company Secretary & Compliance Officer (Upto 04th October, 2021)
- e) Mr. Nisarg Dineshkumar Shah, Company Secretary & Compliance Officer (w.e.f. 04th October, 2021)

VII. Declaration from Independent Director:

All the Independent Directors of the Company have given their declarations stating that they meet the criteria of independence as prescribed under the Section 149(6) of the Companies Act, 2013 read with the rules made there under and read with Regulation 16(1)(b) of the Listing Regulations in the opinion of the Board, the Independent Directors meet the said criteria.

During the year under review the Independent Directors duly met pursuant to the provisions as specified in Schedule IV of the Companies Act, 2013 and the quorum was present throughout the meeting.

14. Board Committees

Your Company has four Committees of the Board, namely:

- I. Audit Committee
- II. Nomination and Remuneration Committee
- III. Stakeholders' Relationship Committee
- IV. Corporate Social Responsibility Committee

Details of all the Committees along with their composition, terms of reference and meetings held during the year are provided in detail as below:

I. Audit Committee:

The Audit Committee is duly constituted vide Board Resolution dated 26/07/2017 in accordance with SEBI (LODR) Regulations 2015 and Section 177 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2014 as amended from time to time. It adheres to the terms of reference which is prepared in compliance with Section 177 of the Companies Act, 2013, and SEBI (LODR) Regulations 2015. The constituted Audit Committee comprises following members:

| Name | Category | Position | Number of meetings held | Number of meetings attended |
|--------------------------------|----------------------|----------|-------------------------|-----------------------------|
| Mr. Sandip Ashwinbhai Parikh | Independent Director | Chairman | 05 | 05 |
| Mrs. Sheela Kirtankumar Roy | Independent Director | Member | 05 | 05 |
| Mr. Saurin Jagdish Bhai Parikh | Managing Director | Member | 05 | 05 |

Two third of the members are Independent Directors and all the members are financially literate. The composition, role, functions and powers of the Audit Committee are in line with the requirements of applicable laws and regulations. The Audit Committee shall oversee financial reporting process and disclosures, review financial statements, internal audit reports, related party transactions, financial and risk management policies, auditors qualifications, compliance with Accounting Standards etc. and oversee compliance with Stock Exchanges and legal requirements concerning financial statements and fixation of audit fee as well as payment for other services etc.

Five Audit Committee meetings were held during the year 2021-22 on 21/06/2021, 23/08/2021, 26/10/2021, 13/11/2021 and 12/01/2022.

II. Nomination and Remuneration Committee

The Nomination and Remuneration Committee is constituted vide Board Resolution dated 26/07/2017 in accordance with SEBI (LODR) Regulations 2015 and Section 178 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2014 as amended from time to time. The Company Secretary acts as the Secretary to the Nomination and Remuneration Committee and the Committee Members are:

| Name | Category | Position |
|-------------------------------|------------------------|----------|
| Mrs. Sheela Kirtankumar Roy | Independent Director | Chairman |
| Mr. Sandip Ashwinbhai Parikh | Independent Director | Member |
| Mr. Dakshesh Jayantilal Patel | Non Executive Director | Member |

The Board has in accordance with the provisions of sub-section (3) of Section 178 of the Companies Act, 2013 formulated the policy setting out the criteria for determining qualifications, positive attributes, independence of a Director and policy relating to remuneration of Directors, Key Managerial Personnel and other employees. The said policy is available on the Website of the Company www.pashupaticotspin.com.

Five Nomination and Remuneration Committee Meeting was held during the year 2021-22 on 21/06/2021, 23/08/2021, 07/10/2021, 13/11/2021 and 12/01/2022.

III. Stakeholders Relationship Committee

The Stakeholders Relationship Committee is constituted vide Board Resolution dated 26/07/2017 in compliance with the requirements of Section 178 of the Companies Act, 2013. Company Secretary is the Compliance Officer, who acts as the Secretary to the Committee and the Members of the Committee are:

| Name | Category | Position | No. of meetings held | No. of meetings attended |
|----------------------------------|------------------------|----------|----------------------|--------------------------|
| Mrs. Sheela Kirtankumar Roy | Independent Director | Chairman | 05 | 05 |
| Mr. Tushar Rameshchandra Trivedi | Whole Time Director | Member | 05 | 05 |
| Mr. Dakshesh Jayantilal Patel | Non Executive Director | Member | 05 | 05 |

The Stakeholders Relationship Committee looks into shareholders' complaints related to transfer of shares, non-receipt of balance sheet besides complaints from SEBI, Stock Exchanges, Court and various Investor Forums. It oversees the performance of the Registrars and Transfer Agent, and recommends measures for overall improvement in the quality of investor services. The Company is in compliance with the SCORES, which has initiated by SEBI for processing the investor complaints in a centralized web based redress system and online redressal of all the shareholders complaints.

Five meetings were held during the year 2021-22 on 21/06/2021, 23/08/2021, 26/10/2021 and 13/11/2021 and 12/01/2022.

IV. Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee is constituted in compliance with the requirements of Section 135 of the Companies Act, 2013, to undertake the below mentioned tasks:

- To recommend the policy on Corporate Social Responsibility (CSR) and Implementation of the CSR Projects or program to be undertaken by the company as per the CSR Policy for consideration and approval by the Board of Directors.
- Recommend the amount of expenditure to be incurred on the corporate social responsibility activities; and
- Monitor the implementation of the Company's corporate social responsibility policy.

During the financial year ended 31st March, 2022, the Company has done CSR expenditure of ₹ 22,00,000/- (Rupees Twenty Lacs Only). The CSR initiative of the Company is mainly under promotion of Healthcare and promotion of Education.

The Corporate Social Responsibility Committee comprises the following:

| Name | Category | Position | No. of meetings held | No. of meetings attended |
|----------------------------------|----------------------|----------|----------------------|--------------------------|
| Mr. Saurin Jagdish Bhai Parikh | Managing Director | Chairman | 4 | 4 |
| Mrs. Sheela Kirtankumar Roy | Independent Director | Member | 4 | 4 |
| Mr. Tushar Rameshchandra Trivedi | Whole Time Director | Member | 4 | 4 |

Four meetings were held during the year 2021-22 on 21/06/2021, 23/08/2021, 26/10/2021 and 13/11/2021.

The Company's CSR Policy statement and Annual Report on the CSR activities undertaken during the financial year ended 31st March, 2022 in accordance with section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) is set out in "Annexure - A" to this Report.

15. Compliance Officer

Ms. Bijal Nareshbhai Thakkar was Compliance Officer of the Company upto 04th October, 2021 and Mr. Nisarg Dineshkumar Shah, who was appointed w.e.f. 04th October, 2021 is presently Compliance Officer of the Company who is also designated as Company Secretary of the Company.

16. Statements on Formal Annual Evaluation of Board

Nomination and Remuneration Committee annually evaluates the performance of individual Directors, Committees, and of the Board as a whole in accordance with the formal system adopted by it. Further, the Board also regularly in their meetings held for various purposes evaluates the performance of all the Directors, committees and the Board as a whole. The Board considers the recommendation made by Nomination and Remuneration Committee in regard to the evaluation of board members and also tries to discharge its duties more effectively. Each Board member's contribution, their participation was evaluated and the domain knowledge they bring. They also evaluated the manner in which the information flows between the Board and the Management and the manner in which the board papers and other documents are prepared and furnished.

17. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

During the year under review, there are no significant and material orders passed by the regulators or courts or tribunals impacting the going concerns status and Company's operations in future.

18. Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company and the date of report.

19. Postal Ballot

During the year, pursuant to Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 (including any statutory amendment(s) or re-enactment(s) made thereunder), your Company passed the following resolution through postal ballot as per the details below:

Date of Postal ballot Notice: October 26, 2021

Date of declaration of result: Saturday, December 11, 2021

Voting period: Thursday, November 11, 2021 to Friday December 10, 2021

Date of approval: Friday December 10, 2021

| Description of Resolution | Type of Resolution | No. of votes polled | No. of votes casted against | No. of votes casted against | No. of votes casted against | No. of votes casted against |
|---|---------------------|---------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Approval of inter-corporate loans, investments, guarantee or security and acquisition under section 186 of the companies act, 2013 | Special Resolution | 10568600 | 10568600 | 100% | 0 | 0% |
| Authorizing board to grant loans and advances under section 185 of the companies act, 2013 to entity in whom director/s is/are interested | Special Resolution | 2819000 | 2819000 | 100% | 0 | 0% |
| To approve related party transactions to be entered by the company with related parties | Ordinary Resolution | 2819000 | 2819000 | 100% | 0 | 0% |
| Authorizing board to grant loans and advances under section 185 of the companies act, 2013 to entity in whom director/s is/are interested | Special Resolution | 2819000 | 2819000 | 100% | 0 | 0% |

Synopsys of Resolution Passed through Postal Ballot**Resolution No. 1**

The Shareholders of the Company has passed the special resolution to approve the limit up to maximum amount of Rs.300 Crore (Rupees Three Hundred Crore only) for inter-corporate loans, investments, guarantee or security and acquisition under section 186 of the Companies Act, 2013.

Resolution No. 2

The shareholders of the Company authorise board of Directors to making of loan(s) including loan represented by way of Book Debt (the "Loan") to, and/or giving of guarantee(s), and/or providing of security(ies) in connection with any Loan taken/ to be taken by M/s. Pashupati Texspin Export LLP (Formerly known as M/s. Shree Pashupati Fabric LLP) being entity covered under the category of 'a person in whom any of the director of the company is interested' as specified in the explanation to Sub-section 2 of the Section 185 of the Company Act 2013 of an aggregate outstanding amount not exceeding Rs. 100 Crores (Rupees One Hundred Crores only) at any point in time.

Resolution No. 3

Shareholders has approved the related party transactions to be entered by the company with related parties, as detailed in the Postal Ballot Notice dated October 26, 2021.

Resolution No. 4

The shareholders of the Company authorise board of Directors to for making of loan(s) including loan represented by way of Book Debt (the "Loan") to, and/or giving of guarantee(s), and/or providing of security (ies) in connection with any Loan taken/ to be taken by M/s. Pashupati Cotyarn LLP being entity covered under the category of 'a person in whom any of the director of the company is interested' as specified in the explanation to Sub-section 2 of the said Section, of an aggregate outstanding amount not exceeding Rs.75 Crores (Rupees Seventy-Five Crores only) at any point in time

20. Auditors**1. Statutory Auditors:**

M/s. Mahendra N. Shah & Co., Chartered Accountants, the Statutory Auditors of the Company, were appointed at the

01st Annual General Meeting held on 17th September, 2018 to hold office for a period of 5 (Five) years i.e. from the conclusion of 01st (First) Annual General Meeting (AGM) till the conclusion of 06th (Six) Annual General Meeting to be held in the year 2023 at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors.

In accordance with the Companies Amendment Act, 2017, enforced on 7th May, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting.

There are no qualifications, reservations or adverse remarks made by M/s. Mahendra N. Shah & Co., Chartered Accountants, the Statutory Auditors of the Company, in their report.

2. Cost Auditors:

Pursuant to provisions of Section 148 and all other applicable provisions of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 framed there under and the Cost Audit orders issued from time to time, the Board of Directors has appointed M/s. Ashish Bhavsar & Associates, Cost Accountants (FRN: 000387) as a Cost Auditors to conduct the audit of cost records of the Company. The Company has received consent from M/s. Ashish Bhavsar & Associates, Cost Accountants, to act as the Cost Auditor for conducting audit of the cost records for the Company along with a certificate confirming their independence and arm's length relationship.

The Ordinary Resolution seeking approval from members for remuneration payable to the said Cost Auditor forms a part of the Notice of this Annual General Meeting.

3. Secretarial Auditor:

Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company has appointed M/s. Khandelwal Devesh & Associates, Practicing Company Secretaries, Ahmedabad to conduct Secretarial Audit of the Company. The secretarial audit of the Company has been conducted on a concurrent basis in respect of the matters as set out in the said rules and Secretarial Audit Report given by M/s. Khandelwal Devesh & Associates, Practicing Company Secretaries, Secretarial Auditor of the Company forms part of this report and is marked as "Annexure-B".

There are no qualifications, reservations or adverse remarks made by M/s. Khandelwal Devesh & Associates, Practicing Company Secretaries, Secretarial Auditor of the Company, in their report.

The Board, at its meeting held on 28th May, 2022, has re-appointed M/s. Khandelwal Devesh & Associates, Company Secretaries, as Secretarial Auditor, for conducting Secretarial Audit of the Company for FY 2022-23 and FY 2023-24.

4. Reporting of frauds by Auditors:

During the year under review, the Statutory Auditors, Internal Auditors and Secretarial Auditor have not reported any instances of fraud committed against your Company by its officers or employees to the Audit Committee or the Board, under Section 143(12) of the Act.

21. Personnel

The information required under Section 197 of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in the Report and marked as "Annexure-C". No employee of the Company was in receipt of the remuneration exceeding the limits prescribed in the rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

22. Management's Discussion and Analysis Report

The Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34(2)(e) of the Listing Regulations is given as "Annexure-D" to this report.

23. State of The Company's Affairs

The state of the Company affairs forms an integral part of Management Discussion and Analysis Report is furnished in "Annexure-D" and is attached to the report.

24. Conservation of energy, technology absorption and foreign exchange earnings and outgo

A. CONSERVATION OF ENERGY:

A statement containing the necessary information required under Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are given as "Annexure-E" to this report.

B. TECHNOLOGY ABSORPTION:

- i. the efforts made towards technology absorption : None
- ii. the benefits derived like product improvement, cost reduction, product development or import substitution : None
- iii. in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-
 - a) the details of technology imported : None
 - b) the year of import : N.A.
 - c) whether the technology been fully absorbed: N.A.
 - d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof : N.A.
 - e) the expenditure incurred on Research and Development : Nil

C. Foreign exchange Earnings & Outgo

- Foreign Exchange Earning: ₹ 68,29,92,483/-
- Foreign Exchange Outgo: ₹ 1,38,66,848/-

25. Particulars of contracts or arrangements with related parties:

All related party transactions which were entered into during the financial year were on an arm's length basis and in the ordinary course of business.

The details of related party transactions are annexed to this Board Report in Form AOC-2 and Marked as "Annexure - F" to this report.

26. Statement regarding the development and implementation of Risk Management Policy

The Company has not developed and implemented any risk management policy as the risk threatening the business activity carried out by the Company during the year are minimal.

27. Board Evaluation

The Board carried out an annual performance evaluation of its own performance, the performance of the Independent Directors individually as well as the evaluation of the working of the Committees of the Board. The performance evaluation of all the Directors was carried out by the Nomination and Remuneration Committee. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors.

28. Adequacy of Internal Financial Control

The Company has designed and implemented a process driven framework for Internal Financial Controls ('IFC') within the meaning of the explanation to Section 134(5)(e) of the Act. For the year ended March 31, 2022, the Board is of the opinion that the Company has sound IFC commensurate with the nature and size of its business operations and operating effectively and no material weaknesses exist. The Company has a process in place to continuously monitor the same and identify gaps, if any, and implement new and / or improved controls wherever the effect of such gaps would have a material effect on the Company's operations.

During the year, no reportable material weakness was observed.

29. Directors' Responsibility Statement

In terms of Section 134 (5) of the Companies Act, 2013, the directors would like to state that:

- In the preparation of the annual accounts for the financial year ended March 31, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- The directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent 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 and loss of the Company for that period under review.
- The directors have taken proper and sufficient care for the maintenance of adequate accounting records in

accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.

- The directors have prepared the annual accounts on a going concern basis.
- The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

30. Listing

The Equity shares of the Company are listed on SME platform of NSE (NSE EMERGE) and the Company has paid the annual listing fees for the year 2021-22.

31. Prevention of Sexual Harassment at Workplace

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and rules made there under, your Company has constituted Internal Complaints Committee (ICC) which is responsible for redressal of complaints related to sexual harassment.

Your Directors declared and confirm that, during the year under review, there is no case filed under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

32. Vigil Mechanism

The Company believes in the conduct of its affairs in a fair and transparent manner to foster professionalism, honesty, integrity and ethical behaviour in its employees & stakeholders. The Company has adopted a Whistle Blower Policy as a part of vigil mechanism.

Also, the Code of Business Conduct (Code) lays down important corporate ethical practices that shape the Company's value system and business functions and represents cherished values of the Company.

33. Human resources

Your company considers its Human Resources as the key to achieve its objectives. Keeping this in view, your company takes utmost care to attract and retain quality employees. The employees are sufficiently empowered and such work environment propels them to achieve higher levels of performance. The unflinching commitment of the employees is the driving force behind the company's vision. Your company appreciates the spirit of its dedicated employees.

34. Corporate Governance

Your Company has been complying with the principals of good Corporate Governance over the years and is committed to the highest standards of compliance. Pursuant to regulation 15(2) of the SEBI (LODR) Regulations 2015, the compliance with the corporate governance provisions as specified in regulations 17 to 27 and clauses (b) to (i) of Regulation 46 (2) and Para C, D and E of schedule V shall not apply to the listed entity which has listed its specified securities on the SME Exchange.

Therefore, the Corporate Governance Report is not applicable on the Company and therefore not provided by the Board.

35. Declaration from Independent Directors and Independent Directors Meeting

All the Independent Directors of the Company have given their declarations stating that they meet the criteria of independence as prescribed under the Section 149(6) of the Companies Act, 2013 read with the rules made there under and read with Regulation 16(1)(b) of the Listing Regulations in the opinion of the Board, the Independent Directors meet the said criteria.

The Independent Directors met on November 13, 2021 to discuss the performance evaluation of the Board, Committees, Chairman and the individual Directors.

The Independent Directors reviewed the performance of the non-independent Directors and Board as a whole. The Performance of the Chairman taking into account the views of Executive Directors and non-executive Directors and assessed the quality, quantity and timeline of flow of inform action between Company management and Board.

36. Secretarial Standards

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and General Meetings.

Date: 23/08/2022
Place: Ahmedabad

37. The details application made or any proceeding spending under the Insolvency and Bankruptcy Code, 2016:

During the financial year ended on March 31, 2022, there is no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) against the Company.

38. The 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 reason thereof:

Not applicable during the year under review.

39. Acknowledgement

Your directors take this opportunity to express their sincere appreciation to the shareholders, customers, bankers, suppliers and other business associates for the excellent support and cooperation extended by them.

Your directors gratefully acknowledge the ongoing co-operation and support provided by the Central and State Governments, Stock Exchanges, SEBI, RBI and other Regulatory Bodies.

By Order of the Board of Directors
For, PASHUPATI COTSPIN LIMITED

Sd/-
Saurin Jagdish Bhai Parikh
Chairman & Managing Director
(DIN: 02136530)

Annexure- "A"

CORPORATE SOCIAL RESPONSIBILITY

1. A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects and programs:

The Company has adopted a Corporate Social Responsibility ("CSR") Policy in accordance with the applicable provisions of Companies Act, 2013 and allied rules (hereinafter referred as "the Act"). This Policy is a guideline for Company's CSR activities intended to support local communities on a variety of socially desirable activities with a view to enable high impact and ensure measurable outcomes of the funds deployed towards such activities. The Company believes that economic value and social value are interlinked. A firm creates economic value by creating social value.

The CSR policy of the Company is stated in www.pashupaticotspin.com

2. CSR Committee:

The CSR Committee has been entrusted with responsibility of formulating and recommending to the Board, a Corporate Social Responsibility Policy indicating the activities to be undertaken by the Company as specified in Schedule VII to the Companies Act, 2013; recommending to the Board the amount of expenditure to be incurred; monitoring the implementation of framework of CSR Policy and ensuring that implementation of the project and programme is in compliance with the CSR Policy of the Company.

3. Composition of the CSR Committee as on 31st March, 2022:

In accordance with the provisions of section 135 of Companies Act, 2013 read with Rule 5 of Companies (CSR Policy) Rules, 2014, the Company has constituted its CSR Committee, which presently comprises of three Directors.

| Name | Category | Position |
|----------------------------------|----------------------|----------|
| Mr. Saurin Jagdish Bhai Parikh | Managing Director | Chairman |
| Mrs. Sheela Kirtankumar Roy | Independent Director | Member |
| Mr. Tushar Rameshchandra Trivedi | Whole Time Director | Member |

4. Average Net Profit of the Company for the last three financial years: ₹ 6,70,11,812/-

5. Prescribed CSR Expenditure: ₹ 13,41,000/-

6. Details of CSR spent for the financial year:

- Total amount spent for the financial year: ₹ 22,00,000/-
- Amount unspent, if any: Nil*
- Manner in which the amount spent during the financial year is detailed below:

The CSR activities/projects are implemented in accordance with the provisions of Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014:

| S. No | CSR project or activity Identified. | Sector in which the Project is covered | Projects or programs 1) Local area or other 2) Specify the State and district where projects or programs were undertaken | Amount outlay (budget) Project or programs wise | Amount spent on the Projects or programs Sub-heads: (I) Direct expenditure on projects or Programs. (2) Overheads: | Cumulative expenditure up to the reporting period | Amount spent Direct or through implementing agency |
|-------|-------------------------------------|--|--|---|--|---|---|
| 1. | Education Programme | Promoting Education | The Company has donated to trust located in Kadiwho carrying out the education activities. | No | ₹ 20,00,000/- | ₹ 20,00,000/- | Through Sarv Vidhalya Kelavani Mandal |
| 2. | Healthcare Programme | Promoting Health Care | The Company has carried out Healthcare Awareness Programme | No | ₹ 2,00,000/- | ₹ 2,00,000/- | Through Sheth Shri Nathlal Naraldas Sarvajanik Hospital |

By Order of the Board of Directors
For, PASHUPATI COTSPIN LIMITED

Sd/-

Saurin Jagdish Bhai Parikh
Chairman & Managing Director
(DIN: 02136530)

Date: 23/08/2022
Place: Ahmedabad

Annexure- “B”
Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st March, 2022

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

To,
The Members,
PashupatiCotspin Limited
Kadi, Gujarat.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **PASHUPATI COTSPIN LIMITED** (CIN: L17309GJ2017PLC098117) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2022** ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31st March, 2022** according to the provisions of:

- i. The Companies Act, 2013 (**the Act**) and the rules made there under.
- 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 Borrowing.
- 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 (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

- (e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (**not applicable to the company during the audit period**)
- (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**not applicable to the company during the audit period**);
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**not applicable to the company during the audit period**);
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (**not applicable to the company during the audit period**);

I have relied on the representations made by the Company and its officers for systems and mechanism formed by the Company for compliances of other specific applicable Acts, Laws and Regulations to the Company as mentioned hereunder;

- a) The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
- b) The Factories Act, 1948
- c) The Minimum Wages Act, 1948, and rules made there under
- d) Payment of Gratuity Act, 1972
- e) Payment of Bonus Act, 1965

I have also examined compliance with the applicable Clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India;
- (ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that:-

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

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

Board takes decision by majority of directors while the dissenting directors' views are captured and recorded as part of the minutes.

I further report that:

There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable Laws, Rules, Regulations and guidelines.

I further report that during the audit period, the Company has passed following resolution through postal ballot.

1. Approved the inter-corporate loans, investments, guarantee or security and acquisition under section 186 of the Companies Act, 2013
2. Authorised the board to grant loans and advances under section 185 of the Companies Act, 2013 to entity in whom director/s/are interested
3. Approved related party transactions to be entered by the Company with related parties
4. Authorised board to grant loans and advances under section 185 of the Companies Act, 2013 to entity in whom director/s is/are interested

The voting for postal ballot was remained opened from Thursday, November 11, 2021 to Friday December 10, 2021 and resolutions were

deemed to be passed on 10th December, 2021 which was the last date of e-voting.

I further report that there were no other instances of:

- (a) Public/Rights of Shares/Preferential Issue of Shares/debentures/sweat equity.
- (b) Redemption/buy-back of securities.
- (c) Merger/ amalgamation etc.
- (d) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013
- (e) Foreign technical collaborations.

For, Khandelwal Devesh & Associates,
Company secretaries,

Devesh Khandelwal

Proprietor

FCS: 6897

COP No.:4202

UDIN: F006897D000835043

Date: 23/08/2022

Place: Ahmedabad

Note: This report is to be read with my letter of even date which is annexed as Annexure herewith and forms and integral part of this report.

Annexure to Secretarial Audit Report

To,
The Members,
Pashupati Cotspin Limited
Kadi, Gujarat.

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I 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. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representations about the compliance of Laws, Rules and Regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For, Khandelwal Devesh & Associates,
Company secretaries,

Devesh Khandelwal
Proprietor
FCS: 6897
COP No.:4202
UDIN: F006897D000835043

Date: 23/08/2022
Place: Ahmedabad

Annexure-“C”

The ratio of the remuneration of each Director to the median employee’s remuneration and other details in terms of sub-section 12 of Section 197 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

| Sr. No. | Requirements | Disclosure | |
|---------|--|----------------------|------|
| | | WTD | N.A. |
| I. | The ratio of the remuneration of each director to the median remuneration of the employees for the financial year | | |
| II. | The percentage increase in remuneration of each director, CFO, CEO, CS in the financial year | | |
| III. | The percentage increase in the median remuneration of employees in the financial year | No increase | |
| IV. | The number of permanent employees on the rolls of the Company as on 31st March, 2022 | 457 | |
| V. | Average percentile increase 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 | Nil | |
| VI. | Affirmation that the remuneration is as per the remuneration policy of the company | Yes, it is confirmed | |

For and on behalf of the Board of Directors

Date: 23/08/2022
Place: Ahmedabad

Sd/-
Saurin Jagdish Bhai Parikh
Chairman & Managing Director
(DIN: 02136530)

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE & DEVELOPMENT

Being one of the major contributors to India's Gross Domestic Product (GDP), Textile Industry is always considered to be the sunrise sector. Even during the current global pandemic period, Industry was able to withstand and overcome various challenges. Signs of recovery are visible in the year 2021-22. Exports for textile products have exhibited an increase as compared to previous years. However, the recovery that was underway due to ebbing of second wave of pandemic encountered hurdles from a rapid surge in infections in the third wave of Omicron variant of Covid-19.

While India's textile and apparel trade with Russia and Ukraine is miniscule, inflationary pressures are expected on the textile industry as an outcome of Russia-Ukraine war. Oil and energy prices are expected to rise further. Prices of raw materials such as Raw cotton (Kapas), dyes and chemicals, indigenous as well as imported from European countries have increased.

The Government has announced ₹ 10,683 crore Production Linked Incentive (PLI) Scheme for Man-made Fibers ("MMF") and technical textiles, extending the incentive ranging from 7% to 15% based on incremental turnover for five years.

With effect from 1st January 2022, different slabs of GST applicable to MMF products have been removed and all textile goods except cotton and cotton yarn have been brought under 12% GST rate, thereby removing inverted tax structure, which had resulted in huge accumulation of input tax credit. These steps by the Government would greatly benefit the industry.

The Company is engaged in the business of processing of Kapas (raw cotton) by way of Ginning of cotton, spinning of cotton yarn and delineating Process. The products manufactured at our Company include Cotton bales, Cotton yarn and Black Cotton seeds (Delineate Seeds). By setting up of the Ginning and Spinning unit our Company cope up with the changes in the fashion consciousness, development in the cotton textile sector and synchronizing with the initiatives provided by the Central and the state Government.

OPPORTUNITY AND THREATS

India's man-made fiber (MMF) products are known for their workmanship, colours and durability. Globally, the textile trade is dominated by MMF. For India to increase its share in the global textile trade, the country will have to increase its competitiveness in MMF value chain, in terms of price as well as diversification in products. India's self sufficiency in raw materials across entire value chain and manufacturing capacity are factors favouring India over other countries. Government has announced many schemes such as PLI, Rebate of State and Central Taxes and levies (RoSCTL), the larger benefit of textile industry. Other measures include Technology Upgradation Fund Scheme(TUFS) and Scheme for Capacity Building in Textile Sector(SAMARTH) to train unskilled labour into skilled labour. Low productivity due to lack of modernisation and research and

development, volatile raw material prices, infrastructure bottlenecks, stringent environmental protocols may pose a threat to progress of MMF industry.

SEGMENTAL REVIEW AND ANALYSIS

Your Company continues to operate in one business segment only i.e. processing of Kapas (raw cotton) by way of Ginning of cotton, spinning of cotton yarn and delineating Process. Production at both units has been maintained and there was a sustained demand for yarn of all varieties. The efforts to keep costs under control continue with emphasis on increased productivity.

OUTLOOK

Post pandemic, demand for home textiles and knitted apparel has gone up. Consumption has increased for low cost and low maintenance MMF products due to hygiene consciousness and work from home culture thereby increasing the rise in demand for MMF for their manufacture.

Increased penetration of organized retail sector, growing population and rising income levels are likely to drive demand for textile product. It has been complemented by a growing young earning population, rising female work force which is exposed to changing tastes and fashion. More and more demand for fitness apparel, requirement of low cost and high-performance material for automotive and industrial use have increased the demand for synthetic and MMF products.

Limited cotton production, relatively high cotton prices and versatile applications of MMF are other contributors to increase in demand for MMF textiles.

The rapid deterioration of the global economic outlook following the pandemic and Russia-Ukraine war has severely impacted demand and margins. The major focus of the industry will be on cost cutting measures, improving productivity and quality and reduction in wastage.

RISK AND CONCERN

Major concern is rising costs of raw materials i.e. raw cotton(Kapas) and other input materials and consequently in prices of finished products. Due to Covid situation, there is increasing shift towards online business and price sensitive products are more in demand.

Indian exporters are at disadvantage due to discriminating duty treatment vis a vis Turkey, Bangladesh, Sri Lanka, Vietnam etc. in the EU and UK markets as India has failed to finalise Free Trade Agreements with these large importers of textile and apparels.

Textile industry in India is plagued with domestic issues including lack of skilled labour, inflexible labour laws, stringent environmental protocols, lack of modernization, infrastructure bottlenecks and a fragmented nature of the industry. Due to cash crunch and weak demand in the Indian and Export markets, it is becoming difficult to pass on the cost to end customer.

INTERNAL CONTROL SYSTEM AND ADEQUACY

The Company's internal control systems and procedures commensurate with the size and nature of its operations. The Company has adequate system of Internal Controls to ensure that the resources of the Company are used efficiently and effectively, all assets are safeguarded and protected against loss from unauthorized use or disposition and the transactions are authorized, recorded and reported correctly, financial and other data are reliable for preparing financial

information and other data and for maintaining accountability of assets. The management periodically reviews the internal control systems and procedures for efficient conduct of the Company's business. Internal Audit is conducted by independent Chartered Accountants, on quarterly basis. To maintain its objectivity and independence, the Internal Auditors report directly to the Audit Committee of the Board. The Audit Committee reviews the Internal Audit Reports and effectiveness of the Internal Control Systems. If required, the corrective actions are taken and the controls strengthened.

KEY RATIOS

| Sr. No. | Particular | Ratio For F.Y. | | Variance |
|---------|--|----------------|------------|---|
| | | 2021-22 | 2020-21 | |
| 1. | Debtors Turnover Ratio Formula: Debtors Turnover Ratio = Net Credit Sales / Average Account Receivable Definition: The Debtors Turnover Ratio also called as Receivables Turnover Ratio shows how quickly the credit sales are converted into the cash. This ratio measures the efficiency of a firm in managing and collecting the credit issued to the customers. | 13.19 Times | 9.64 Times | 36.83% Improvement in debtors turnover ratio is mainly due to, increase in sales in current year as compared to previous year, where sales were affected due to Covid-19 restrictions. |
| 2. | Inventory Turnover Ratio Formula: Inventory Turnover = Sales / Inventory Definition: Inventory turnover is a ratio showing how many times a company has sold and replaced inventory during a given period. A company can then divide the days in the period by the inventory turnover formula to calculate the days it takes to sell the inventory on hand. | 8.97 Times | 7.33 Times | 22.37% |
| 3. | Interest Coverage Ratio Formula: Interest Coverage Ratio = Interest Expense / EBIT Definition: The interest coverage ratio measures how many times a company can cover its current interest payment with its available earnings. The ratio is calculated by dividing a company's earnings before interest and taxes (EBIT) by the company's interest expenses for the same period. | 2.20 Times | 1.60 Times | 37.50% |
| 4. | Current Ratio Formula: Current Ratio = Current assets / Current liability Definition: The current ratio is a liquidity ratio that measures whether a firm has enough resources to meet its short-term obligations. It compares a firm's current assets to its current liabilities, and is expressed as follows: The current ratio is an indication of a firm's liquidity. | 1.94 Times | 1.65 Times | 17.56% |
| 5. | Debt Equity Ratio Formula: Debt Equity Ratio = Debt / Total Equity Definition: The debt-to-equity ratio is a financial ratio indicating the relative proportion of shareholders' equity and debt used to finance a company's assets. Closely related to leveraging, the ratio is also known as risk, gearing or leverage. | 1.64 Times | 1.32 Times | 24.24% |
| 6. | Operating Profit Margin Ratio Formula: Operating profit margin = *Operating income / Total revenue *Operating Income excluding Exceptional Item Operating profit margin = **Operating income / Total revenue **Operating Income including Exceptional Item Definition: In business, operating margin—also known as operating income margin, operating profit margin, EBIT margin and return on sales—is the ratio of operating income to net sales, usually presented in percent. Net profit measures the profitability of ventures after accounting for all costs. | 4.47% | 4.44% | 0.68% |

| Sr. No. | Particular | Ratio For F.Y. | | Variance |
|---------|--|----------------|---------|---|
| | | 2021-22 | 2020-21 | |
| 7. | Net Profit Margin Ratio Formula: Net Profit Margin= Net Profit/ Sales Definition: The net profit percentage is the ratio of after-tax profits to net sales. It reveals the remaining profit after all costs of production, administration, and financing have been deducted from sales, and income taxes recognized. | 1.87% | 1.20% | 55.83% Increase in earnings due to better operating margins in line with revenue growth which in the previous year was affected mainly due to Covid-19 pandemic. |
| 8. | Return on Net Worth Ratio Formula: Net Income/Shareholder's Equity Definition: The return on Net Worth is a measure of the profitability of a business in relation to the equity. | 10.26% | 5.39% | 90.35% Increase in earnings due to better operating margins in line with revenue growth which in the previous year was affected mainly due to Covid-19 pandemic. |

FINANCIAL AND OPERATIONAL PERFORMANCE

(Standalone) (Amount in lakh. Except EPS)

| Particulars for the year ended | March 31, 2022 | March 31, 2021 |
|---|-----------------|-----------------|
| Net revenue from Operations (Sales) | 66138.19 | 44098.11 |
| Profit Before Depreciation and Tax | 2962.04 | 2278.44 |
| Less: Depreciation | 1354.69 | 1540.58 |
| Profit Before Extra ordinary Items and Tax | 1607.36 | 737.86 |
| Extra Ordinary Items | 0.00 | 0.00 |
| Profit Before Tax | 1607.36 | 737.86 |
| Tax Expense | | |
| -Current Tax | 641.06 | 343.87 |
| Less: MAT Credit Receivable | 0.00 | 0.00 |
| -Deferred Tax | (146.25) | (136.45) |
| Profit After Tax | 1112.55 | 530.44 |
| EPS (Basic) (In ₹) | 7.28 | 3.80 |
| EPS (Diluted) (In ₹) | 7.28 | 3.80 |

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

Relations with the employees were cordial throughout the year. The Company provides to its employees' favourable work environment conducive to good performance with high degree of quality and integrity. The Company continuously nurtures this environment to keep its employees highly motivated and result oriented. Effective Human Resource Practices and customized training programmes enable building a stronger performance culture.

The Company took measures to protect its employees during second wave of Covid-19 pandemic. The Company introduced safety norms, created continuous awareness about the pandemic and introduced preventive and safety measures including workplace sanitization, thermal screening, demarcation of work areas, etc.

CAUTIONARY STATEMENT

Statements in this Management Discussions and Analysis Report describing the Company objectives, projections, estimates, expectations or predictions may be 'forward looking statements' within the meaning of applicable security laws or regulations. These statements are based on reasonable assumptions and expectations of future events. Actual results could however, differ materially from those expressed or implied. Factors that could make a difference to the Company's operations include market price both domestic and overseas availability and cost of raw materials, change in Government regulations and tax structure, economic conditions affecting demand / supplies and other factors over which the Company does not have any control. The Company takes no responsibility for any consequence of decisions made based on such statements and holds no obligation to update these in future.

By Order of the Board of Directors
For, PASHUPATI COTSPIN LIMITED

Sd/-

Saurin Jagdish Bhai Parikh
Chairman & Managing Director
(DIN: 02136530)

Date: 23/08/2022
Place: Ahmedabad

Annexure- "E"

CONSERVATION OF ENERGY

The information under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 for the year ended March 31, 2022 is given here below and forms part of the Director's Report.

❖ The steps taken for conservation of energy:

In line with the Company's commitment towards conservation of energy, the company continues with its efforts aimed at improving energy efficiency through improved operational and maintenance practices.

The steps taken in this direction are as under:

The Company has installed solar roof top plant in the financial year 2018-19.

➤ Installation of 2.2 Mega Watt (mw) Solar Roof Top Plant.

A **Rooftop PV System** is a photovoltaic system which generates electricity from solar panels mounted on the rooftop of a residential or commercial building or structure.

Benefits of Installation of Solar Roof Top Plant:

- Reduction in Electricity bill.
- Reduction in Pollution.
- Saving in land requirement and costs. Panels will be placed in your rooftop. So, they don't require additional land.

Approx. Savings per Month:

➤ Calculation:

| | |
|--|-----------------|
| Average Units Generated per year (a) | 31,13,991 KWH |
| Cost per Unit (b) | ₹ 8/- |
| Cost of Energy Saved (a*b) (c) | ₹ 2,49,11,928/- |
| Recovery Period for Project (d) | 6 Years |
| Cost of Capital Finance per year (e) | ₹ 4,30,06,250/- |
| Total Savings per year ((c)-(e/d)) (f) | ₹ 1,77,44,219/- |
| Total Savings per month (f/12) | ₹ 14,78,684/- |

Due to installation of 1 Mega Watt (mw) Solar Roof Plant the approx savings of Company is ₹ 14,78,684/- per month.

The steps taken by the Company for utilizing alternate sources of energy:

➤ Generation of Green Energy

Green Energy is energy that can be extracted, generated, and/or consumed without any significant negative impact to the environment.

➤ The capital investment on energy conservation equipment's:

During the year under review, the Company has not carried out any capital investment on energy conservation equipment.

By Order of the Board of Directors
For, PASHUPATI COTSPIN LIMITED

Sd/-
Saurin Jagdish Bhai Parikh
Chairman & Managing Director
(DIN: 02136530)

Date: 23/08/2022
Place: Ahmedabad

Annexure- "F"
FORM NO. AOC-2

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

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

1. Details of Contracts or arrangements or transactions not at arm's Length basis: -

| Sr. No. | Name(s) of the related party and nature of relationship | Nature of Contracts/ Arrangements/ Transactions | Duration of The Contracts/ Arrangements/ Transactions | Salient terms of the contracts or arrangements including the value, if any | Justification for entering into such contracts or arrangements or transactions | Date(s) of approval by the Board | Amount paid as advances, if any: | Date on which the special resolution was passed in general meeting as required under first proviso to section 188 |
|---------|---|---|---|--|--|----------------------------------|----------------------------------|---|
| | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) |
| | | | | | | | | |

NIL

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

| Sr. No. | Name(s) of the related party and nature of relationship | Nature of Contracts/ Arrangements/ Transactions | Duration of The Contracts/ Arrangements/ Transactions | Salient terms of the contracts or arrangements including the value, if any | Date(s) of approval by the Board | Amount paid as advances, if any: |
|---------|---|---|---|--|---|----------------------------------|
| | (a) | (b) | (c) | (d) | (e) | (f) |
| 1. | Pashupati Cotton Industries | Sale of Goods | For 5 years | ₹ 19,04,77,843.78/- | Board of Directors has enhanced the existing limits on 26.10.2021 and Shareholders through postal ballot on 10.12.2021 upto ₹ 500 Crore | - |
| 2. | Pashupati Cotton Industries | Purchase of Goods | For 5 years | ₹ 16,87,03,401.23/- | Board of Directors has enhanced the existing limits on 26.10.2021 and Shareholders through postal ballot on 10.12.2021 upto ₹ 500 Crore | - |
| 3. | PashupatiCotyarn LLP (Formerly Known as Pashupati Oil Industries) | Sale of Goods | For 5 years | ₹ 54,00,71,538.50/- | Board of Directors has enhanced the existing limits on 26.10.2021 and Shareholders through postal ballot on 10.12.2021 upto ₹ 500 Crore | - |
| 4. | PashupatiCotyarn LLP (Formerly Known as Pashupati Oil Industries) | Purchase of Goods | For 5 years | ₹ 10,17,14,314.28/- | Board of Directors on 28.03.2019 and Shareholders in AGM held on 26.09.2019 upto ₹ 200 Crores | - |
| 5. | PashupatiCotyarn LLP (Formerly Known as Pashupati Oil Industries) | Machinery Rent | For 5 years | ₹ 33,63,980.00/- | Board of Directors on 18.05.2019 and Shareholders in AGM held on 21.09.2020 upto ₹ 3Crores | - |
| 6. | R V Enterprises | Purchase of Goods | For 5 years | ₹ 244,51,70,309.35/- | Board of Directors on 18.05.2019 and Shareholders in AGM held on 21.09.2020 upto ₹ 400 Crores | - |

| Sr. No. | Name(s) of the related party and nature of relationship | Nature of Contracts/ Arrangements/ Transactions | Duration of The Contracts/ Arrangements/ Transactions | Salient terms of the contracts or arrangements or transactions including the value, if any | Date(s) of approval by the Board | Amount paid as advances, if any: |
|---------|---|---|---|--|---|----------------------------------|
| | (a) | (b) | (c) | (d) | (e) | (f) |
| 7. | S Raja Export Pvt Ltd | Sale of Goods | For 5 years | ₹ 159,26,86,915.22/- | Board of Directors on 28.03.2019 and Shareholders in AGM held on 26.09.2019 upto ₹ 350 Crores | - |
| 8. | PashupatiTexspin Export LLP (Formerly Known as Shree Pashupati Fabric LLP) | Purchase of Goods | For 5 years | ₹ 16,85,326.50/- | Board of Directors on 28.03.2019 and Shareholders in AGM held on 26.09.2019 upto ₹ 200 Crore | - |
| 9. | PashupatiTexspin Export LLP (Formerly Known as Shree Pashupati Fabric LLP) | Sale of Goods | For 5 years | ₹ 103,18,31,769.47/- | Board of Directors on 28.03.2019 and Shareholders in AGM held on 26.09.2019 upto ₹ 200 Crore | - |

By Order of the Board of Directors
For, PASHUPATI COTSPIN LIMITED

Sd/-
Saurin Jagdish Bhai Parikh
Chairman & Managing Director
(DIN: 02136530)

Date: 23/08/2022
Place: Ahmedabad

INDEPENDENT AUDITORS REPORT

To
The Members of
PASHUPATI COTSPIN LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Pashupati Cotspin Limited (the 'Company') which comprise the Balance Sheet as at March 31, 2022, and the statement of Profit and Loss and Statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under Sec. 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit, and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the 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 Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the 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 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 financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

| KEY AUDIT MATTER | RESPONSE TO KEY AUDIT MATTER |
|--|---|
| Measurement and Recognition of State Subsidy Receivable In terms of the Textile Policy of Government of Gujarat (GOG), the company is eligible for subsidy in the form of refund of state tax (SGST) on sales made from its plant located at Kadi for eligible products. The Government of Gujarat, made certain amendments to modalities for sanction and disbursement of the refund of such taxes under the new GST regime. | Principal Audit Procedures We have performed the following procedures in relation to the Recognition of State Subsidy Receivable with respect to State Tax (SGST): <ul style="list-style-type: none"> ➤ Evaluating the design and testing the operating effectiveness of the relevant controls over recognition and assessment of recoverability of the grant recognized under the Textile Policy of GOG. ➤ Discussion with company's legal team, management and external legal counsel, as applicable for their assessment of entitlement of benefits under such scheme. ➤ Engaging our internal specialists to assess relevant historical and recent update passed by the relevant authorities to evaluate the appropriateness of the conclusion reached by the management. ➤ Our tests of detail focused on transactions occurring within proximity of the year end in eligible products, obtaining evidence to support the appropriate timing of revenue recognition, based on terms and conditions set out in Textile Policy by GOG. |

Information other than Financial Statements & Auditors Report thereon.

The Company's Board of Directors is responsible for the Other Information. The Other Information comprises the information included in the Board's Report including Annexure to Board's Report (but does not include the financial statements, and our auditor's reports thereon).

Our opinion on the 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 financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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.

Management's Responsibility for the 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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standard 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 the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgement and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively or ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management 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 Financial Statements:-

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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

As required by the Companies (Auditor's Report) Order, 2016 (the "Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief are 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, and the Cash Flow Statement, dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to or separate report in "Annexure B".
- (g) With respect to the 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/provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the 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) Rule, 2014, in our opinion and to the best of our information and according to the explanations given to us :
 - i. The Company has disclosed the impact of pending litigations on the financial position of its financial statements – Refer Note (26) of Part B to Notes to accounts;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

- iv. a) The management has represented that, to the best of its knowledge and belief, no funds 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 entities ("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;
- b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("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; and
- c) Based on such 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 (a) and (b) contain any material misstatement.
- v. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

As stated in note 39 to the financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

For and behalf of
Mahendra N. Shah & Co.
Chartered Accountants
Firm's Registration No.-105775W

CA. Chirag M. Shah
Partner
Membership No.-045706
UDIN: 22045706AJUQBH6518

Date: 28.05.2022
Place: Ahmedabad

ANNEXURE A TO THE INDEPENDENT AUDITORS REPORT

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirements' of our report of even date to the financial statements of the Company for the year ended March 31, 2022:

1. In respect of Company's Property, Plant and Equipment and Intangible Assets :
 - (a) i. The Company is in the process of maintaining proper records which show full particulars, including quantitative details and situation of Property, Plant and Equipment;
 - ii. As the Company does not hold any intangible assets, reporting under clause 3(i) of the Order is not applicable.
 - (b) The Property, Plant & Equipment have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. According to information and explanation given to us, no material discrepancies were noticed on such verification.
 - (c) Based on the examination, we report that the title deeds of all the immovable properties of land and buildings disclosed in the financial statements included in property, plant and equipment are held in the name of the Company as at the balance sheet date. Immovable properties of land and buildings whose title deeds have been pledged as security for loans are held in the name of the Company based on the confirmations received from lenders.
 - (d) The Company has not revalued any of its property, plant and equipment during the year.
 - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made there under.
2. (a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.
- (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns and statements comprising stock statements & book debt statements filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company, of the respective quarters, except for the following:

(Amount in lakhs)

| Quarter Ended | As per Books | | As per Statement | | Difference | |
|---------------|--------------------------------------|------------|--------------------------------------|------------|--------------------------------------|------------|
| | Inventory incl. Advance to suppliers | Book Debts | Inventory incl. Advance to suppliers | Book Debts | Inventory incl. Advance to suppliers | Book Debts |
| June'21 | 8586.03 | 4830.11 | 9261.52 | 1386.61 | (675.49) | 3443.51 |
| September'21 | 13117.07 | 2599.19 | 7701.59 | 2225.33 | 5415.48 | 373.86 |
| December'21 | 15347.49 | 2593.03 | 7377.34 | 3342.62 | 7970.15 | (749.59) |
| March'22 | 10736.63 | 5175.25 | 7498.52 | 2745.37 | 3238.11 | 2429.88 |

3. The Company has made investments in Limited Liability Partnerships during the year. The Company has not given guarantee or provided security to any other entity during the year. The Company has granted loans or advances in the nature of loans to other parties, in respect of which :

- (a) The Company has provided interest-free unsecured loans or advances in the nature of loans during the year and details of which are given below:

(Amount in lakhs)

| Particulars | Investments | Loans |
|--|-------------|-------|
| (A) Aggregate amount granted / provided during the year: | | |
| - Subsidiaries | - | - |
| - Related party | 697.95 | - |
| - Others (employees including KMP) | | 13.26 |
| (B) Balance outstanding as at balance sheet date in respect of above cases: | | |
| - Subsidiaries | - | - |
| - Related party | 3879.56 | |
| - Others (employees including KMP) | | 38.94 |

- (b) The grant of all the above-mentioned loans or advances in the nature of loans to employees are, in our opinion, prima facie, not prejudicial to the interest of the Company.
- (c) In respect of interest-free loans or advances in the nature of loans provided by the Company to its employees, the schedule of repayment of principal has been stipulated and the repayments of principal amounts are regular as per stipulation in such cases
- (d) According to information and explanations given to us and based on the audit procedures performed in respect of loans granted and advances in the nature of loans provided by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) No loan or advance in the nature of 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 Company has not granted Loans or advances in the nature of loans which are repayable on demand or without specifying any terms or period of repayment.
4. According to the information and explanations given to us and on the basis of our examination of the records, the Company has not provided any guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013. Further, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in relation to loans given and investments made.
5. According to information and explanation given to us, the Company has not accepted any deposits from the public in accordance with the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company and hence not commented upon.
6. According to the information and explanation given to us the central government has prescribed maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013.
7. We are of the opinion, that prima facie, the company has maintained prescribed accounts and records. However we have not, made a detailed examination of the same.
- According to information and explanations given to us in respect of statutory dues and on the basis of our examination of the books of account, and records,
- (a) The company has been generally regular in depositing undisputed statutory dues including Goods and Service tax, Provident Fund, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues applicable to it with the appropriate authorities. There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable
- (b) According to the information and explanations given to us, there are no material dues of income tax, GST and duty of customs which have not been deposited with the appropriate authorities on account of any dispute.
8. There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
9. (a) The Company had not defaulted in respect of loans and other borrowings.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company had applied the loans for the purpose for which it has been obtained.
- (d) On an overall examination of the financial statements of the Company, the company has not utilised short-term funds for long term purposes.

- (e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause 3 (ix)(e) of the Order is not applicable
- (f) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause 3 (ix)(f) of the Order is not applicable.
10. a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
11. (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.
12. The Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
13. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
14. (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
15. According to the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company
16. (a) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3(xvi) of the Order are not applicable to the Company and hence not commented upon.
- (b) In our opinion, the Company has not conducted any Non-Banking Financial or Housing Finance activities without any valid Certificate of Registration from Reserve Bank of India. Hence, the reporting under paragraph clause 3 (xvi)(b) of the Order are not applicable to the Company.
- (c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Hence, the reporting under paragraph clause 3 (xvi)(c) of the Order are not applicable to the Company.
- (d) The Company does not have any CIC as part of its group. Hence the provisions stated in paragraph clause 3 xvi (d) of the order are not applicable to the company
17. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
18. There has been no resignation of the statutory auditors of the Company during the year.
19. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the 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.
20. (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 28 to the financial statements.
- (b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 28 to the financial statements.

For and behalf of
Mahendra N. Shah & Co.
Chartered Accountants
Firm's Registration No.-105775W

CA. Chirag M. Shah
Partner

Date: 28.05.2022
Place: Ahmedabad

Membership No.-045706
UDIN: 22045706AJUQBH6518

ANNEXURE B TO THE INDEPENDENT AUDITORS REPORT

Report on the Internal Financial Controls under Clause (1) 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 **PASHUPATI COTSPIN LIMITED** ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on 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. 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 Act.

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 Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls systems over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's Judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting.

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purpose in accordance with generally accepted 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 explanations given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as on March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reports issued by the Institute of Chartered Accountants of India.

For and behalf of
Mahendra N. Shah & Co.
Chartered Accountants
Firm's Registration No.-105775W

Date: 28.05.2022
Place: Ahmedabad

CA. Chirag M. Shah
Partner
Membership No.-045706
UDIN: 22045706AJUQBH6518

BALANCE SHEET

AS AT 31 March, 2022

(₹ in Lakhs)

| PARTICULARS | Note No. | As at 31 March, 2022 | As at 31.03.2021 |
|--|----------|----------------------|------------------|
| A EQUITY & LIABILITIES | | | |
| 1 SHARE HOLDERS FUND | | | |
| (a) Share Capital | 2(a) | 1,528.40 | 1,528.40 |
| (b) Reserves & Surplus | 2(b) | 9,315.13 | 8,317.21 |
| (c) Money Received Against Share Warrants | 2(c) | - | - |
| 2 NON CURRENT LIABILITIES | | | |
| (a) Long Term Borrowings | 3 | 8,323.09 | 6,067.85 |
| (b) Deferred Tax Liability | 4 | 453.34 | 599.59 |
| (c) Other Long Term Liabilities | 5 | 38.88 | 36.79 |
| (d) Long Term Provisions | 6 | 145.97 | 74.59 |
| 3 CURRENT LIABILITIES | | | |
| (a) Short Term Borrowings | 7 | 9,422.37 | 8,932.09 |
| (b) Trade Payables | 8 | | |
| (i) Total Outstanding dues to Micro, Small & Medium Enterprise | | 1.32 | 9.17 |
| (ii) Total Outstanding dues to other than Micro, Small & Medium Enterprise | | 559.49 | 371.10 |
| (c) Other Current Liabilities | 9 | 442.19 | 397.03 |
| (d) Short Term Provisions | 10 | 457.21 | 116.61 |
| Total | | 30,687.39 | 26,450.44 |
| B ASSETS | | | |
| 1 NON CURRENT ASSETS | | | |
| (a) Property Plant & Equipment | 11 | 8,588.61 | 9,544.89 |
| (i) Tangible Assets | | 0.00 | 0.00 |
| (ii) Capital Work-In-Progress | 12 | 125.20 | 135.00 |
| (b) Non Current Investments | 13 | 850.34 | 852.24 |
| (c) Long Term Loans and Advances | | | |
| 2 CURRENT ASSETS | 14 | 6,161.09 | 7,137.33 |
| (a) Inventories | 15 | 3,754.36 | 510.77 |
| (b) Trade Receivables | 16 | 5,033.91 | 4,008.25 |
| (c) Cash and Cash Equivalents | 17 | 286.15 | 187.06 |
| (d) Short Term Loans and Advances | 18 | 5,156.08 | 2,961.52 |
| (e) Other Current Assets | 19 | 731.66 | 1,113.37 |
| Total | | 30,687.39 | 26,450.44 |
| Significant Accounting Policies and Notes to Accounts | 1 | | |

As per our attached provisional report of even date

For Mahendra N. Shah & Co.

Chartered Accountants

FRN: 105775W

Chirag M. Shah

Partner

Membership No. F 045706

Place: Ahmedabad

Date: 28/05/2022

UDIN: 22045706AJUQBH6518

For and on behalf of the Board of Directors

Pashupati Cotspin Limited

Saurinbhai J. Parikh

Chairman & Managing Director

(DIN: 02136530)

Hareshkumar Shah

Chief Financial Officer

Place: Ahmedabad

Date: 28/05/2022

Tushar R. Trivedi

Whole Time Director

(DIN: 06438707)

Nisarg Shah

Company Secretary

Place: Ahmedabad

Date: 21/06/2021

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31 March, 2022

(₹ in Lakhs)

| Particulars | Note No. | For the Period From 01.04.2021 To 31.03.2022 | For the Period From 01.04.2020 To 31.03.2021 |
|--|----------|--|--|
| INCOME | | | |
| 1 Revenue from Operations (Net) | 20 | 66,138.19 | 44,098.11 |
| Less: Excise Duty | | - | - |
| Revenue from Operations (Net) | | 66,138.19 | 44,098.11 |
| 2 Other Income | 21 | 421.94 | 229.65 |
| 3 Total Revenue | | 66,560.13 | 44,327.76 |
| 4 EXPENDITURE | | | |
| (a) Cost of Materials Consumed | 22.a | 55,515.06 | 37,181.79 |
| (b) Purchase of stock-in-trade | | 108.50 | - |
| (c) Changes in Inventories of Finished Goods | 22.b | 215.79 | (802.65) |
| (d) Employee Benefits Expense | 23 | 1,389.17 | 1,166.23 |
| (e) Finance Costs | 24 | 1,342.43 | 1,220.75 |
| (f) Depreciation | 11 | 1,354.69 | 1,540.58 |
| (g) Other Expenses | 25 | 5,027.13 | 3,283.19 |
| Total Expenses | | 64,952.77 | 43,589.90 |
| 5 Profit/(Loss) Before Tax & Exceptional Item | | 1,607.36 | 737.86 |
| Exceptional Item | | - | - |
| 6 Profit/ (Loss) Before Tax | | 1,607.36 | 737.86 |
| Tax Expense: | | | |
| (a) Current Tax | | 512.24 | 351.71 |
| Less: MAT Credit Receivable | | 0.00 | 0.00 |
| (b) Deferred Tax Asset/(Reversal) | | (146.25) | (136.45) |
| (c) Short/(Excess) Provision Of Tax | | 128.82 | (7.84) |
| 7 Profit/(Loss) After Tax | | 1,112.55 | 530.45 |
| Earnings per equity share: | | | |
| (1) Basic | | 7.28 | 3.80 |
| (2) Diluted | | 7.28 | 3.80 |
| Significant Accounting Policies and Notes to Accounts | 1 | | |

As per our attached provisional report of even date

For Mahendra N. Shah & Co.

Chartered Accountants

FRN: 105775W

Chirag M. Shah

Partner

Membership No. F 045706

Place: Ahmedabad

Date: 28/05/2022

UDIN: 22045706AJUQBH6518

For and on behalf of the Board of Directors

Pashupati Cotspin Limited

Saurinbhai J. Parikh

Chairman & Managing Director

(DIN: 02136530)

Hareshkumar Shah

Chief Financial Officer

Place: Ahmedabad

Date: 28/05/2022

Tushar R. Trivedi

Whole Time Director

(DIN: 06438707)

Nisarg Shah

Company Secretary

Place: Ahmedabad

Date: 21/06/2021

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2022

| Particulars | 2021-22 | | 2020-21 | |
|---|---------------|-------------------|---------------|-------------------|
| | Rupees | Rupees | Rupees | Rupees |
| A) CASH FLOW FROM OPERATING ACTIVITIES | | | | |
| Net Profit before tax as per Profit & Loss A/c | | 1,607.36 | | 737.86 |
| Adjustments : | | | | |
| Depreciation and amortization | 1,354.69 | | 1,540.58 | |
| Bad Debts & Sundry balance written off | 414.10 | | 160.58 | |
| (Profit) / Loss on sale of Fixed Assets | 9.78 | | 1.29 | |
| Foreign Exchange Loss | - | | 2.71 | |
| Foreign Exchange Gain | (23.93) | | - | |
| Interest Income | (237.16) | | (116.14) | |
| Finance Cost | 1,342.43 | 2,859.90 | 1,220.75 | 2,809.77 |
| Operating Profit before working capital | | 4,467.25 | | 3,547.63 |
| Adjusted for : | | | | |
| i) Trade Receivables, Loans & Advances | (3,355.60) | | (1,009.63) | |
| ii) Stock | 976.25 | | (2,248.39) | |
| iii) Trade Payable & Liabilities | 252.34 | (2,127.01) | (1,214.67) | (4,472.70) |
| Cash generated from operations | | 2,340.25 | | (925.06) |
| Extraordinary Income | | | | |
| Direct Tax Paid | | (124.82) | | (164.24) |
| Net Cash from Operating Activities (a) | | 2,215.43 | | (1,089.31) |
| B) Cash Flow from Investing Activities : | | | | |
| Purchase of Fixed Assets | (458.98) | | (610.96) | |
| Sale of Fixed Assets | 50.80 | | 1.70 | |
| Loans Given | - | | (26.84) | |
| Investment In Corporate Entities | (3,233.78) | | - | |
| Interest Received | 237.16 | | 116.14 | |
| Net Cash used in Investing Activities (b) | | (3,404.80) | | (519.96) |
| C) Cash Flow from Financing Activities | | | | |
| Proceeds from/(Repayment) of Long Term Loans Borrowings (Net) | 2,745.52 | | 1,970.57 | |
| Proceeds from Issuance of Shares/Warrants | - | | 951.37 | |
| Interest Paid | (1,342.43) | | (1,220.75) | |
| Dividend paid including distribution tax | (114.63) | | (76.42) | |
| Net Cash from financing Activities | | 1,288.47 | | 1,624.78 |
| Net Increase in cash & cash equivalents (a+b+c) | | 99.09 | | 15.51 |
| Opening Balance of Cash & Cash equivalents | | 187.06 | | 171.56 |
| Closing Balance of Cash & Cash equivalents | | 286.15 | | 187.06 |
| Net Increase/(Decrease) in cash & cash equivalents | | 99.09 | | 15.51 |

As per our attached provisional report of even date

For Mahendra N. Shah & Co.

Chartered Accountants

FRN: 105775W

Chirag M. Shah

Partner

Membership No. F 045706

Place: Ahmedabad

Date: 28/05/2022

UDIN: 22045706AJUQBH6518

For and on behalf of the Board of Directors

Pashupati Cotspin Limited

Saurinbhai J. Parikh

Chairman & Managing Director

(DIN: 02136530)

Hareshkumar Shah

Chief Financial Officer

Place: Ahmedabad

Date: 28/05/2022

Tushar R. Trivedi

Whole Time Director

(DIN: 06438707)

Nisarg Shah

Company Secretary

Place: Ahmedabad

Date: 21/06/2021

Notes forming part of the Financial Statements

NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS :-

A) SIGNIFICANT ACCOUNTING POLICIES

(1) Information:

PashupatiCotspin Ltd is a listed company incorporated in India. The Company is engaged in Cotton Ginning and manufacture, processing of yarn.

(2) Basis of Preparation:

The financial statements of the company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects. The financial statements have been prepared on accrual basis and under the historical cost convention. The accounting policies adopted in preparation of financial statements are consistent with those of previous year.

(3) Use of Estimates:

The presentation of financial statements in conformity with the GAAP requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates is recognized in the period in which the results are known / materialized.

(4) Property Plant & Equipments:

Property Plant & Equipments are stated at Cost or at Revalued Amount, net of GST Credit less Accumulated Depreciation. All costs including financing costs till commencement of commercial production and Exchange rate variations relating to the Borrowing are capitalized / adjusted to the Property Plant & Equipments.

(5) Depreciation:

- i. Depreciation on Property Plant & Equipments is provided on the Straight Line Method (SLM) Method on the basis of Useful Life prescribed in Schedule II to the Companies Act, 2013
- ii. Depreciation on additions to the Property Plant & Equipments and the assets sold or disposed off, during the year is provided on pro-rata basis, at their respective rates with reference to the date of acquisition/installation or date of sale/disposal.

(6) Inventories:

(Inventories were taken as valued & certified by the partners.)

- a) Raw Material – At lower of Cost or Net Realizable Value.

- b) Stock in Progress - At lower of Cost or Net Realizable Value.
- c) Finished Goods - At lower of Cost or Net Realizable Value.
- d) Stores, Spares, Lubricants - At lower of Cost or Net Realizable Value.
- e) Material In Transit - At Cost
- f) Waste (Cotton and Yarn) - At Net Realizable value

(7) Foreign Currency Transactions:

- (a) Foreign currency transactions are accounted for at the exchange rate prevailing on the date of the transaction. All monetary foreign currency assets and liabilities are converted at the exchange rates prevailing on the date of the balance sheet. All exchange differences other than those relating to the acquisition of Property Plant & Equipments from outside India are dealt with in the statement of profit and loss. Exchange gain or loss relating to Property Plant & Equipments acquired from outside India is adjusted in the cost of respective Property Plant & Equipments.
- (b) In case of forward contracts, the gain/loss on contracts are treated as periodical expense or revenue. Any profit or loss arising on the cancellation or renewal of a forward exchange contract is recognized as income or expense for the year, except in case of a forward exchange contract relating to liabilities incurred for acquiring Property Plant & Equipments from outside India, in which case, such profit or loss is adjusted in the cost of Property Plant & Equipments.
- (c) Exchange difference is calculated as the difference between the foreign currency amount of the contract translated at the exchange rate at the reporting date, or the settlement date where the transaction is settled during the reporting period, and the corresponding foreign currency amount translated at the later of the date of inception of the forward exchange contract and the last reporting date. Such exchange differences are recognized in the statement of profit and loss in the reporting period in which the exchange rates change.

(8) Retirement Benefits:

- (a) The company has made provision of Gratuity liability of employees on basis of actuarial valuation report.
- (b) Leave encashment has been charged to the Revenue Account on the basis of policy of the company.
- (c) The company contribution to Provident Fund is charged to Revenue Account.

Notes forming part of the Financial Statements

(9) Borrowing Cost:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

(10) Revenue Recognition:

Income and Expenditure are recognized and accounted on Accrual Basis. Revenue from Sale of goods is recognized on delivery of the goods, when all significant contractual obligations have been satisfied, the property in the goods is transferred for a price, significant risks and rewards of ownership are transferred to customers & no effective ownership is retained However;

- a) Revenue in respect of insurance/other claims etc. is recognized only when it is reasonably certain that the ultimate collection will be made.
- b) Dividend income is recognized when the right to receive is established.
- c) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable rate of interest.
- d) Interest received on delayed payment is accounted on receipt basis.
- e) Lease Rent Income is recognized on accrual basis as per the terms of the Agreement.
- f) All benefits, claims, entitlements etc. under TUF subsidy, Goods & Service Tax, Electricity, Government Textile Policy Benefits are recognized as per the terms of the scheme and on accrual basis.

(11) Segment Accounting:

The company manufactures and deals in single product i.e. Cotton Yarn only and therefore, Accounting Standard 17 on Segment Reporting is not applicable.

(12) Investments:

Long Term Investments are carried at cost. Temporary diminution in value of such investments, if any, is ignored.

(13) Provisions and contingencies:

A provision is recognized when the company has a legal and constructive obligation as a result of a past event, for which it is probable that cash outflow will be required and a reliable estimate can be made of the amount of the obligation. A contingent liability is disclosed when the Company has a probable obligation where it is not probable that an outflow of resources will be required to settle it. Contingent assets are neither recognized nor disclosed.

(14) Taxation:

(a) Direct Taxes :

Tax expense for the year, comprising Current Tax if any and Deferred Tax are included in determining the net profit for the year.

A provision is made for deferred tax for all timing differences arising between taxable incomes and accounting income at currently enacted tax rates.

Deferred tax assets are recognized only if there is reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

(b) Indirect Taxes:

The liabilities are provided or considered as contingent depending upon the merit of each case and/or receiving the actual demand from the department.

(15) Impairment Loss:

Impairment Loss, if any, is provided to the extent the carrying amount of assets exceed their recoverable amounts. Recoverable amount is that which is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the assets and from its disposal at the end of its useful life. Net Selling Price is the amount obtainable from sale of the asset on arm's length basis between knowledgeable and willing parties less the cost of disposal.

B) NOTES ON ACCOUNTS:

26. Contingent Liabilities:

- a. Bank guarantees amounting to ₹ 111.71 Lakhs (P.Y. ₹ 443.85 Lakhs) in favour of DGFT & Customs, ₹ 262.51 Lakhs (P.Y. ₹ 179.60 Lakhs) in favour of Uttar Gujarat Vij Company Limited.
- b. The Company has availed benefit of concessional duty on Machineries imported under Export Promotion Capital Goods Scheme during the year 2013-14 to 2019-20. The Company's obligation for export was fixed of ₹ 13,706.47 Lakhs out of which company has fulfilled obligation of ₹ 13,323.75 Lakhs (of which Nil (P.Y. ₹ 6002.67 Lakhs) claims are submitted but pending for approval) & obligation of ₹ 382.72 Lakhs are pending to be fulfilled.
- c. In respect of Income Tax Liability of ₹ 16.51 Lakhs (P.Y. ₹ Nil)

27. In terms of Accounting Standard 28 – Impairment of Assets issued by ICAI the Management has reviewed its Property Plant & Equipments and the difference between the carrying amount and recoverable value of relevant assets was not material. Hence, provision for impairment loss is not considered necessary to be made in the books.

Notes forming part of the Financial Statements

28. Disclosure on Corporate Social Responsibility (CSR) activities u/s 135 of the Companies Act, 2013 is as under:

During the financial year ended 31st March, 2022, the Company incurred CSR expenditure of ₹ 22.00 Lakhs (Rupees Twenty Two Lakhs Only). The CSR initiative of the Company is mainly under promotion of Healthcare specially relating to cancer awareness and Promoting Education.

(Amount in lakhs unless otherwise stated)

| PARTICULARS | 2021-22 | | | 2020-21 | | |
|---|--------------|------------------------|-------|--------------|------------------------|-------|
| | Paid in cash | Yet to be paid in cash | Total | Paid in cash | Yet to be paid in cash | Total |
| (1) Gross amount required to be spent by the company during the year. | 13.41 | - | 13.41 | 12.91 | - | 12.91 |
| (2) Amount spent during the year on: | | | | | | |
| (i) Construction / acquisition of any asset | - | - | - | - | - | - |
| (ii) On purposes other than (i) above | 22.00 | - | 22.00 | 14.00 | - | 14.00 |

29. The following disclosure has been made on the information available with the Company, for suppliers who are registered as micro and small enterprises under 'MSMED Act.

(Amount in lakhs unless otherwise stated)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|----------------------|----------------------|
| The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each period: | | |
| Principal | 1.32/- | 9.17/- |
| Interest | 0.34/- | 0.34/- |
| The amount of interest paid by the buyer in terms of Section - 16 of the MSMED Act, 2006, along with the amounts of the payment made to the suppliers beyond the appointed day during each period | Nil | Nil |
| The amount of interest due and payable for the period of delay in making payment (Which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED Act, 2006 | Nil | Nil |
| The amount of interest accrued and remaining unpaid at the end of the period. | Nil | Nil |
| The amount of further interest remaining due and payable even in the succeeding period, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006 | Nil | Nil |

There are no Micro, Small & Medium Enterprises to whom the company over dues, which are outstanding for more than 45 days as at March 31, 2022. This information is disclosed under the Micro, Small & Medium Enterprises Development Act, 2006 which has been determined to the extent such parties have been identified on the basis of the information available with the company.

30. Earnings Per Share:

(In ₹)

| Particular | 2021-22 | 2020-19 |
|---|----------|---------|
| Net profit attributable to Shareholders | 1,112.55 | 530.44 |
| Weighted average number of equity shares | 152.84 | 139.77 |
| Basic earnings per share of ₹ 10/- each (in Rs) | 7.28 | 3.80 |

Notes forming part of the Financial Statements

7. Related Party Disclosure:

A. List of Related Parties and Relationship:

| | |
|---|--|
| Relative of Director | BhaveshkumarJayantilal Patel |
| Relative of Director | AshishRameshchandraTrivedi |
| Relative of Director | HariprabhaAravindbhai Parikh |
| Relative of Director | RenukabenJagdishchandra Parikh |
| Relative of Director | FalguniMitesh Parikh |
| Relative of Director | MinabenDaksheshbhai Patel |
| Relative of Director | MiteshbhaiJagdishBhai Parikh |
| Relative of Director | Esha Miteshbhai Parikh |
| Mr.Saurin Parikh Managing Director of the Company is also Director and Shareholder of the company. | M/s S. Raja Export Private Limited |
| Mr.Saurin Parikh Managing Director and Mr.Dakesh Patel Director of the Company are also Partners in LLP. | M/s PashupatiCotyarn LLP (converted from Pashupati Oil Industries to Pashupati `Cotyarn LLP on 21/06/2018) |
| Mr.Saurin Parikh Managing Director and Mr.Dakesh Patel Director of the Company are also Partners in Firm. | M/s Pashupati Cotton Industry |
| Mr.Saurin Parikh Managing Director, Mr.TusharTrivedi Whole Time Director and Mr.Dakshesh Patel Director along with their relatives are partners of the LLP. | PashupatiTexpin Export LLP |
| (Erstwhile known as M/s Shree Pashupati Fabric LLP) | |
| Mr.Saurin Parikh Managing Director of the Company is also Director and Shareholder of the company. | M/s Pashupati Solar Private Limited |
| Mr.Saurin Parikh Managing Director of the Company is also Director and Shareholder of the company. | M/s Pashupati Healthcare Foundation |
| Mr.Saurin Parikh Managing Director of the Company is also Director and Shareholder of the company. | M/s Global Park Developer LLP |
| Mr.Saurin Parikh Managing Director, Mr.TusharTrivedi Whole Time Director and Mr.Dakshesh Patel Director alongwith their relatives are partners of the LLP. | M/s Pashupati Fashion LLP |
| Mr.Saurin Parikh Managing Director and Mr.Dakshesh Patel Director are partners of the LLP. | M/s Universal Industrial Park LLP |
| Mr.Saurin Parikh, Managing Director is a relative of Proprietor | M/s RV Enterprise |
| Mr.Saurin Parikh, Managing Director is also a Managing Director of the Company | M/s UnizaLifecare Private Limited |
| Mr.Saurin Parikh, Managing Director is a Designated Partner of the LLP. | M/s.Uniza Healthcare LLP |

B. KEY MANAGERIAL PERSONNEL

| | |
|---|--|
| SaurinJagdishBhai Parikh | Chairman & Managing Director |
| TusharRameshchandraTrivedi | Whole time Director |
| HareshkumarRameshchandra Shah | Chief Financial Officer (CFO) |
| Nisarg Shah (from 04.10.2021) | Company Secretary & Compliance Officer |
| BijalNareshbhai Thakkar (upto 04.10.2021) | Company Secretary & Compliance Officer |

C. Related Parties Transactions (₹):

| Transactions during the year | Relation | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|------------------------------|----------------|-----------------------------------|-----------------------------------|
| Purchase of goods: | | | |
| PashupatiCotyarn LLP | Associate Firm | 1,017.14 | 141.86 |
| PashupatiTexspin Export LLP | Associate Firm | 16.85 | 11.33 |
| RV Enterprises | Associate Firm | 24,451.70 | 22,587.27 |
| Pashupati Cotton Industries | Associate Firm | 1,687.03 | 563.61 |
| Total | | 27,172.73 | 23,304.07 |

Notes forming part of the Financial Statements

| Transactions during the year | Relation | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---------------------------------|---------------------|--------------------------------------|--------------------------------------|
| Sale of goods: | | | |
| PashupatiCotyarn LLP | Associate Firm | 5,400.72 | 6,528.37 |
| PashupatiTexspin Export LLP | Associate Firm | 10,318.32 | 1,583.66 |
| S Raja Export Pvt Ltd | Associate Firm | 15,926.87 | 11,338.23 |
| Pashupati Cotton Industries | Associate Firm | 1,904.78 | 1,490.05 |
| Total | | 33,550.68 | 20,940.30 |
| For various expenses | | | |
| PashupatiCotyarn LLP | Associate Firm | 33.64 | 55.80 |
| Miteshbhai J. Parikh | Relative Of Partner | 2.00 | 3.00 |
| BhaveshbhaiJayantibhai Patel | Relative Of Partner | 15.00 | 5.00 |
| DaksheshbhaiJayantibhai Patel | KMP | 7.00 | 7.00 |
| Total | | 57.64 | 70.80 |
| Interest Income | | | |
| PashupatiCotyarn LLP | Associate Firm | 73.66 | 70.84 |
| PashupatiTexspin Export LLP | Associate Firm | 32.79 | - |
| Global Park Developers LLP | Associate Firm | 97.91 | 1.29 |
| Total | | 204.36 | 72.13 |
| Loan Received | | | |
| AshishbhaiRameshchandra Trivedi | Relative Of Partner | - | 1.50 |
| Total | | - | 1.50 |
| Loan Repaid | | | |
| AshishbhaiRameshchandra Trivedi | Relative Of Partner | - | 27.04 |
| BhaveshbhaiJayantibhai Patel | Relative Of Partner | - | 23.20 |
| FalgunibenMiteshbhai Parikh | Relative Of Partner | - | 79.37 |
| HariprabhabenArvindbhai Parikh | Relative Of Partner | - | 71.89 |
| RenukabenJagdishbhai Parikh | Relative Of Partner | - | 277.10 |
| DaksheshbhaiJayantibhai Patel | KMP | - | 3.06 |
| SaurinbhaiJagdishbhai Parikh | KMP | - | 266.93 |
| TusharbhaiRameshchandra Trivedi | KMP | - | 10.28 |
| Total | | - | 758.87 |
| Interest Expenses | | | |
| AshishbhaiRameshchandra Trivedi | Relative Of Partner | - | 0.87 |
| BhaveshbhaiJayantibhai Patel | Relative Of Partner | - | 0.79 |
| FalgunibenMiteshbhai Parikh | Relative Of Partner | - | 2.71 |
| HariprabhabenArvindbhai Parikh | Relative Of Partner | - | 2.46 |
| RenukabenJagdishbhai Parikh | Relative Of Partner | - | 7.35 |
| DaksheshbhaiJayantibhai Patel | KMP | - | 0.10 |
| SaurinbhaiJagdishbhai Parikh | KMP | - | 6.76 |
| TusharbhaiRameshchandra Trivedi | KMP | - | 0.35 |
| Total | | - | 21.41 |
| Remuneration: | | | |
| TusharbhaiRameshchandra Trivedi | KMP | 2.40 | 2.40 |
| HareshkumarRameshchandra Shah | KMP | 5.40 | 5.40 |
| BijalNareshbhaiThakkar | KMP | 1.32 | 2.64 |
| Nisarg Shah | KMP | 2.00 | - |
| Total | | 11.12 | 10.44 |
| Investment-Fixed Capital | | | |
| PashupatiCotyarn LLP | Associate Firm | 607.50 | 97.50 |
| Sarjak Infra LLP | Associate Firm | 0.45 | - |
| PashupatiTexspin Export LLP | Associate Firm | 80.00 | - |
| Global Park Developers LLP | Associate Firm | 10.00 | 10.00 |
| Total | | 697.95 | 107.50 |

Notes forming part of the Financial Statements

| Transactions during the year | Relation | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|-----------------------------------|---------------------|--------------------------------------|--------------------------------------|
| Investment-Current Capital | | | |
| PashupatiCotyarn LLP | Associate Firm | - | (141.50) |
| PashupatiTexspin Export LLP | Associate Firm | 800.00 | - |
| Sarjak Infra LLP | Associate Firm | 110.00 | - |
| Global Park Developers LLP | Associate Firm | 751.99 | 645.00 |
| Total | | 1,661.99 | 503.50 |
| Fixed Asset Purchase | | | |
| PashupatiCotyarn LLP | Associate Firm | - | 91.41 |
| R V Enterprises | Associate Firm | - | 27.29 |
| EshaMiteshbhai Parikh | Relative Of Partner | - | 348.00 |
| Total | | - | 466.69 |

32. Disclosure pursuant to Accounting Standard - 15 [Revised] 'Employee Benefits:

- The Company has, with effect from 1st April, 2007, adopted Accounting Standard 15, Employee Benefits [Revised 2005] [the 'Revised AS 15']. In accordance with the transitional provisions governing gratuity valuation – defined benefit plan – long term liability based on actuarial valuation is as follows :
- The Amount (in Lakh ₹) as certified by the Approved Value is as under:**

| Period | From: 01/04/2021 To: 31/03/2022 | From: 01/04/2010 To: 31/03/2021 |
|--|------------------------------------|------------------------------------|
| Present value of the obligation at the beginning of the period | 87.84 | 50.38 |
| Interest cost | 5.05 | 2.77 |
| Current service cost | 38.80 | 23.67 |
| Past Service Cost | 0 | 0 |
| Benefits paid (if any) | 0 | 0 |
| Actuarial (gain)/loss | 38.28 | 11.01 |
| Present value of the obligation at the end of the period | 169.97 | 87.84 |

Key results (The amount to be recognized in the Balance Sheet):

(₹ in Lakhs)

| Period | As on: 31/03/2022 | As on: 31/03/2021 |
|--|-------------------|-------------------|
| Present value of the obligation at the end of the period | 169.97 | 87.84 |
| Fair value of plan assets at end of period | - | - |
| Net liability/(asset) recognized in Balance Sheet and related analysis | 169.97 | 87.84 |
| Funded Status | (169.97) | (87.84) |

Expense recognized in the statement of Profit and Loss:

(₹ in Lakhs)

| Period | From: 01/04/2021 To: 31/03/2022 | From: 01/04/2010 To: 31/03/2021 |
|--|------------------------------------|------------------------------------|
| Interest cost | 5.05 | 2.77 |
| Current service cost | 38.80 | 23.67 |
| Past Service Cost | - | - |
| Expected return on plan asset | - | - |
| Net actuarial (gain)/loss recognized in the period | 38.28 | 11.01 |
| Expenses to be recognized in P&L | 82.13 | 37.45 |

Notes forming part of the Financial Statements

Experience adjustment:

(₹ in Lakhs)

| Period | From: 01/04/2021 To: 31/03/2022 | From: 01/04/2020 To: 31/03/2021 |
|--|------------------------------------|------------------------------------|
| Experience Adjustment (Gain) / loss for Plan liabilities | 39.48 | 7.47 |
| Experience Adjustment Gain / (loss) for Plan assets | - | - |

The assumptions employed for the calculations are tabulated:

| Period | From: 01/04/2021 To: 31/03/2022 | From: 01/04/2020 To: 31/03/2021 |
|-----------------------------|------------------------------------|------------------------------------|
| Discount rate | 5.75 % per annum | 5.50 % per annum |
| Salary Growth Rate | 5.00 % per annum | 5.00 % per annum |
| Mortality | IALM 2012-14 | IALM 2012-14 |
| Expected rate of return | 0 | 0 |
| Withdrawal rate (Per Annum) | 30.00% p.a. | 30.00% p.a. |

Benefits valued:

| Period | From: 01/04/2021 To: 31/03/2022 | From: 01/04/2020 To: 31/03/2021 |
|---|--|--|
| Normal Retirement Age | 60 Years | 60 Years |
| Salary | Last drawn qualifying salary | Last drawn qualifying salary |
| Vesting Period | 5 Years of service | 5 Years of service |
| Benefits on Normal Retirement | 15/26 * Salary * Past Service (yr) | 15/26 * Salary * Past Service (yr) |
| Benefit on early exit due to death and disability | As above except that no vesting conditions apply | As above except that no vesting conditions apply |
| Limit | 20.00 | 20.00 |

Current Liability (*Expected payout in next year as per schedule III of the Companies Act, 2013):

(₹ in Lakhs)

| Period | As on: 31/03/2022 | As on: 31/03/2021 |
|-----------------------------------|-------------------|-------------------|
| Current Liability (Short Term)* | 24.00 | 13.24 |
| Non Current Liability (Long Term) | 145.97 | 74.59 |
| Total Liability | 169.97 | 87.84 |

Sensitivity Analysis: Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of change in mortality rate is negligible. Please note that the sensitivity analysis presented below may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated. The results of sensitivity analysis are given below:

| Period | As on: 31/03/2022 |
|--|---|
| Defined Benefit Obligation (Base) | 169.97@ Salary Increase Rate : 5%, and discount rate :5.75% |
| Liability with x% increase in Discount Rate | 165.03; x=1.00% [Change (3)%] |
| Liability with x% decrease in Discount Rate | 175.22; x=1.00% [Change 3%] |
| Liability with x% increase in Salary Growth Rate | 175.20; x=1.00% [Change 3%] |
| Liability with x% decrease in Salary Growth Rate | 164.96; x=1.00% [Change (3)%] |
| Liability with x% increase in withdrawal Rate | 168.16; x=1.00% [Change (1)%] |
| Liability with x% decrease in withdrawal Rate | 171.79; x=1.00% [Change 1%] |

Notes forming part of the Financial Statements

Reconciliation of liability in balance sheet

(₹ in Lakhs)

| Period | From: 01/04/2021 To: 31/03/2022 | From: 01/04/2020 To: 31/03/2021 |
|---|------------------------------------|------------------------------------|
| Opening gross defined benefit liability/ (asset) | 87.84 | 50.38 |
| Expenses to be recognized in P&L | 82.13 | 37.45 |
| Benefits paid (if any) | - | - |
| Closing gross defined benefit liability/ (asset) | 169.97 | 87.84 |

32. AUDITORS' REMUNERATION:-

(₹ in Lakhs)

| | 2021-22 | 2020-21 |
|-----------------------|-------------|-------------|
| 1. Audit Fees | 3.00 | 3.00 |
| 2. Tax Audit | - | - |
| 3. Traveling expenses | - | - |
| TOTAL | 3.00 | 3.00 |

33. Details of Goods Imported:-

(₹ in Lakhs)

| | 2021-22 | 2020-21 |
|--|-----------------|-----------------|
| 1. CIF value of goods imported: | | |
| (a) Cotton | - | - |
| (b) Stores and Spares | 27.94 | 1.00 |
| (c) Plant and Machinery | 69.74 | 43.95 |
| TOTAL | 97.68 | 44.96 |
| 2. Consumption:- | | |
| (a.) Raw Materials: | | |
| (i) Imported goods | - | - |
| (ii) Indigenous goods: | | |
| Cotton | 55515.06 | 37181.79 |
| Cotton yarn | 0 | 0 |
| TOTAL | 55515.06 | 37181.79 |
| Imported | 0% | 0% |
| Indigenous | 100% | 100% |
| (b.) Stores and Spares: | | |
| (i) Imported goods | 27.94 | 1.00 |
| (ii) Indigenous goods | 769.59 | 538.00 |
| TOTAL | 797.53 | 539.00 |
| Imported | 3.50% | 0.19% |
| Indigenous | 96.50% | 99.81% |

34. Export Sales :

(₹ in Lakhs)

| | 2021-22 | 2020-21 |
|----------------------------|----------------|-----------------|
| Exports: Direct(FOB Value) | 6829.92 | - |
| Through Merchant Exporters | - | 11338.23 |
| | 6829.92 | 11338.23 |

Notes forming part of the Financial Statements

35. Expenditure in Foreign Currency:

(₹ in Lakhs)

| | 2021-22 | 2020-21 |
|--|--------------|----------|
| Purchase of Plant and Machinery, Stores, Spares and Cotton | 94.84 | - |
| Freight | 2.84 | - |
| TOTAL | 97.68 | - |
| 36. Remittances of Dividend in Foreign Currency | - | - |

37. (a) Long term borrowings :

| Sr. no. | Bank | Nature of facility | Sanction Amount (Rs in Lakhs) | Security | Tenure | Rate of Interest |
|---------|---|--------------------|-------------------------------|--|-----------|------------------|
| 1 | Axis Bank Ltd | Dropline OD | 1,500 | Equitable Mortgage of Commercial Building located at Survey no. 648 of Global Industrial Park LLP Opp. to Suzuki Motor Plant, Off. To Becharaji – Viramgam Road, At Hansalpur, Ta. Mandal, Dist. Ahmedabad Mahesana, Gujarat having area admeasuring 5220 SqMtrs. Personal guarantee of directors and other guarantors Corporate Guarantee of Global Park Developers LLP | 84 months | 6.85% p.a. |
| 2 | HDFC Bank Ltd | Dropline OD | 1,800 | Exclusive charge by way of Equitable mortgage on immovable collateral security (1) Industrial Godown, Survey No. 919/1, KadiDetroj road, Kadi (Old Survey 404/1) in the name of PashupatiCotspin Limited and (2) Industrial Godown, Survey No. 435, KadiDetroj Road, Kadi Developed by PashupatiCotspin Limited Personal guarantee of directors and other guarantors | 60 months | 8.8% p.a. |
| 3 | Punjab National Bank State Bank of India | Cash Credit/ CECF | | Primary Security: 1st PariPashu charge with other member of consortium as under Hypothecation of Stock of Raw Material, Stock - in process, Finished Goods, Stores & Spares, Receivables and other current assets of both the Ginning and Spinning unit, both existing and future. | - | 9.9% p.a. |
| | | GECL 2.00 | | 2nd charge on existing primary security & collateral security including all cash flows of the Company. The facility covered under Guarantee coverage from NCGTC. | 60 months | 8.35% p.a. |
| | | NFB facility | | For BG: Counter Indemnity of the Company. The BG facility shall also covered on pasripassu basis by Hypothecation of stock of Raw Material, Stock - in process, Finished Goods, Stores & Spares, Receivables and other current assets of both the Ginning and Spinning unit, both existing and future. | - | - |

Notes forming part of the Financial Statements

37. (b) Short term borrowings :

| Sr. no. | Bank | Nature of facility | Sanction Amount (Rs in Lakhs) | Security | Tenure | Rate of Interest |
|---------|---|--------------------|-------------------------------|--|------------------------|-------------------------|
| 1 | HDFC Bank Ltd | Term Loan | 2,020 | Exclusive charge by way of Equitable mortgage on immovable collateral security (1) Industrial Godown, Survey No. 919/1, KadiDetroj road, Kadi (Old Survey 404/1) in the name of PashupatiCotspin Limited. (2) Industrial Godown, Survey No. 435, KadiDetroj Road, Kadi Developed by PashupatiCotspin Limited (Property 1 and 2 are already mortgaged with HDFC Bank for DLOD exposure of INR 180 Mn to the Company) and (3) Negative lien on land bearing Revenue Survey No. 1413/1 measuring 3035 Sq.Mtr located at TP no. 54 (ognaj) owned by Sarjak Infra LLP. Exclusive charge by way of Hypothecation on Solar Assets acquired by the Company out of mentioned term loan. Personal guarantee of directors and other guarantors | 78 months | 6.80% p.a. |
| 2 | Yes Bank Ltd | Term Loan | 400 | Exclusive Hypothecation on charge on Solar power Project assets created out of Yes Bank Limited terms loan. | 60 months | 1 year MCLR + 0.2% p.a. |
| 3 | Punjab National Bank State Bank of India | Term Loan | 5234.00 | EM of factory land & building (Spinning unit) at S. No. 404/2 adm. 52500 sq. Mt at Balasar, Ta-Kadi, Distt. Mehsana EM of factory land & building (Ginning unit) at S. No. 404/1 adm. 25000 Sq. Mt at Balasar, Ta-Kadi, Distt. Mehsana Collateral Security: Hypothecation/Mortgage of Block Assets Residential House property of Directors and other guarantors Personal guarantee of directors and other guarantors. | 60 months 60 months | 9.9% p.a. 9.9% p.a. |

38. Code on Social Security:

During the previous year ended 31st March, 2022 the Central Government has published "The Code on Social Security, 2020" and "Industrial Relations Code, 2020" ("the Codes") in the Gazette of India, inter alia, subsuming various existing labour and industrial laws which deals with employees related benefits including post employment. The effective date of the code thereunder and the rules are yet to be notified. The impact of the legislative changes, if any, will be assessed and recognized post notification of the relevant provisions.

39. The Board of Directors has recommended final dividend for the financial year 2021-22 on Equity Share Capital 7.5% (₹ 0.75 Per Equity of face value of ₹ 10/- each) subject to approval of the shareholders in the ensuing Annual General Meeting (AGM)

40. Other Statutory Information

- The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- The Company do not have any transactions with companies struck off.
- The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

Notes forming part of the Financial Statements

- v. The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - a. 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
 - b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- vi. The Company have 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 invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries), or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- vii. The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or surveyor any other relevant provisions of the Income Tax Act, 1961.

41. Key Ratios

| Sr. No | Ratio | Ratio as on March 31, 2022 | Ratio as on March 31, 2021 | % Deviation | Reason for variance |
|--------|---|----------------------------|----------------------------|-------------|--|
| 1 | Current Ratio | | | | |
| | Current Assets | 1.94 | 1.62 | 19.81% | - |
| | Current Liabilities | | | | |
| 2 | Debt-to-equity Ratio | | | | |
| | Total Outside Liabilities | 1.64 | 1.52 | 7.42% | - |
| | Shareholder's Equity | | | | |
| 3 | Debt Service Coverage Ratio | | | | |
| | Earnings Available for Debt Servicing | 1.13 | 1.10 | 3.38% | - |
| | Interest and Lease Payment Installments | | | | |
| 4 | Return on Equity Ratio | | | | |
| | Net Profit After Tax | 10.75% | 5.80% | 85.37% | Increase in net profits due to better operating margins in line with revenue growth. |
| | Average Shareholder's Equity | | | | |
| 5 | Inventory Turnover Ratio | | | | |
| | Sale of Products | 8.97 | 7.21 | 24.37% | - |
| | Average Inventory | | | | |
| 6 | Receivables Turnover Ratio | | | | |
| | Net Sales | 13.19 | 9.48 | 39.09% | Improvement in debtors turnover ration is mainly due to, increase in sales in current year as compared to previous year, where sales were affected due to Covid-19 restrictions. |
| | Average Accounts Receivable | | | | |
| 7 | Payables Turnover Ratio | | | | |
| | Net Credit Purchases | 116.60 | 67.74 | 72.13% | There is increase in Trade Payable Turnover Ratio on account of increase in purchases in line with increase in operations. |
| | Average Trade Payables | | | | |
| 8 | Net Capital Turnover Ratio | | | | |
| | Net Sales | 5.82 | 7.12 | -18.19% | - |
| | Working Capital | | | | |

Notes forming part of the Financial Statements

| Sr. No | Ratio | Ratio as on March 31, 2022 | Ratio as on March 31, 2021 | % Deviation | Reason for variance |
|--------|---|----------------------------|----------------------------|-------------|---|
| 9 | Net Profit Ratio | | | | |
| | Profit After Tax | 1.87% | 1.22% | 52.51% | Increase in earnings due to better operating margins in line with revenue growth which in the previous year was affected mainly due to Covid-19 pandemic. |
| | Net Sales | | | | |
| 10 | Return on Capital employed Ratio | | | | |
| | EBIT | 10.16% | 6.88% | 47.58% | Increase in earnings due to better operating margins in line with revenue growth. |
| | Capital Employed | | | | |
| 11 | Return on investment Ratio | | | | |
| | Fixed Income Investments (FD and other investments) | | | | |
| | Interest Income | 9.85% | 12.23% | -19.43% | - |
| | Average investment in Fixed Income investments | | | | |

42. Borrowing based on security of current assets:

Details of quarterly returns or statements of current assets filed by the Company with bank:

| Quarter Ended | Bank | As per Books | | As per Statement | | Difference | |
|---------------|----------------------|--------------------------------------|------------|--------------------------------------|------------|--------------------------------------|------------|
| | | Inventory incl. Advance to suppliers | Book Debts | Inventory incl. Advance to suppliers | Book Debts | Inventory incl. Advance to suppliers | Book Debts |
| June'21 | Punjab National Bank | 8586.03 | 4830.11 | 9261.52 | 1386.61 | (675.49) | 3443.51 |
| September'21 | | 13117.07 | 2599.19 | 7701.59 | 2225.33 | 5415.48 | 373.86 |
| December'21 | | 15347.49 | 2593.03 | 7377.34 | 3342.62 | 7970.15 | (749.59) |
| March'22 | | 10736.63 | 5175.25 | 7498.52 | 2745.37 | 3238.11 | 2429.88 |

As per our attached provisional report of even date

For Mahendra N. Shah & Co.

Chartered Accountants

FRN: 105775W

Chirag M. Shah

Partner

Membership No. F 045706

Place: Ahmedabad

Date: 28/05/2022

UDIN: 22045706AJUQBH6518

For and on behalf of the Board of Directors

Pashupati Cotspin Limited

Saurinbhai J. Parikh

Chairman & Managing Director

(DIN: 02136530)

Hareshkumar Shah

Chief Financial Officer

Place: Ahmedabad

Date: 28/05/2022

Tushar R. Trivedi

Whole Time Director

(DIN: 06438707)

Bijal Thakkar

Company Secretary

Place: Ahmedabad

Date: 21/06/2021

Notes forming part of the Financial Statements

Note No. 2(a) Share Capital

| | As at 31 March, 2022 | | As at 31 March 2021 | |
|---|----------------------|-----------------|---------------------|-----------------|
| | Number | ₹ in Lakhs | Number | ₹ in Lakhs |
| Authorised Share Capital | | | | |
| Equity Shares of Rs 10/- each | 15,500,000 | 1,550.00 | 15,500,000 | 1,550.00 |
| Issued | | | | |
| Equity Shares of Rs 10/- each | 15,284,000 | 1,528.40 | 15,284,000 | 1,528.40 |
| Subscribed & Paid up | | | | |
| Equity Shares of ₹ 10/- each fully paid | 15,284,000 | 1,528.40 | 15,284,000 | 1,528.40 |
| Total | 15,284,000 | 1,528.40 | 15,284,000 | 1,528.40 |

Note No. 2.1

| | As at 31 March, 2022 | | As at 31 March 2021 | |
|--|----------------------|-----------------|---------------------|-----------------|
| | Number | ₹ in Lakhs | Number | ₹ in Lakhs |
| Equity Shares outstanding at the beginning of the year | 15,284,000 | 1,528.40 | 11,234,000 | 1,123.40 |
| Shares Issued during the year | - | - | 4,050,000 | 405.00 |
| Shares bought back during the year | - | - | - | - |
| Shares outstanding at the end of the year | 15,284,000 | 1,528.40 | 15,284,000 | 1,528.40 |

Note No. 2.2

Details of Shareholders holding more than 5% Shares.

| Name of Shareholder | As at 31 March 2022 | | As at 31 March 2021 | |
|---------------------------------|---------------------|--------------|---------------------|--------------|
| | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| AshishbhaiRameshchandra Trivedi | 904000 | 5.91 | 904000 | 5.91 |
| BhaveshbhaiJayantibhai Patel | 791000 | 5.18 | 791000 | 5.18 |
| HariprabhabenArvindbhai Parikh | 1583000 | 10.36 | 1583000 | 10.36 |
| MukeshbhaiVithalbhai Patel | 904000 | 5.91 | 904000 | 5.91 |
| RenukabenJagdishbhai Parikh | 1583000 | 10.36 | 1583000 | 10.36 |
| SaurinbhaiJagdishbhai Parikh | 2333000 | 15.26 | 2333000 | 15.26 |
| FalgunibenMiteshbhai Parikh | 1733000 | 11.34 | 1733000 | 11.34 |
| PashupatiTexspin Export LLP | 896000 | 5.86 | 486400 | 3.18 |

Notes forming part of the Financial Statements

Note No. 2.3

Shareholding of Promoters & Promoter Group as at March 31, 2022.

| Promoter name | No. of Shares | % of total shares | % Change during the year |
|--------------------------------|-----------------|-------------------|--------------------------|
| DaksheshJayantilal Patel | 525000 | 525000 | - |
| BhaveshkumarJayantilal Patel | 791000 | 5.18 | - |
| FalguniMitesh Parikh | 1733000 | 11.34 | - |
| HariprabhaAravindbhai Parikh | 1583000 | 10.36 | - |
| SaurinJagdish Bhai Parikh | 2333000 | 15.26 | - |
| Ashish Rameshchandra Trivedi | 904000 | 5.91 | - |
| TusharRameshchandra Trivedi | 339000 | 2.22 | - |
| RenukabenJagdishchandra Parikh | 1583000 | 10.36 | - |
| Patel MinabenDaksheshbhai | 266000 | 1.74 | - |
| PashupatiTexspin Export LLP | 896000 | 5.86 | 2.68 |
| NiraliRajendra Desai | 25600 | 0.17 | 0.17 |
| Total | 10978600 | 71.83 | |

Note No. 2.4

Shareholding of Promoters & Promoter Group as at March 31, 2021.

| Promoter name | No. of Shares | % of total shares | % Change during the year |
|--------------------------------|-----------------|-------------------|--------------------------|
| DaksheshJayantilal Patel | 525000 | 3.43 | -1.24 |
| BhaveshkumarJayantilal Patel | 791000 | 5.18 | -1.87 |
| FalguniMitesh Parikh | 1733000 | 11.34 | 1.32 |
| HariprabhaAravindbhai Parikh | 1583000 | 10.36 | 1.68 |
| SaurinJagdish Bhai Parikh | 2333000 | 15.26 | -0.09 |
| Ashish Rameshchandra Trivedi | 904000 | 5.91 | 0.57 |
| TusharRameshchandra Trivedi | 339000 | 2.22 | 0.22 |
| RenukabenJagdishchandra Parikh | 1583000 | 10.36 | 1.68 |
| Patel MinabenDaksheshbhai | 266000 | 1.74 | -0.63 |
| PashupatiTexspin Export LLP | 486400 | 3.18 | 3.18 |
| Total | 10543400 | | |

Note No. 2.5

There are no unpaid calls from Directors or officers.

Note No. 2.4

Equity shares rank paripasu & subject to right, preference and restrictions under the Companies Act.

Note No. 2.5

Addition in Equity Shares of 40,50,000 are as a result of the conversion of Share Warrants as on July 24, 2020.

Notes forming part of the Financial Statements

Note No. 2(b)

(₹ in Lakhs)

| Reserves & Surplus | As at 31 March, 2022 | As at 31 March, 2021 |
|--|-------------------------|-------------------------|
| (i) Share Securities Premium | | |
| As per Last Balance Sheet | 4,259.60 | 2,275.10 |
| (+) Additions during the year | - | 1,984.50 |
| (-) Utilised during the year | - | - |
| Closing Balance (a) | 4,259.60 | 4,259.60 |
| (iii) Surplus in Statement of Profit & Loss | | |
| As per Last Balance Sheet | 4,057.61 | 3,603.59 |
| (+) Net Profit For the current year | 1,112.55 | 530.44 |
| (-) Dividend Paid | (114.63) | (76.42) |
| Closing Balance (b) | 5,055.53 | 4,057.61 |
| Total (a)+(b) | 9,315.13 | 8,317.21 |

NOTE 3: LONG TERM BORROWINGS

(₹ in Lakhs)

| Particulars | As at 31 March, 2022 | As at 31 March, 2021 |
|--|-------------------------|-------------------------|
| Term Loans (Secured)* | | |
| a) From Banks | 10,963.16 | 8,095.86 |
| Less: Current Maturities of long term debt | (2,640.06) | (2,028.01) |
| Total | 8,323.09 | 6,067.85 |

*Note: Refer note no. 37(a) of Notes To Accounts for information regarding terms of repayment and security.

NOTE 4: DEFERRED TAX LIABILITY

(₹ in Lakhs)

| Particulars | As at 31 March, 2022 | As at 31 March, 2021 |
|--|-------------------------|-------------------------|
| Deferred Tax Liability | 599.59 | 736.03 |
| Less: Reversal of Deferred Tax Liability | (146.25) | (136.45) |
| Total | 453.34 | 599.59 |

Note 4.1: Components of Deferred Tax Liability (Net)

(₹ in Lakhs)

| Particulars | As at 31 March, 2022 | As at 31 March, 2021 |
|-------------------|-------------------------|-------------------------|
| Depreciation | 522.43 | 672.21 |
| Employee benefits | (69.09) | (72.62) |
| Total | 453.34 | 599.59 |

NOTE 5: OTHER LONG TERM LIABILITIES

(₹ in Lakhs)

| Particulars | As at 31 March, 2022 | As at 31 March, 2021 |
|-------------------|-------------------------|-------------------------|
| Staff Deposit | 13.28 | 10.50 |
| Warehouse Deposit | 25.60 | 26.30 |
| Total | 38.88 | 36.79 |

Notes forming part of the Financial Statements

NOTE 6: LONG TERM PROVISIONS

(₹ in Lakhs)

| Particulars | As at 31 March, 2022 | As at 31 March, 2021 |
|---|-------------------------|-------------------------|
| Provision- From Employment Benefit | | |
| Gratuity | 145.97 | 74.59 |
| Total | 145.97 | 74.59 |

NOTE 7: SHORT TERM BORROWINGS

(₹ in Lakhs)

| Particulars | As at 31 March, 2022 | As at 31 March, 2021 |
|--|-------------------------|-------------------------|
| Secured | | |
| Current Maturities of Long Term Borrowings | 2,640.06 | 2,028.01 |
| Working Capital Loan From Bank (Secured) | 6,782.30 | 6,904.08 |
| Total | 9,422.37 | 8,932.09 |

Note : 7.1

*Note: Refer note no. 37(b) of Notes To Accounts for information regarding terms of repayment and security.

NOTE 8: TRADE PAYABLES

(₹ in Lakhs)

| Particulars | As at 31 March, 2022 | As at 31 March, 2021 |
|--|-------------------------|-------------------------|
| (i) Total Outstanding dues to Micro, Small & Medium Enterprise | 1.32 | 9.17 |
| (ii) Total Outstanding dues to other than Micro, Small & Medium Enterprise | 559.49 | 371.10 |
| Total | 560.81 | 380.27 |

Refer Note No -29 of Part B of Notes to accounts for MSMED Disclosure

Note 8.1: Trade Payables ageing schedule for the year ended March 31, 2022

| PARTICULARS | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|-------------------------------------|---------------------|--------------|--------------|----------------------|---------------|
| (i) MSME | 1.32 | - | - | - | 1.32 |
| (ii) Others | 533.74 | 13.62 | 12.14 | - | 559.49 |
| (iii) Disputed dues – MSME | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - |
| TOTAL BILLED AND DUE (A) | 535.06 | 13.62 | 12.14 | - | 560.81 |
| UNBILLED DUES (B) | - | - | - | - | - |
| TOTAL TRADE PAYABLES (A + B) | 535.06 | 13.62 | 12.14 | - | 560.81 |

Note 8.1: Trade Payables ageing schedule for the year ended March 31, 2021

| PARTICULARS | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|-------------------------------------|---------------------|--------------|-------------|----------------------|---------------|
| (i) MSME | 9.17 | - | - | - | 9.17 |
| (ii) Others | 339.28 | 23.80 | 7.41 | 0.61 | 371.10 |
| (iii) Disputed dues – MSME | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - |
| TOTAL BILLED AND DUE (A) | 348.45 | 23.80 | 7.41 | 0.61 | 380.27 |
| UNBILLED DUES (B) | - | - | - | - | - |
| TOTAL TRADE PAYABLES (A + B) | - | - | - | - | - |

Notes forming part of the Financial Statements

NOTE 9: OTHER CURRENT LIABILITIES

(₹ in Lakhs)

| Particulars | As at 31 March, 2022 | As at 31 March, 2021 |
|-----------------------|-------------------------|-------------------------|
| Statutory Remittances | 28.72 | 18.04 |
| Other Payables | 343.97 | 330.53 |
| Advance from Customer | 69.50 | 48.47 |
| Total | 442.19 | 397.03 |

NOTE 10: SHORT TERM PROVISIONS

(₹ in Lakhs)

| Particulars | As at 31 March, 2022 | As at 31 March, 2021 |
|--|-------------------------|-------------------------|
| Provision for Income Tax (Net of Advance Tax and TDS Receivable) | 387.42 | - |
| Provision for Employee Benefits | | |
| Gratuity | 24.00 | 13.24 |
| Bonus | 45.79 | 103.37 |
| Total | 457.21 | 116.61 |

NOTE - 11 : Property Plant & Equipment :

(₹ in Lakhs)

| | Particulars | Gross Block At Cost | | | | Depreciation | | | | Net Block | |
|----|----------------------------------|--|---------------------------------|--|--|---|--|---|--|--|--|
| | | Opening Balance as on April 1 st , 2021 | Additions During the Year | Adjustment \ Deductions \ Reclassifications During the year | Closing Balance as on March 31 st , 2022 | Opening Balance as on April 1 st , 2021 | Depreciation Provided During the year | Adjustment \Deductions During the year | Closing Balance as on March 31 st , 2022 | Closing Balance as on March 31 st , 2022 | Closing Balance as on March 31 st , 2021 |
| 1 | Freehold Land | 193.87 | - | - | 193.87 | - | - | - | - | 193.87 | 193.87 |
| 2 | Factory Building | 3,289.38 | 76.53 | - | 3,365.92 | 513.53 | 103.18 | - | 616.71 | 2,749.21 | 2,775.86 |
| 3 | Plant & Machinery | 13,176.33 | 329.16 | (107.44) | 13,398.05 | 6,782.16 | 1,199.66 | (46.87) | 7,934.95 | 5,463.09 | 6,394.17 |
| 4 | Office Equipments | 14.90 | 40.21 | - | 55.12 | 8.54 | 5.94 | - | 14.48 | 40.64 | 6.36 |
| 5 | Computer | 13.17 | 4.75 | - | 17.92 | 10.91 | 1.56 | - | 12.47 | 5.45 | 2.27 |
| 6 | Furniture | 1.49 | 8.33 | - | 9.81 | 0.24 | 0.45 | - | 0.69 | 9.12 | 1.24 |
| 7 | Electrical Installation | 276.96 | - | - | 276.96 | 188.85 | 24.13 | - | 212.98 | 63.98 | 88.11 |
| 8 | Vehicle | 163.65 | - | - | 163.65 | 91.26 | 18.81 | - | 110.07 | 53.57 | 72.39 |
| 9 | Bridges, culverts, bunders, etc. | 9.79 | - | - | 9.79 | 2.21 | 0.31 | - | 2.52 | 7.26 | 7.57 |
| 10 | Tubewell | 6.31 | - | - | 6.31 | 5.99 | - | - | 5.99 | 0.32 | 0.32 |
| 11 | Computer software | 7.56 | - | - | 7.56 | 4.82 | 0.65 | - | 5.47 | 2.09 | 2.74 |
| | Total | 17,153.40 | 458.98 | (107.44) | 17,504.94 | 7,608.51 | 1,354.69 | (46.87) | 8,916.33 | 8,588.61 | 9,544.89 |
| | Previous Year (₹) | 16,546.79 | 610.96 | (4.34) | 17,153.40 | 6,069.29 | 1,540.58 | (1.36) | 7,608.51 | 9,544.89 | 10,477.50 |

NOTE 12 : Non Current Investment

(₹ in Lakhs)

| Particulars | As at 31 March, 2022 | As at 31 March, 2021 |
|------------------------------------|-------------------------|-------------------------|
| Other Investment | | |
| Investment in Corporate Entities** | 125.20 | 135.00 |
| Total | 125.20 | 135.00 |

** It includes Share of profit for the current year

Notes forming part of the Financial Statements

These includes amount invested and deposited in LLP in which Company is Partner.

(₹ in Lakhs)

| Name of the Company | As at 31 March, 2022 | As at 31 March, 2021 |
|-----------------------------|-------------------------|-------------------------|
| PashupatiTexspin Export LLP | 80.00 | - |
| Sarjak Infra LLP | 0.45 | - |
| Global Park Developers LLP | 20.00 | - |
| PashupatiCotyarn LLP | 24.75 | 135.00 |

NOTE 13: Long Term Loans & Advances

(₹ in Lakhs)

| Particulars | As at 31 March, 2022 | As at 31 March, 2021 |
|-----------------------------------|-------------------------|-------------------------|
| Unsecured, Considered Good | | |
| Deposits others | 0.34 | 0.34 |
| Capital Advances | 850.00 | 851.90 |
| Total | 850.34 | 852.24 |

NOTE 14: INVENTORIES

(At Lower of Cost or Net Realisable Value)

(₹ in Lakhs)

| Particulars | As at 31 March, 2022 | As at 31 March, 2021 |
|------------------------------------|-------------------------|-------------------------|
| Raw Materials | 2,645.33 | 3,405.78 |
| Finished Goods | 2,829.40 | 3,250.22 |
| WIP | 395.51 | 246.33 |
| Stores , Spares & Packing Material | 290.84 | 235.00 |
| Total | 6,161.09 | 7,137.33 |

NOTE 15 : CURRENT INVESTMENT

(₹ in Lakhs)

| Particulars | As at 31 March, 2022 | As at 31 March, 2021 |
|----------------------------------|-------------------------|-------------------------|
| Other Investment | | |
| Investment in Corporate Entities | 3,754.36 | 510.77 |
| Total | 3,754.36 | 510.77 |

These includes amount invested and deposited in LLP in which Company is Partner.

(₹ in Lakhs)

| Name of the Company | As at 31 March, 2022 | As at 31 March, 2021 |
|-----------------------------|-------------------------|-------------------------|
| PashupatiTexspin Export LLP | 832.79 | - |
| Sarjak Infra LLP | 111.47 | - |
| Global Park Developers LLP | 1,495.84 | - |
| PashupatiCotyarn LLP | 1,314.26 | 510.77 |

Notes forming part of the Financial Statements

NOTE 16: TRADE RECEIVABLES

(₹ in Lakhs)

| Particulars | As at 31 March, 2022 | As at 31 March, 2021 |
|--|-------------------------|-------------------------|
| Unsecured, Considered Good | | |
| Trade receivables outstanding for a period less than six months from the date they are due for payment | 5,023.86 | 3,550.76 |
| Trade receivables outstanding for a period exceeding six months from the date they are due for payment | 10.05 | 457.49 |
| Unsecured, Considered Doubtful | | |
| Trade receivables outstanding for a period less than six months from the date they are due for payment | - | - |
| Trade receivables outstanding for a period exceeding six months from the date they are due for payment | 0.98 | - |
| Less :- Provision for Expected Credit Loss | (0.98) | - |
| Total | 5,033.91 | 4,008.25 |

Note 16.1: There is Trade Receivable due from Directors, Officers or Company in which Directors are Director.

(₹ in Lakhs)

| Name of the Company | As at 31 March, 2022 | As at 31 March, 2021 |
|--|-------------------------|-------------------------|
| PashupatiTexpin Exports LLP (Shree Pashupati Fabric LLP) | 1,322.70 | - |
| Pashupati Cotton Industries | 2,091.23 | 1,365.73 |
| RV Enterprise | | |

Note 16.2: Trade Receivables ageing schedule for the year ended as on March 31, 2022.

| PARTICULARS | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|---|--------------------|-------------------|-------------|-----------|-------------------|-----------------|
| (i) Undisputed Trade receivables – considered good | 5,023.86 | 6.73 | 1.25 | - | 3.05 | 5,034.88 |
| (ii) Undisputed Trade Receivables – considered doubtful | - | - | - | - | - | - |
| (iii) Disputed Trade Receivables considered good | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables considered doubtful | - | - | - | - | - | - |
| TOTAL BILLED AND DUE (A) | 5,023.86 | 6.73 | 1.25 | - | 3.05 | 5,034.88 |
| UNBILLED DUES (B) | - | - | - | - | - | - |
| TOTAL TRADE RECEIVABLES (A + B) | 5,023.86 | 6.73 | 1.25 | - | 3.05 | 5,034.88 |
| Less: Provision for Expected Credit Loss | - | - | - | - | - | -0.98 |
| TOTAL NET TRADE RECEIVABLES | 5,023.86 | 6.73 | 1.25 | - | 3.05 | 5,033.91 |

Note 16.3: Trade Receivables ageing schedule for the year ended as on March 31, 2022.

| PARTICULARS | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|---|--------------------|-------------------|--------------|-----------|-------------------|-----------------|
| (i) Undisputed Trade receivables – considered good | 3,550.76 | 1.89 | 41.50 | - | 414.10 | 4,008.25 |
| (ii) Undisputed Trade Receivables – considered doubtful | - | - | - | - | - | - |
| (iii) Disputed Trade Receivables considered good | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables considered doubtful | - | - | - | - | - | - |
| TOTAL BILLED AND DUE (A) | 3,550.76 | 1.89 | 41.50 | - | 414.10 | 4,008.25 |
| UNBILLED DUES (B) | - | - | - | - | - | - |
| TOTAL TRADE RECEIVABLES (A + B) | 3,550.76 | 1.89 | 41.50 | - | 414.10 | 4,008.25 |

Notes forming part of the Financial Statements

NOTE 17: CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

| Particulars | As at 31 March, 2022 | As at 31 March, 2021 |
|-----------------------------------|-------------------------|-------------------------|
| Balances with Banks | | |
| In Current Accounts | 1.66 | 0.57 |
| Cash on Hand | 2.57 | 2.80 |
| Fixed Deposits Under Lien# | | |
| Against Borrowings | 144.08 | 0.00 |
| Against Guarantees | 137.84 | 183.70 |
| Total | 286.15 | 187.06 |

NOTE 18: SHORT TERM LOANS AND ADVANCES

(₹ in Lakhs)

| Particulars | As at 31 March, 2022 | As at 31 March, 2021 |
|---|-------------------------|-------------------------|
| Unsecured, Considered Good | | |
| Advance Tax (Net of Provision for Income Tax) | - | 128.82 |
| Advances to Suppliers | 4,700.35 | 1,523.24 |
| Advance to others | 0.62 | 916.03 |
| Advance to Staff | 38.94 | 21.31 |
| Prepaid Expenses | 16.02 | 20.18 |
| Balances with Government Authorities | 400.14 | 351.93 |
| Total | 5,156.08 | 2,961.52 |

NOTE 19: OTHER CURRENT ASSETS

(₹ in Lakhs)

| Particulars | As at 31 March, 2022 | As at 31 March, 2021 |
|----------------------------|-------------------------|-------------------------|
| Textile Benefit Receivable | 731.66 | 1,106.70 |
| Other | - | 6.67 |
| Total | 731.66 | 1,113.37 |

NOTE 20: REVENUE FROM OPERATIONS

(₹ in Lakhs)

| Particulars | For the year 2021-22 | For the year 2020-21 |
|---|-------------------------|-------------------------|
| Sale of Goods | | |
| 1. Yarn Sales | 28,971.19 | 21,941.51 |
| 2. Cotton Sales | 31,308.38 | 21,411.43 |
| Total | 60,279.56 | 43,352.95 |
| Less : Rebate & Goods Returned | -659.67 | -393.93 |
| | 59,619.89 | 43,352.95 |
| Sale of Services | | |
| Other Operating Revenues | 6,518.30 | 745.16 |
| Total | 66,138.19 | 44,098.11 |

Notes forming part of the Financial Statements

NOTE 21: OTHER INCOME

(₹ in Lakhs)

| Particulars | For the year 2021-22 | For the year 2020-21 |
|---------------------------|-------------------------|-------------------------|
| Interest Income | 237.16 | 116.14 |
| Other Income | 149.13 | 103.52 |
| Foreign Exchange Gain | 23.93 | - |
| Share of profit from firm | 11.72 | 9.99 |
| Total | 421.94 | 229.65 |

NOTE 22.a: COST OF MATERIALS CONSUMED

(₹ in Lakhs)

| Particulars | For the year 2021-22 | For the year 2020-21 |
|---------------------|-------------------------|-------------------------|
| Opening Stock | 3,405.78 | 1,960.04 |
| Add: Purchases | 54,754.61 | 38,627.54 |
| Less: Closing Stock | -2,645.33 | -3,405.78 |
| Total | 55,515.06 | 37,181.79 |

NOTE 22.b: CHANGES IN INVENTORIES OF FINISHED GOODS

(₹ in Lakhs)

| Particulars | For the year 2021-22 | For the year 2020-21 |
|--|-------------------------|-------------------------|
| Inventories at the End of the Year: | | |
| Finished Goods | 2,829.40 | 3,250.22 |
| Stores, Spares & Packing Material | 290.84 | 235.00 |
| Work in process | 395.51 | 246.33 |
| | 3,515.75 | 3,731.55 |
| Inventories at the Beginning of the Year: | | |
| Finished Goods | 3,250.22 | 2,458.63 |
| Stores, Spares & Packing Material | 235.00 | 168.84 |
| Work in process | 246.33 | 301.43 |
| | 3,731.55 | 2,928.90 |
| Total | 215.79 | -802.65 |

NOTE 23: EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

| Particulars | For the year 2021-22 | For the year 2020-21 |
|--|-------------------------|-------------------------|
| Salaries and Wages | 1,259.76 | 1082.05 |
| Contributions to Provident and Other Funds | 90.25 | 43.47 |
| Staff Welfare Expenses | 39.16 | 40.71 |
| Total | 1,389.17 | 1166.23 |

NOTE 24: FINANCE COST

(₹ in Lakhs)

| Particulars | For the year 2021-22 | For the year 2020-21 |
|----------------------|-------------------------|-------------------------|
| Interest Expense | 1,199.43 | 1141.51 |
| Other Borrowing Cost | 143.00 | 79.24 |
| Total | 1,342.43 | 1220.75 |

Notes forming part of the Financial Statements

NOTE 25: OTHER EXPENSES

(₹ in Lakhs)

| Particulars | For the year 2021-22 | For the year 2020-21 |
|---|-------------------------|-------------------------|
| Transportation Expenses | 498.31 | 84.18 |
| Brokerage & Commission Expenses | 605.40 | 53.33 |
| Legal & Consultancy Charges | 65.65 | 46.19 |
| Power and Fuel | 2,293.26 | 2,084.13 |
| Donation | 4.01 | 16.77 |
| Foreign Exchange Rate Difference | - | 2.71 |
| Loss on Sale of Property, Plant & Equipment | 9.78 | 1.29 |
| Bad Debts Written Off | 414.10 | 160.58 |
| Repairing & Maintenance:- | | |
| Machinery (including spares) | 889.46 | 591.50 |
| Building Repairing & Maintenance | 51.83 | 4.06 |
| Others | 2.66 | 8.37 |
| CSR Expenses | 22.00 | 14.00 |
| Insurance | 30.23 | 44.97 |
| Travelling Expenses | 4.30 | 5.62 |
| Loading & Unloading Expenses | 12.14 | 7.01 |
| Rent,Rates& Taxes | 37.36 | 60.06 |
| Expected Credit Loss | 0.98 | - |
| Auditors Remuneration (Refer Note Below) | 3.00 | 3.00 |
| Stationery, Printing, Postage & Telephone | 7.52 | 4.45 |
| General Expenses | 75.15 | 90.96 |
| Total | 5,027.13 | 3,283.19 |

Note: 25.1

(₹ in Lakhs)

| Particulars | For the year 2021-22 | For the year 2020-21 |
|---|-------------------------|-------------------------|
| Payments to the Auditors comprises : | | |
| As Auditors - Statutory Audit | 3.00 | 3.00 |
| Taxation Matters | - | - |
| Out of pocket expenses | - | - |
| Total | 3.00 | 3.00 |

As per our attached provisional report of even date

For Mahendra N. Shah & Co.

Chartered Accountants

FRN: 105775W

Chirag M. Shah

Partner

Membership No. F 045706

Place: Ahmedabad

Date: 28/05/2022

UDIN: 22045706AJUQBH6518

For and on behalf of the Board of Directors

Pashupati Cotspin Limited

Saurinbhai J. Parikh

Chairman & Managing Director

(DIN: 02136530)

Hareshkumar Shah

Chief Financial Officer

Place: Ahmedabad

Date: 28/05/2022

Tushar R. Trivedi

Whole Time Director

(DIN: 06438707)

Nisarg Shah

Company Secretary

Place: Ahmedabad

Date: 21/06/2021



Regd. off: Survey No.404 At & Post Balasar, Kadi-Detroj Road, Kadi Mahesana-382715, Gujarat

CIN: L17309GJ2017PLC098117 • **Phone No.** +91-02764-262200

Email: cfo@pashupaticotspin.com • **Website:** www.pashupaticotspin.com

DPID/ CLIENT ID : _____

Registered Folio No. : _____

No of Shares : _____

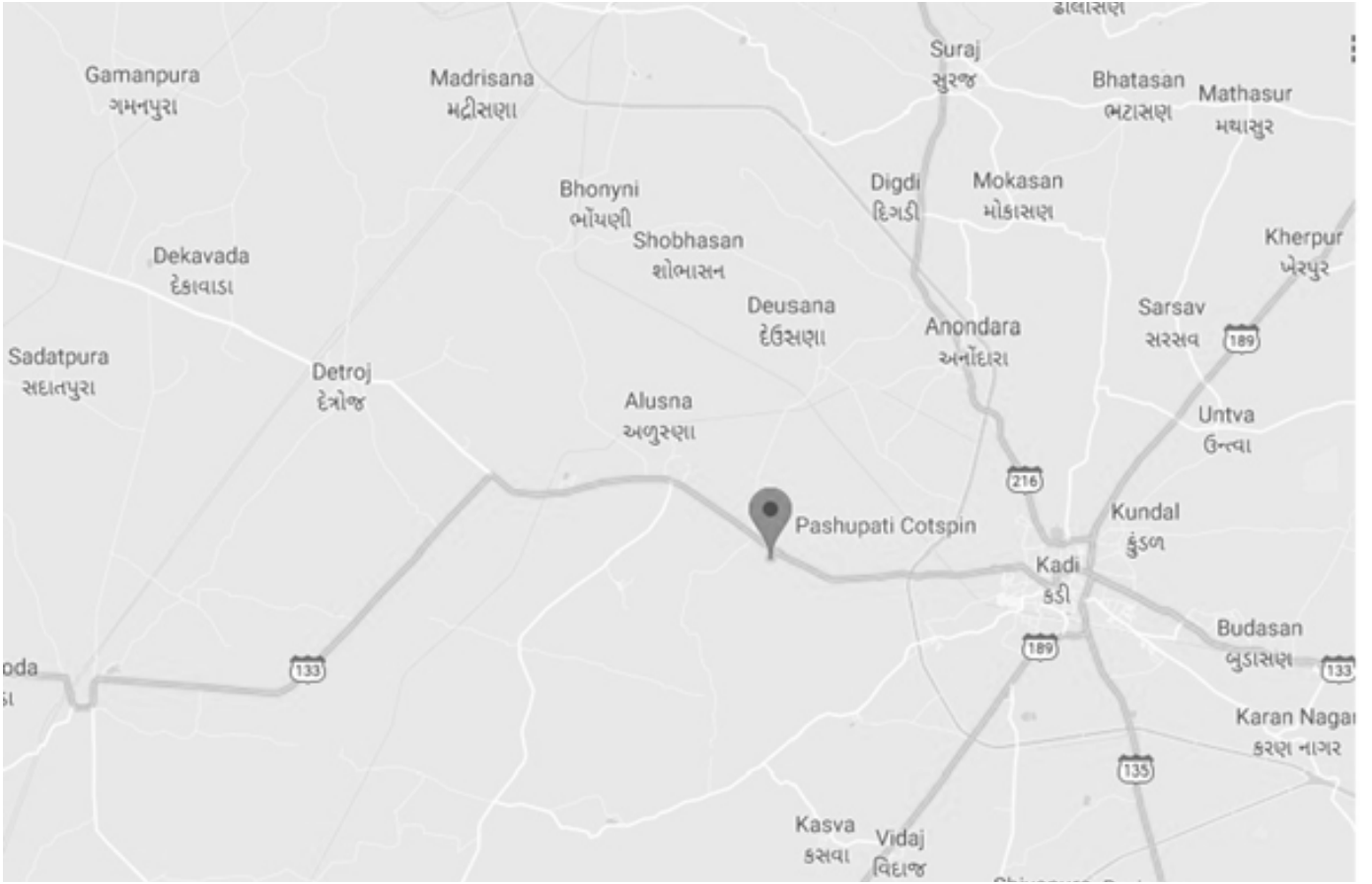
Name(s) and address of the Shareholders/Proxy in Full:

I, Certify that I am a Shareholder/ Proxy of the Shareholder of the Company. I/We hereby accord my/our presence at the Annual General Meeting of the Company being held on Thursday, September 29, 2022 at 02.00 PM at the registered office of the Company at Survey No.404 at & Post Balasar, Kadi-Detroj Road, Kadi Mahesana-382715.

Signature of Shareholder/ Proxy

NOTE: Please fill in the Attendance Slip and hand it over at the entrance of the Hall.

ROUTE MAP OF THE VENUE OF THE 05TH ANNUAL GENERAL MEETING



PASHUPATI COTSPIN LIMITED

CIN: L17309GJ2017PLC098117

Reg. Office: Survey No.404 At & Post Balasar, Kadi-Detroj Road, Kadi Mahesana-382715



Regd. off: Survey No.404 At & Post Balasar, Kadi-Detroj Road, Kadi Mahesana-382715, Gujarat

CIN: L17309GJ2017PLC098117 • **Phone No.** +91-02764-262200

Email: cfo@pashupaticotspin.com • **Website:** www.pashupaticotspin.com

FORM MGT-11

PROXY FORM

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

| | |
|-----------------------------|--|
| CIN: | L17309GJ2017PLC098117 |
| Name of the company: | PASHUPATI COTSPIN LIMITED |
| Registered office: | Survey No. 404 At & Post Balasar, Kadi-Detroj Road, Kadi Mahesana-382715, Gujarat. |

| |
|------------------------|
| Name of the member(s): |
| Registered address: |
| Email Id: |
| Folio No./Client Id: |
| DP ID: |

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

| | | |
|----|------------|--|
| 1. | Name: | |
| | Address: | |
| | E-mail Id: | |
| | Signature: | |

| | | |
|----|------------|--|
| 2. | Name: | |
| | Address: | |
| | E-mail Id: | |
| | Signature: | |

| | | |
|----|------------|--|
| 3. | Name: | |
| | Address: | |
| | E-mail Id: | |
| | Signature: | |

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the company, to be held on Thursday, 29th September, 2022 at 02.00 P.M. at the registered office of the Company situated at Survey No. 404 At & Post Balasar, Kadi-Detroj Road, Kadi Mahesana-382715, Gujarat and at any adjournment thereof in respect of such resolutions as are indicated below:

| Resolution No. | Particulars |
|----------------|--|
| 1. | To receive, consider and adopt the Standalone audited Financial Statement of the Company for the financial year ended March 31, 2022 and the reports of the Board of Directors and Auditors thereon; |
| 2. | To appoint a Director in place of Mr. Dakshesh Jayantilal Patel (DIN: 07859419) who retires by rotation and being eligible, offers himself for re-appointment. |
| 3. | To declare Final Dividend of Rs. 0.75 (Seventy Five Paise Only) (7.5%) per equity share for the Financial Year ended March 31, 2022 as recommended by the Board of Directors. |
| 4. | Ratification of Remuneration of Cost Auditor of the Company. |
| 5. | Appointment of Mr. Sandip Ashwinbhai Parikh (DIN: 00030990) as a Director and his re-appointment as an Independent Director for the second term. |
| 6. | Appointment of Mrs. Sheela Kirtankumar Roy (DIN: 07891440) as a Director and her re-appointment as an Independent Director for the second term. |

Signed this _____ day of _____ 2022.

Signature of shareholder _____

Signature of Proxy holder(s) _____

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting. The Proxy need not be a member of the Company.
2. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

** This is only optional. Please put 'X' in the appropriate Column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' Column blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

3. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.

PASHUPATI

COTSPIN LIMITED

Survey No. 404, At- Balasar,
Kadi-Detroj Road, Ta- Kadi, Dist- Mehsana,
Gujarat, INDIA.



info@pashupaticotspin.com



www.pashupaticotspin.com