





# B. P. Singh & Co.

## CHARTERED ACCOUNTANTS

102, 'Kalpataru', Plot No. 51/52,  
Aditya Nagar, Sutgirn Chowk,  
Aurangabad - 431005.  
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### Limited Review Report

To  
The Board of Directors,  
**Laxmi Cotspin Limited**  
Jalna - 431201

We have reviewed the accompanying statement of unaudited financial results of Laxmi Cotspin Limited for the quarter ended 31<sup>st</sup> December, 2021. This financial statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410 – "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

#### **For Singh Mundada & Associates**

Chartered Accountants  
FRN: 122059-W

*RP Singh*

**CA Balaji P. Singh**  
(Partner)  
M. No. 104836



**UDIN:**

**Date:** 12<sup>th</sup> February, 2022

**Place:** Aurangabad

**Laxmi Cotspin Limited**  
**CIN No: L17120MH2005PLC156866**  
**Unaudited Balance Sheet**  
**As at 31st December, 2021**

Particulars	Note No.	As at 31st December, 2021 Rs.	As at 31st March, 2021 Rs.
<b>I EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Fund</b>			
(a) Share Capital	3	17,14,76,700	17,14,76,700
(b) Reserves and Surplus	4	35,89,37,144	30,96,47,635
<b>(2) Non-Current Liabilities</b>			
(a) Long-term borrowings	5	15,83,19,329	13,52,28,358
(b) Deferred tax liabilities (Net)		46,46,596	24,22,394
(c) Long term provisions	6	48,43,344	43,91,909
<b>(3) Current Liabilities</b>			
(a) Short-term borrowings	7	24,73,40,308	15,53,79,380
(b) Trade payables	8	5,94,79,456	5,15,01,227
(c) Other current liabilities	9	2,45,27,635	8,05,07,219
(d) Short-term Provisions	10	1,71,71,237	17,51,000
<b>Total</b>		<b>1,04,67,41,749</b>	<b>91,23,05,822</b>
<b>II ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, Plant and Equipment			
(i) Tangible assets	11	26,24,80,611	27,23,69,220
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		2,34,33,160	1,96,88,586
(iv) Intangible assets under development		-	-
(b) Non- Current Investment	12	10,00,000	-
<b>(2) Current assets</b>			
(a) Inventories	13	33,97,40,206	30,40,70,660
(b) Trade receivables	14	31,07,80,539	19,62,30,110
(c) Cash and cash equivalents	15	2,18,86,338	1,51,91,575
(d) Short-term loans and advances	16	5,76,13,377	7,46,46,980
(e) Other current assets	17	2,98,07,518	3,01,08,690
<b>Total</b>		<b>1,04,67,41,749</b>	<b>91,23,05,822</b>

Overview and Significant Accounting Policies 1 & 2

The notes referred to above form an integral part of financial statements

In terms of our report of even date

**For Singh Mundada & Associates**

Chartered Accountants

FRN : 122059W

CA Balaji P. Singh

(Partner)

M. No. 104836



**For and on behalf of the Board of Directors**

*Sanjay Rathi*

Sanjay Rathi  
(Managing Director)  
DIN 00182739

*Rajesh Bansal*

Rajesh Bansal  
(Director)  
DIN 00272612

UDIN NO: 22104836 AON FOR 9931  
Date : 12th February, 2022

**Laxmi Cotspin Limited**  
**Statement of Profit and Loss**  
For the period ended 31st December, 2021

Particulars	3 Months Ended		6 Months ended		Year Ended	
	31st December, 2021	30th September, 2021	30th September, 2021	30th September, 2020	31st March, 2021	31st March, 2020
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
	Unaudited	Unaudited	Unaudited	Unaudited	Audited	Audited
<b>1. Income</b>						
Income from operations (Net)	45,09,51,442	43,63,64,544	1,15,26,68,392	46,01,10,926	1,16,13,63,156	1,51,34,42,064
Other Operating Income	-	-	-	-	-	-
<b>Total income from operation</b>	<b>45,09,51,442</b>	<b>43,63,64,544</b>	<b>1,15,26,68,392</b>	<b>46,01,10,926</b>	<b>1,16,13,63,156</b>	<b>1,51,34,42,064</b>
<b>2. Expenses</b>						
Cost of materials consumed	36,32,98,199	35,16,49,373	95,39,55,655	35,96,57,204	86,51,08,873	1,25,87,81,154
Changes in inventories of finished goods, work-in-process and stock-in-trade	(1,41,65,995)	4,61,030	(59,63,319)	2,37,48,302	1,77,55,373	(2,46,39,740)
Employee Benefit Expenses	2,32,25,384	2,03,25,033	3,81,50,965	2,91,72,416	6,54,35,972	7,97,17,949
Depreciation and Amortisation expenses	78,59,584	78,58,149	1,71,84,678	1,58,87,246	3,14,79,636	3,72,18,384
Other expenses	4,79,08,410	3,78,64,866	9,77,15,317	5,77,19,376	14,23,63,289	15,74,74,413
<b>Total Expenses</b>	<b>42,81,25,583</b>	<b>41,81,58,451</b>	<b>1,10,10,43,296</b>	<b>48,61,84,544</b>	<b>1,12,21,43,143</b>	<b>1,50,85,52,160</b>
<b>3. Profit/(Loss) from operation before other income, finance Cost and Exponential Items (1-2)</b>	<b>2,28,25,859</b>	<b>1,82,06,093</b>	<b>5,16,25,096</b>	<b>(2,60,73,618)</b>	<b>3,92,20,013</b>	<b>48,89,904</b>
4. Other Income	41,99,558	61,72,118	91,55,637	31,25,356	56,32,638	1,81,30,277
<b>5. Profit/(Loss) from ordinary Activities before finance Cost and Exponential Items (3+4)</b>	<b>2,70,25,417</b>	<b>2,43,78,211</b>	<b>6,07,80,733</b>	<b>(2,29,48,262)</b>	<b>4,48,52,651</b>	<b>2,30,20,181</b>
6. Finance costs	78,77,864	71,63,503	1,42,48,548	1,92,29,940	3,01,17,974	3,25,07,423
<b>7. Profit/(Loss) from ordinary Activities after finance Cost but before Exponential Items (5-6)</b>	<b>1,91,47,554</b>	<b>1,72,14,708</b>	<b>4,65,32,185</b>	<b>(4,21,78,202)</b>	<b>1,47,34,677</b>	<b>(94,87,242)</b>
8. Exceptional Items	-	30,05,209	30,05,209	-	(42,46,313)	-
<b>9. Profit/(Loss) from ordinary Activities before tax</b>	<b>1,91,47,554</b>	<b>2,02,19,917</b>	<b>4,95,37,394</b>	<b>(4,21,78,202)</b>	<b>1,04,88,364</b>	<b>(94,87,242)</b>
<b>10. Tax expense:</b>						
1) Current Tax	47,86,889	50,54,979	1,23,84,348	-	17,51,000	-
2) Deferred Tax	(25,348)	22,79,301	22,49,550	(48,18,659)	(3,71,947)	(36,30,877)
3) Short/ Excess Provision	-	-	-	-	(17,51,000)	28,25,683
	47,61,541	73,34,280	1,46,33,898	(48,18,659)	(3,71,947)	(8,05,194)
<b>11. Profit/(Loss) from ordinary Activities after tax (9-10)</b>	<b>1,43,86,013</b>	<b>1,28,85,637</b>	<b>3,49,03,496</b>	<b>(3,73,59,543)</b>	<b>1,08,60,311</b>	<b>(86,82,048)</b>
<b>12. EXTRA-ORDINARY ITEMS</b>						
Profit/(Loss) on sale of Asset	-	-	-	-	-	-
<b>Total Extra-Ordinary Items</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>13. Net Profit for the Year (11-12)</b>	<b>1,43,86,013</b>	<b>1,28,85,637</b>	<b>3,49,03,496</b>	<b>(3,73,59,543)</b>	<b>1,08,60,311</b>	<b>(86,82,048)</b>
14. Share of profit/ (loss) of associates*	-	-	-	-	-	-
15. Minority Interest*	-	-	-	-	-	-
<b>16. Net Profit/ (Loss) after Taxes, minority interest and Share of Profit/ (Loss) of associates (13-14-15)</b>	<b>1,43,86,013</b>	<b>1,28,85,637</b>	<b>3,49,03,496</b>	<b>(3,73,59,543)</b>	<b>1,08,60,311</b>	<b>(86,82,048)</b>



17	Paid up Equity share capital (Face Value of Rs. 10/- each)	17,14,76,700	17,14,76,700	17,14,76,700	17,14,76,700	17,14,76,700	17,14,76,700
18	Reserves (Excluding revaluation reserve)	35,89,37,144	34,45,51,130	34,45,51,130	31,16,47,408	30,96,47,635	29,87,87,324
19i	<b>Earning per equity per share before (Extra Ordinary Items) of Rs. 10/- each</b>						
a)	Basic EPS (in Rs.)	0.84	0.75	2.04	(2.18)	0.63	(0.51)
b)	Diluted EPS (in Rs.)	0.84	0.75	2.04	(2.18)	0.63	(0.51)
19ii	<b>Earning per equity per share after (Extra Ordinary Items) of Rs. 10/- each</b>						
a)	Basic EPS (in Rs.)	0.84	0.75	2.04	(2.18)	0.63	(0.51)
b)	Diluted EPS (in Rs.)	0.84	0.75	2.04	(2.18)	0.63	(0.51)

Overview and Significant Accounting Policies

The notes referred to above form an integral part of financial statements

**Notes:**

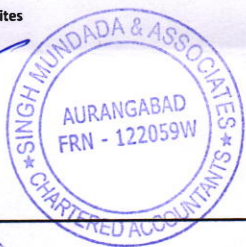
- 1 The Above Unaudited Financial Result have been reviewed by the Audit Committee and approved by the board of directors in their respective meetings held on 12th February, 2022.
- 2 Figures are regrouped / rearrange, whenever consider necessary
- 3 The figures of the Quarter ended 31th December, 2021 are the balancing figures between unaudited figures for the Quarter ended on 31st December, 2021 and published year to date figure upto the half year ended of the current financial year (i.e. on 30th September, 2021)
- 4 The Management identifies "Cotton" as the only business Segment.
- 5 The Company has migrated from SME platform (EMERGE) of NSE to Main Board of NSE w.e.f 12th November, 2021

In terms of our report of even date

For Singh Mundada & Associates  
Chartered Accountants  
FRN - 122059W

CA Balaji P. Singh  
(Partner)  
M. No. 104836

Date: 12th February, 2022  
Place: Aurangabad



For and on behalf of the Board of Directors

*(Signature)*

Sanjay Rathi  
(Managing Director)  
DIN 00182739

Rajesh Bansal  
(Director)  
DIN 00272612

**Laxmi Cotspin Limited**  
**Unaudited Statement of Profit and Loss**  
For the period ended 31st December, 2021

Particulars	Note No.	Period Ended 31st December, 2021 Rs.	Period Ended 31st March, 2021 Rs.
<b>INCOME</b>			
Revenue from operations (Net)	18	1,21,59,73,296	1,16,13,63,156
Revenue from Traded Goods (Net)	18	38,76,46,538	-
Other Income	19	1,33,55,195	56,32,638
<b>Total Revenue</b>		<b>1,61,69,75,029</b>	<b>1,16,69,95,794</b>
<b>EXPENSES</b>			
Cost of materials consumed	20	1,00,35,27,375	86,51,08,873
Cost of materials consumed - Traded Goods	20	31,37,26,479	-
Changes in inventories of finished goods, work-in-process and stock-in-trade	21	(2,01,29,314)	1,77,55,373
Employee Benefit Expenses	22	6,13,76,349	6,54,35,972
Finance costs	23	2,21,26,412	3,01,17,973
Depreciation and amortisation expenses	24	2,50,44,262	3,14,79,636
Other expenses	25	14,56,23,727	14,23,63,289
<b>Total Expenses</b>		<b>1,55,12,95,290</b>	<b>1,15,22,61,116</b>
<b>Profit Before Extra-ordinary Items and Tax</b>		<b>6,56,79,739</b>	<b>1,47,34,677</b>
<b>EXTRA-ORDINARY ITEMS</b>			
Profit/(Loss) on sale of Asset		30,05,209	(42,46,313)
<b>Total Extra-Ordinary Items</b>		<b>30,05,209</b>	<b>(42,46,313)</b>
<b>Profit Before Tax</b>		<b>6,86,84,947</b>	<b>1,04,88,364</b>
<b>Tax expense:</b>			
1) Current Tax		1,71,71,237	17,51,000
2) Deferred Tax		22,24,202	(3,71,947)
3) MAT credit Entitlement		-	(17,51,000)
4) Short/ Excess Provision		-	-
		1,93,95,439	(3,71,947)
<b>Profit for the Year</b>		<b>4,92,89,508</b>	<b>1,08,60,311</b>
<b>Earning per equity per share of face value of ₹ 10 each</b>			
1) Basic EPS (in ₹)		2.87	0.63
2) Diluted EPS (in ₹)		2.87	0.63
3) Cash EPS (in ₹)		4.33	2.47

Overview and Significant Accounting Policies 1 & 2  
The notes referred to above form an integral part of financial statements

**Notes:**

- 1 The Above Unaudited Financial Result have been reviewed by the Audit Committee and approved by the board of directors in their respective meetings held on 12th February, 2022.
- 2 Figures are regrouped / rearrange, whenever consider necessary
- 3 The Management Identifies "Cotton" as the only business Segment.

In terms of our report of even date

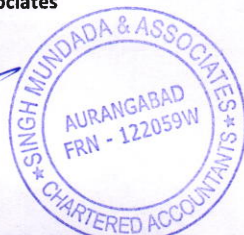
For Singh Mundada & Associates  
Chartered Accountants

FRN : 122059W

CA Balaji P. Singh  
(Partner)

M. No. 104836

UDIN NO: 22104836ABN FOR 9931  
Date : 12th February, 2022



For and on behalf of the Board of Directors

*Sanjay Rathi*

Sanjay Rathi  
(Managing Director)  
DIN 00182739

*Rajesh Bansal*

Rajesh Bansal  
(Director)  
DIN 00272612



**Sanction Letter**

Date: 27/01/2022

**Laxmi Cotspin Limited**  
**Gut No 399, Samangaon Kajala Phata**  
**Ambad Road, Opp Opp Minatai Thakare Vridhashram**  
**Jalna**

Ref No.: 86129292

Subject: **Sanction for Pledge Facilities**

Dear Sir,

With reference to your request, we are pleased to sanction the following credit facilities given here under:

<b>BORROWER</b>		<b>Laxmi Cotspin Limited</b>
<b>Sr. No.</b>	<b>Facility</b>	<b>Amt (Rs)</b>
A	Short Term loan Pledge	10,00,00,000/-
	<b>Total</b>	<b>10,00,00,000/-</b>

<b>Facility</b>	<b>STL-Pledge</b>
<b>Facility Amount</b>	Rs. 10,00,00,000/- (Rupees Ten crores only)
<b>Commodity</b>	Cotton Bales  (Stocking to be in compliance with local regulations)
<b>Purpose</b>	For working capital purpose
<b>Tenor of Facility</b>	As per std approved commodities.
<b>Commodity</b>	Standard Approved Margin + 5 % (25% margin)
<b>Processing Fee</b>	Rs. @ 0.30% + Applicable charges of the disbursed amount at each draw down.
<b>Designated Warehouse</b>	Approved warehouse(s) by HDFC Bank and the Collateral Manager, where the Goods shall be stocked by the Borrower and/or warehouses of State Warehousing Corporation and Central Warehousing Corporation
<b>Margins</b>	25% Margin
<b>Base Price for Valuation</b>	Price declared by the Borrower at the time of depositing the Goods at the Designated Warehouse.
<b>Market Price</b>	Any price not exceeding the average of the previous three working day's prices obtained from the reference supplier or as determined by the Collateral Manager or as approved by the Bank
<b>Price for financing</b>	Market price or Base price whichever is less.
<b>Value</b>	Price for financing multiplied by the quantity of Goods pledged
<b>Mark to Market &amp; Margin Call</b>	Prices will be marked to market on a weekly basis. When the margins on mark to market level falls by 5% from that stipulated by the Bank, a margin call will be issued, which the firm would undertake to provide within 7 days.  In the eventuality of this not being adhered to, the Bank will exercise its pledge to offload the stocks in part or full at its discretion to ensure maintenance of the requisite margin. The loss if any from this action would be to the Borrower's account.
<b>Interest</b>	7.25%
<b>Collateral Manager Charges</b>	To Be Borne by borrower, Rs. 37,500/- PM or 0.75 % pa on avg O/S whichever is higher excluding applicable taxes for location
<b>Overdue Interest</b>	Upto 4.00% p.a. (exclusive of interest tax) over the stipulated interest rate shall be applicable on all amounts of interest and / or principal outstanding beyond the stipulated tenor or delay in completion of documentation pertaining to the Facility.
<b>Disbursement (s)</b>	Disbursements of the facility amount will be in multiple tranches till and only on depositing stocks at the Designated Warehouses and creation of pledge in favor of the Bank. Disbursement would be subject to Certification of acceptable quality issued by the Collateral Manager (Applicable only for stocking in private godowns)
<b>Collateral Manager</b>	Bank approved collateral managers
<b>Security</b>	For due and timely payment of all the dues under the facility, following security shall be created in the favor of the bank. <ul style="list-style-type: none"> <li>• Pledge of entire inventory of Commodity as a continuing security for each of the tenors of the Loan, financed hereunder on a revolving basis, supported by a Collateral Management Agreement (CMA), between HDFC Bank Ltd. and Geo-Chem</li> </ul>

	<p>Laboratories Pvt Ltd/NCMSL/NBHC/Edelweiss (or any other agency appointed by HDFC Bank Ltd.) covering inter-alia discharge and sorting of commodity in separate identifiable approved warehouse(s), supervision of warehouse(s), monitoring deliveries, quality control issues, security, insurance, exclusivity issues and reporting requirements.</p> <ul style="list-style-type: none"> <li>Insurance Policy (all-risks) with regard to all inventory financed by HDFC Bank Ltd. covering fire, theft, strike, riot, civil commotion etc. with HDFC Bank Ltd. as the loss payee. For due and timely payment of all the dues under the Facility, following security shall be created in favor of the Bank:</li> </ul>
<b>Documentation</b>	<p>Facility shall be subject to execution/ furnishing of the following documents under Application for Non Individual Borrowers :</p> <p><b>Borrower:</b></p> <ul style="list-style-type: none"> <li>Non Individual booklet</li> <li>Duplicate of the Sanction Letter duly accepted and initialed on each page by the Borrower's authorized signatory/ies.</li> <li>PDC's with usual covering letter</li> <li>CA certificate for No Statuary Dues</li> <li>Undertaking from Borrower that property document will not be handed over till pledge O/s paid off by the company. (Only in case borrower having existing CC facility with HDFC Bank).</li> <li>Collateral properties to be linked with the pledge facility as per Pledge to CC process. (Only in case borrower having existing CC facility with HDFC Bank).</li> <li>NOC from other WC lenders (to be obtained for exclusive charge of HDFC Bank on pledge stock prior to release of limits)</li> </ul> <p><b>Transactional Documents:</b></p> <ul style="list-style-type: none"> <li>Request letter for each draw down – borrower</li> <li>Delivery confirmation / Warehouse Receipt</li> <li>Quality/ Quantity acceptance certificate</li> <li>Insurance of Pledged stocks with HDFC Bank Ltd. As Loss Payee</li> </ul>
<b>Financial Covenants</b>	<ul style="list-style-type: none"> <li>Co. To Maintain Nwc At More Than 25% During The Currency Of Bank Finance.</li> <li>Margin to be stepped up at discretion of HDFC bank Ltd; in case of adverse price movements</li> <li>The company shall intimate the Bank for any additional funding over and above the existing limits.</li> </ul>
<b>General Covenants</b>	<ul style="list-style-type: none"> <li>Stock / Produce Inspections - Monthly by the Collateral Manager</li> <li>(Call Memo)- Quarterly by an HDFC Bank Official, if it is standalone Pledge then site visits on a yearly basis. Declaration to the effect that the bank finance is taken for the purpose declared in the loan application and that it would not be used for investments in stocks and shares, speculative activities or any purpose linked to capital market activities. (As per clauses in Loan Agreement)</li> <li>Undertaking that the stocking is well within the State/ Central stock limits at all points of time. (As per clauses in Loan Agreement)</li> </ul>
<b>Credit Remarks</b>	<ul style="list-style-type: none"> <li>Credit conditions and remarks. This term sheet will be considered for Pledge facilities and supersede CAM.</li> <li>Security obtained against CC facility to be crossed linked against the Pledge facility. (Only in case borrower having existing CC facility with HDFC Bank).</li> <li>Pledge stocks not to be included in DP calculation of CC facility. DP statement to cover the Pledge stocks separately. (Only in case borrower having existing CC facility with HDFC Bank).</li> <li>No additional funding without NOC from HDFC Bank</li> <li>NOC from other WC lenders (to be obtained for exclusive charge of HDFC Bank on pledge stock prior to release of limits)</li> </ul>



The bank reserves an unconditional right to cancel/terminate the right of the borrower to avail of or make drawl from the unvailed portion of the loan/facility sanctioned at any time during the currency of the loan/facility without any prior notice to the borrower. This is a demand facility and the bank reserves the right to assign the same .also reprise and withdraw the same without giving any prior notice. The facility is subject to annual review.

Nothing contained in this sanction letter should be deemed to create any right or obligation or interest whatsoever in favor of or against any party until you have executed appropriate loan documents as required by the Bank. Stamp duty, if any on the loan documents shall be borne and paid by the borrower only and the Bank shall not be responsible or liable for the same.

In conformity with its normal business practice, HDFC Bank Ltd. reserves the right to review the facilities or any of the terms and conditions thereof or any other documents or security relating thereto. Please provide your acceptance for the above facility

We look forward to a long and mutually beneficial relationship.

Yours sincerely,  
For HDFC Bank Ltd.

Business Banking