This Preliminary Placement Document relates to an issue made to Eligible QIBs under Chapter VI of the SEBI ICDR Regulations and no offer is being made through this Preliminary Placement Document to the public or any other categories of investors other than the Eligible QIBs. This Preliminary Placement Document is not an offer to sell securities and is not soliciting an offer to buy securities in any jurisdiction where such offer or sale or subscription is not permitted. The information in this Preliminary Placement Document is not complete and may be changed.

PASHUPATI COTSPIN LIMITED

Pashupati Cotspin Limited (our "**Company**" or the "**Issuer**") was incorporated as "Pashupati Cotspin LLP" on January 07, 2013 under the provisions of Limited Liability Partnership Act, 2008 with Registrar of Companies, Gujarat, Dadra and Nagar Havelli vide (LLPIN: AAB -3046) and received a certificate of incorporation from the Registrar of Companies, Gujarat, Dadra and Nagar Havelli on January 07, 2013. Later, "Pashupati Cotspin LLP" was thereafter converted from a Limited Liability Partnership into a Private Limited Company under part I Chapter XXI of Section 366 of Companies Act, 2013 with the name of "Pashupati Cotspin Private Limited" and received a fresh certificate of incorporation from the Registrar of Companies Gujarat, Central registration Centre on July 03, 2017. The Corporate Identification Number of our Company is L17309GJ2017PLC098117. Later, our Company was converted into Public Limited Company and consequently name of company was changed from "Pashupati Cotspin Private Limited" to "Pashupati Cotspin Limited" vide Special resolution passed by the Shareholders at the Extra Ordinary General Meeting held on July 11, 2017 and a fresh certificate of incorporation dated July 18, 2017 issued by the Registrar of Companies Ahmedabad.For further details, see the sections titled, "***Organisational Structure of our Company***" and "***General Information***" on pages 80 and 133, respectively.

CIN: L17309GJ2017PLC098117
Registered Office: Survey No.404 at & Post Balasar, Kadi-Detroj Road, Mahesana, Kadi - 382715, Gujarat.
Tel.: +91 70696 96161; **Email:** cs@pashupaticotspin.com ; **Website:** www.pashupaticotspin.com.
Company Secretary and Compliance Officer: Shah Nisarg Dineshkumar

Issue of [●] equity shares of face value of ₹ 10 each (the "Equity Shares") at a price of ₹ [●] per Equity Share (the "Issue Price"), including a premium of ₹ [●] per Equity Share, aggregating to ₹ [●] Lakhs (the "Issue"). For further details, see "Summary of the Issue" on page 26.

THE ISSUE IS BEING UNDERTAKEN IN RELIANCE UPON CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS"), SECTION 42 OF THE COMPANIES ACT, 2013, AS AMENDED (THE "COMPANIES ACT, 2013"), READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED (THE "PAS RULES"), AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER. (THE "COMPANIES ACT, 2013")

The Equity Shares of our Company are listed on the National Stock Exchange of India Limited ("**NSE**"). The closing prices of the Equity Shares on the NSE as on [●] was ₹ [●] per Equity Share,. Our Company has received in-principle approval pursuant to Regulation 28(1)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "**SEBI Listing Regulations**") for listing of the Equity Shares to be issued pursuant to this Issue, from NSE on [●] . Our Company shall make applications to the Stock Exchange for obtaining final listing and trading approvals for the Equity Shares to be issued pursuant to this Issue. The Stock Exchange assume no responsibility for the correctness of any statements made, opinions expressed, or reports contained herein. Admission of the Equity Shares to be issued pursuant to this Issue for trading on the Stock Exchange should not be taken as an indication of the merits of our Company or the Equity Shares.

OUR COMPANY HAS PREPARED THIS PRELIMINARY PLACEMENT DOCUMENT SOLELY FOR PROVIDING INFORMATION IN CONNECTION WITH THE PROPOSED ISSUE. THE ISSUE AND THE DISTRIBUTION OF THIS PRELIMINARY PLACEMENT DOCUMENT TO ELIGIBLE QIBs (AS DEFINED HEREINAFTER) IS BEING MADE IN RELIANCE UPON CHAPTER VI OF THE SEBI ICDR REGULATIONS, SECTION 42 OF THE COMPANIES ACT, 2013 READ WITH RULE 14 OF COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND OTHER RULES MADE THEREUNDER. THIS PRELIMINARY PLACEMENT DOCUMENT SHALL BE CIRCULATED TO ONLY SUCH ELIGIBLE QIBs WHOSE NAMES ARE RECORDED BY OUR COMPANY, PRIOR TO MAKING AN INVITATION TO SUBSCRIBE TO THE EQUITY SHARES. THIS PRELIMINARY PLACEMENT DOCUMENT IS PERSONAL TO EACH PROSPECTIVE INVESTOR AND DOES NOT CONSTITUTE AN OFFER OR INVITATION OR SOLICITATION OF AN OFFER TO THE PUBLIC OR ANY OTHER PERSON OR CLASS OF INVESTORS WITHIN OR OUTSIDE INDIA OTHER THAN TO QUALIFIED INSTITUTIONAL BUYERS AS DEFINED IN THE SEBI ICDR REGULATIONS. YOU ARE NOT AUTHORIZED TO AND MAY NOT (1) DELIVER THIS PRELIMINARY PLACEMENT DOCUMENT TO ANY OTHER PERSON; OR (2) REPRODUCE THIS PRELIMINARY PLACEMENT DOCUMENT, IN ANY MANNER WHATSOEVER; OR (3) RELEASE ANY PUBLIC ADVERTISEMENTS OR UTILIZE ANY MEDIA, MARKETING OR DISTRIBUTION CHANNELS OR AGENTS TO INFORM THE PUBLIC AT LARGE ABOUT THE ISSUE. ANY DISTRIBUTION OR REPRODUCTION OF THIS PRELIMINARY PLACEMENT DOCUMENT IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS INSTRUCTION MAY RESULT IN A VIOLATION OF THE SEBI ICDR REGULATIONS, THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER OR OTHER APPLICABLE LAWS OF INDIA AND OTHERJURISDICTIONS.

INVESTMENT IN EQUITY SHARES INVOLVES A HIGH DEGREE OF RISK AND PROSPECTIVE INVESTORS SHOULD NOT INVEST IN THE ISSUE UNLESS THEY ARE PREPARED TO TAKE THE RISK OF LOSING ALL OR PART OF THEIR INVESTMENT. PROSPECTIVE INVESTORS ARE ADVISED TO CAREFULLY READ "*RISK FACTORS*" BEGINNING ON PAGE 33 BEFORE MAKING AN INVESTMENT DECISION RELATING TO THE ISSUE. EACH PROSPECTIVE INVESTOR IS ADVISED TO CONDUCT ITS OWN DUE DILIGENCE ON US AND THE EQUITY SHARES AND CONSULT ITS OWN ADVISORS ABOUT THE PARTICULAR CONSEQUENCES OF AN INVESTMENT IN THE EQUITY SHARES BEING ISSUED PURSUANT TO THIS PRELIMINARY PLACEMENT DOCUMENT AND THE PLACEMENT DOCUMENT.

A copy of this Preliminary Placement Document (which includes disclosures prescribed under Form PAS-4 (as defined hereinafter) has been delivered to the Stock Exchange and a copy of the Placement Document (which will include disclosures prescribed under Form PAS-4) will be delivered to the Stock Exchange. Our Company shall also make the requisite filings with the Registrar of Companies, Ahmedabad ("**RoC**"), within the stipulated period as required under the Companies Act, 2013 and PAS Rules. This Preliminary Placement Document has not been reviewed by the Securities and Exchange Board of India ("**SEBI**"), the Stock Exchange or any other listing or regulatory authority and is intended only for use by Eligible QIBs. This Preliminary Placement Document has not been and will not be filed as a prospectus with the RoC and will not be circulated or distributed to the public in India or any other jurisdiction and the Issue will not constitute a public offer in India or any other jurisdiction.

Invitations, offers and sales of the Equity Shares to be issued pursuant to this Issue shall only be made pursuant to this Preliminary Placement Document together with the Application Form, the Placement Document and the Confirmation of Allocation Note (each as defined hereinafter). For further details, please see the section titled "***Issue Procedure***" on page 91. The distribution of this Preliminary Placement Document or the disclosure of its contents without the prior consent of our Company to any person, other than Eligible QIBs to whom this Preliminary Placement Document is specifically addressed, and persons retained by such Eligible QIBs to advise them with respect to their purchase of Equity Shares is unauthorized and prohibited. Each prospective investor, by accepting delivery of this Preliminary Placement Document, agrees to observe the foregoing restrictions and make no copies of this Preliminary Placement Document or any documents referred to in this Preliminary Placement Document.

The information on the websites of our Company, or any other website directly or indirectly linked to the websites of our Company, or the website of the BRLM (as defined hereinafter) or its affiliates, does not constitute nor form part of this Preliminary Placement Document and prospective investors should not rely on such information contained in, or available through, any such websites for their investment in this Issue.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**"), and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares offered in the Issue are being offered and sold only outside the United States in "offshore transactions", as defined in and in reliance on Regulation S under the U.S. Securities Act ("**Regulation S**") and the applicable laws of the jurisdictions where those offers and sales are made. See "*Selling Restrictions*" on page 106 for information about eligible offerees for the Issue and "*Transfer Restrictions and Purchaser Representations*" on page 111 for information about transfer restrictions that apply to the Equity Shares sold in the Issue.

This Preliminary Placement Document is dated October 17, 2024.

BOOK RUNNING LEAD MANAGER		
NAME AND LOGO	**CONTACT PERSON**	**EMAIL & TELEPHONE**
Narnolia®	Mr. Pankaj Harlalka	Email: narnoliacare@narnolia.com **Tel. No:** +91 6204800291
NARNOLIA FINANCIAL SERVICES LIMITED		

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NOTICE TO INVESTORS

Our Company has furnished and accepts full responsibility for all of the information contained in this Preliminary Placement Document and confirms that to the best of its knowledge and belief, having made all reasonable enquiries, this Preliminary Placement Document contains all information with respect to our Company and the Equity Shares which our Company considers material in the context of the Issue. The statements contained in this Preliminary Placement Document relating to our Company, and the Equity Shares are, in all material respects, true and accurate and are not misleading, and the opinions and intentions expressed in this Preliminary Placement Document with regard to our Company and the Equity Shares are honestly held, have been reached after considering all relevant circumstances and are based on reasonable assumptions and information presently available to us. There are no other facts in relation to our Company and the Equity Shares, the omission of which would, in the context of the Issue, make any statement in this Preliminary Placement Document misleading in any material respect. Further, our Company has made all reasonable enquiries to ascertain such facts and to verify the accuracy of all such information and statements. Unless otherwise stated, all information in this Preliminary Placement Document is provided as of the date of this Preliminary Placement Document and neither our Company nor the BRLM have any obligation to update such information to a later date.

Narnolia Financial Services Limited (the "**Book Running Lead Manager**" or the "**BRLM**") has made reasonable enquiries but not separately verified all of the information contained in this Preliminary Placement Document (financial, legal or otherwise).

Accordingly, neither the BRLM nor any of its affiliates or any of their shareholders, employees, counsel, officers, directors, representatives, agents or associates make any express or implied representation, warranty or undertaking, and no responsibility or liability is accepted by the BRLM or any of their shareholders, employees, counsel, officers, directors, representatives, agents, associates or affiliates as to the accuracy or completeness of the information contained in this Preliminary Placement Document or any other information supplied in connection with the Issue or the distribution of the Equity Shares. Each person receiving this Preliminary Placement Document acknowledges that such person has neither relied on the BRLM nor any of their shareholders, employees, counsel, officers, directors, representatives, agents, associates or affiliates other than the Company in connection with such person's investigation of the accuracy of such information or such person's investment decision, and each such person must rely on its own examination of us and the merits and risks involved in investing in the Equity Shares pursuant to the Issue.

Distribution of this Preliminary Placement Document to any person other than the Eligible QIBs specified by the BRLM or its representatives, and those persons, if any, retained to advise such investor with respect thereto, is unauthorised, and any disclosure of its contents, is prohibited. Any reproduction or distribution of this Preliminary Placement Document, in whole or in part, and any disclosure of its contents to any other person is prohibited. Each prospective investor, by accepting delivery of this Preliminary Placement Document, agrees to observe the foregoing restrictions and make no copies of this Preliminary Placement Document or any offering material in connection with the Equity Shares.

No person is authorised to give any information or to make any representation not contained in this Preliminary Placement Document and any information or representation not so contained must not be relied upon as having been authorised by, or on behalf of the BRLM. The delivery of this Preliminary Placement Document at any time does not imply that the information contained in it is correct as of any time subsequent to its date.

The information contained in this Preliminary Placement Document has been provided by our Company and other sources identified herein. The distribution of this Preliminary Placement Document or the disclosure of its contents without the prior consent of the Company to any person, other than Eligible QIBs specified by the BRLM or its representatives, and those retained by the Eligible QIBs to advise them with respect to their subscription of the Equity Shares is unauthorised and prohibited. Each prospective investor, by accepting delivery of this Preliminary Placement Document, agrees to observe the foregoing restrictions and to make no copies of this Preliminary Placement Document or any documents referred to in this Preliminary Placement Document. Any reproduction or distribution of this Preliminary Placement Document, in whole or in part, and any disclosure of its contents to any other person is prohibited.

The Equity Shares offered in the Issue have not been approved, disapproved or recommended by any regulatory authority in any jurisdiction, including the United States Securities and Exchange Commission ("SEC"), any other federal or state authorities in the United States, the securities authorities of any non-United States jurisdiction and any other United States or non- United States regulatory authority. No authority has passed on or endorsed the merits of this Issue or the accuracy or adequacy of this Preliminary Placement Document. Any representation to the contrary may be a criminal offence in certain jurisdictions.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any other applicable law of the United States and, unless so registered, and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares offered in the Issue are being offered and sold only outside the United States in "offshore transactions", as defined in and in reliance on Regulation S and the applicable laws of the jurisdictions where those offers and sales are made. The Equity Shares are transferrable only in

accordance with the restrictions described under the sections "*Selling Restrictions*" and "*Transfer Restrictions and Purchaser Representations*" on pages 106 and 111, respectively.

The distribution of this Preliminary Placement Document and the Issue in certain countries or jurisdictions may be restricted by law. As such, this Preliminary Placement Document does not constitute, and may not be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. In particular, no action has been taken by our Company or the BRLM which would permit an offering of the Equity Shares in the Issue or distribution of this Preliminary Placement Document in any country or jurisdiction other than India where action for that purpose is required. Accordingly, the Equity Shares issued pursuant to the Issue may not be offered or sold, directly or indirectly, and neither this Preliminary Placement Document nor any Issue materials in connection with the Equity Shares may be distributed or published in or from any country or jurisdiction that would require registration of the Equity Shares in such country or jurisdiction except under circumstances that will result in compliancewith any applicable rules and regulations of any such country or jurisdiction.

In making an investment decision, investors must rely on their own examination of our Company, the Equity Shares and the terms of the Issue, including the merits and risks involved. Investors should not construe the contents of this Preliminary Placement Document as legal, business, tax, accounting or investment advice. Investors should consult their own counsel and advisors as to business, legal, tax, accounting and related matters concerning the Issue. In addition, neither our Company nor the BRLM are making any representation to any offeree or subscriber of the Equity Shares regarding the legality of an investment in the Equity Shares by such offeree or subscriber under applicable laws or regulations.

Each Bidder in the Issue is deemed to have acknowledged, represented and agreed that it is an Eligible QIB and is eligible to invest in India and in our Company under Indian laws, including Chapter VI of the SEBI ICDR Regulations and Section 42, other applicable provisions of the Companies Act, 2013 and Rule 14 of the PAS Rules and is not prohibited by SEBI or any other regulatory authority from buying, selling or dealing in securities. This Preliminary Placement Document contains summaries of certain terms of certain documents, which are qualified in their entirety by the terms and conditions of such documents and disclosures included in the section titled "*Risk Factors*" on page 33.

The information on our Company's website at https://www.pashupaticotspin.com/ or any website directly or indirectly linked to our Company's website or the website of the BRLM, its associates or affiliates, does not constitute or form part of this Preliminary Placement Document. Prospective investors should not rely on any such information contained in, or available through, any such websites.

REPRESENTATIONS BY INVESTORS

All references to "you" and "your" in this section are to the prospective investors in the Issue. By Bidding for, and/or subscribing to, Equity Shares under the Issue, you are deemed to have made the representations, warranties, acknowledgements, and agreements set forth in the sections titled "***Notice to Investors***", "***Selling Restrictions***" and "***Transfer Restrictions and Purchase Representations***" on pages 1, 106 and 111, respectively, and represented, warranted, acknowledged and agreed with our Company, and the BRLM, as follows:

1) Your decision to subscribe to the Equity Shares to be issued pursuant to the Issue has not been made based on any information relating to our Company which is not set forth in this Preliminary Placement Document and this Placement Document;

2) You are a "qualified institutional buyer" ("**QIB**") as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulationsand not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations, having a valid and existing registration under the applicable laws and regulations of India, and undertake to (i) acquire, hold, manage or dispose of any Equity Shares that are Allotted to you in accordance with Chapter VI of the SEBI ICDR Regulations, the Companies Act, 2013 and (ii) undertake to comply with the SEBI ICDR Regulations and all other applicable laws including any reporting obligations, requirements/ making necessary filings, with appropriate regulatory authorities, including the RBI and Stock Exchanges, if any, in connection with the Issue;

3) You are eligible to invest in India and in the Equity Shares under applicable law, including the FEMA Rules (as defined hereinafter), and any notifications, circulars or clarifications issued thereunder, each as amended and have not been prohibited by SEBI or any other regulatory or statutory authority from buying, selling or dealing in securities or otherwise accessing capital markets in India. Further, you are subscribing to the Equity Shares to be issued pursuant to the Issue in accordance with applicable laws and by participating in this Issue, you are not in violation of any applicable law, including but not limited to the SEBI Insider Trading Regulations, the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003, as amended, and the Companies Act, 2013;

4) If you are not a resident of India, but a QIB, you are a foreign portfolio investor, and you confirm you are an Eligible FPI (as defined hereinafter) (and are not an individual, corporate body or a family office) having a valid and existing registration with SEBI under the applicable laws in India or a multilateral or bilateral development financial institution, and are eligible to invest in India and in the Issue under applicable law, including the FEMA Rules, and any notifications, circulars or clarifications issued thereunder, and have not been prohibited by SEBI or any other regulatory authority, from buying, selling, dealing in securities or otherwise accessing the capital markets. You confirm that you are not an FVCI;

5) You confirm that neither is your investment as an entity from a country which shares a land border with India nor is the beneficial owner of your investment situated in or is a citizen of such country (in each which case, investment can only be through the Government approval route), and that your investment is in accordance with the Consolidated FDI Policy, issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India and Rule 6 of the FEMA Rules;

6) You are aware that in terms of the FEMA Rules, and any notifications, circulars or clarifications issued thereunder, the total holding by each FPI including its investor group (which means common ownership of more than 50% or common control) shall be below 10% of the total paid-up equity share capital of our Company on a fully diluted basis and the total holdings of all FPIs put together shall not exceed the sectoral cap applicable to our Company, which is 100% under automatic route, in accordance with the FEMA Rules and the extant Consolidated FDI Policy. In terms of the FEMA Rules, for calculating the total holding of FPIs in a company, holding of all registered FPIs shall be included. Hence, Eligible FPIs may invest in such number of equity shares in the Issue such that (i) the individual investment of the FPI in our Company does not exceed 10% of the post-Issue paid-up equity share capital of our Company on a fully diluted basis, and (ii) the aggregate investment by FPIs in our Company does not exceed the sectoral cap applicable to our Company. In case the holding of an FPI or investor group increases to 10% or more of the total paid-up equity share capital, on a fully diluted basis, such FPI shall divest the excess holding within a period of five trading days from the date of settlement of the trades resulting in the breach, or such other time as may be prescribed by SEBI and the RBI from time to time. If however, such excess holding has not been divested within the specified period of five trading days, the entire shareholding of such FPI will be re-classified as FDI, subject to the conditions as specified by SEBI and the RBI in this regard and compliance by the Company and the investor with applicable reporting requirements;

7) You agree that our Company shall make necessary filings with the ROC (which shall include certain details such as your name, address and number of Equity Shares Allotted), in terms of Section 42 of the Companies Act, 2013 and Rule 14 of the PAS Rules, or other provisions of the Companies Act, 2013, and you consent to such disclosure being

made by us. You will provide the information as required under the Companies Act, 2013, the PAS Rules and the applicable provisions of the SEBI ICDR Regulations for record keeping by our Company, including your name, complete address, phone number, e-mail address, permanent account number and bank account details, and such otherdetails as may be prescribed or otherwise required even after the closure of the Issue;

8) If you are Allotted the Equity Shares pursuant to the Issue, you shall not, for a period of one year from the date of Allotment, sell the Equity Shares so acquired except on the floor of the Stock Exchanges (additional restrictions apply if you are in certain other jurisdictions), and in accordance with any other resale restrictions applicable to you. For more information, please see the section titled "***Transfer Restrictions and Purchaser Representations***" on page 111;

9) You are aware that this Preliminary Placement Document and the Placement Document has not been, and will not be, registered as a prospectus with the RoC under the Companies Act, 2013, the SEBI ICDR Regulations or under any other law in force in India and, no Equity Shares will be offered in India or overseas to the public or any members of the public in India or any other class of investors, other than Eligible QIBs. This Preliminary Placement Document and the Placement Document have not been and will not be reviewed, verified or affirmed by RBI, SEBI, the Stock Exchanges, RoC or any other regulatory or listing authority and have not been and will not be filed with the RoC as a prospectus, and are intended only for use by Eligible QIBs. This Preliminary Placement Document and the Placement Document has been and will be filed with the Stock Exchanges only for the purposes of their records and will be displayed on the websites of the Company and the Stock Exchanges;

10) You are entitled to subscribe for and acquire the Equity Shares under the laws of all relevant jurisdictions which apply to you and you have the necessary capacity and that you have fully observed such laws and obtained all such governmental and other consents and authorisations, in each case which may be required thereunder and have complied with all necessary formalities, to enable you to commit to participation in the Issue and to perform your obligations in relation thereto (including, without limitation, in the case of any person on whose behalf you are acting, all necessary consents and authorizations to agree to the terms set out or referred to in this Preliminary Placement Document), and will honour such obligations;

11) You confirm that, either: (i) you have not participated in or attended any investor meetings or presentations by our Company or its agents ("Company's Presentations") with regard to our Company, the Equity Shares or the Issue; or (ii) if you have participated in or attended any Company's Presentations: (a) you understand and acknowledge that the BRLM may not have knowledge of the statements that our Company or its agents may have made at such Company's Presentations and are therefore unable to determine whether the information provided to you at such Company's Presentations may have included any material misstatements or omissions, and, accordingly you acknowledge that the BRLM has advised you not to rely in any way on any information that was provided to you at such Company's Presentations, and (b) confirm that, you have not been provided any material information that was not publicly available;

12) None of our Company, the BRLM or any of their respective shareholders, directors, officers, employees, counsel, representatives, agents, associates or affiliates is making any recommendations to you or advising you regarding the suitability of any transactions it may enter into in connection with the Issue and that participation in the Issue is on the basis that you are not and will not, up to the Allotment, be a client of the BRLM. Neither the BRLM nor any of their shareholders, employees, counsel, officers, directors, representatives, agents, associates or affiliates have any duties or responsibilities to you for providing the protection afforded to their clients or for providing advice in relation to theIssue and are in no way acting in a fiduciary capacity to you;

13) You are aware that if you are Allotted more than 5% of the Equity Shares in the Issue, our Company shall be requiredto disclose your name and the number of Equity Shares Allotted to you to the Stock Exchanges, and the Stock Exchanges will make the same available on their website and you consent to such disclosures;

14) All statements other than statements of historical facts included in this Preliminary Placement Document, including, without limitation, those regarding our financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to our business), are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause actual results to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and environment in which our Company will operatein the future. You should not place undue reliance on forward-looking statements, which speak only as on the date of this Preliminary Placement Document. Neither our Company, nor the BRLM or any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates assumes any responsibility to update anyof the forward-looking statements contained in this Preliminary Placement Document;

15) You have been provided a serially numbered copy of this Preliminary Placement Document and have read them in their entirety, including, in particular, the section titled "***Risk Factors***" on page 33;

16) You are aware and understand that the Equity Shares are being offered only to Eligible QIBs and are not being offeredto the general public and that the Allotment shall be on a discretionary basis;

17) You are aware that in terms of the requirements of the Companies Act, 2013 upon Allocation, the Company has disclosed names and percentage of post-Issue shareholding of the proposed Allottees in this Preliminary Placement Document. However, disclosure of such details in relation to the proposed Allottees in this Preliminary Placement Document will not guarantee Allotment to them, as Allotment in the Issue shall continue to be at the sole discretion ofour Company;

18) You have made, or are deemed to have made, as applicable, the representations set forth under the sections titled "***Selling Restrictions***" and "***Transfer Restrictions and Purchaser Representations***" on pages 106 and 111, respectively;

19) You understand that the Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws of the United States and unless so registered, may not be offered, sold or delivered within the United States, except in reliance on an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws;

20) You are outside the United States, and you are purchasing the Equity Shares in an "offshore transaction" as defined in, and in reliance on, Regulation S of the U.S. Securities Act and in compliance with laws of all jurisdictions applicable to you;

21) You are not acquiring or subscribing for the Equity Shares as a result of any "directed selling efforts" (as defined in Regulation S);

22) In making your investment decision, you have (i) relied on your own examination of our Company, the Equity Shares and the terms of the Issue, including the merits and risks involved, (ii) made and will continue to make your own assessment of our Company, the Equity Shares and the terms of the Issue based solely on the information contained in this Preliminary Placement Document and as will be contained in the Placement Document, (iii) consulted your own independent advisors or otherwise have satisfied yourself concerning, without limitation, the effects of local laws, (iv) relied solely on the information contained in this Preliminary Placement Document and the Placement Document and no other disclosure or representation by our Company, its Directors, Promoters and affiliates, or any other party, (v)received all information that you believe is necessary or appropriate in order to make an investment decision in respect of our Company and the Equity Shares and (vi) relied upon your own investigation and resources in deciding to invest in the Issue;

23) You are a sophisticated investor and have such knowledge and experience in financial, business and investment matters as to be capable of evaluating the merits and risks of an investment in the Equity Shares. You and any accounts for which you are subscribing the Equity Shares (i) are each able to bear the economic risk of the investment in the Equity Shares; (ii) will not look to our Company or the BRLM or any of their respective shareholders, employees, counsel, officers, directors, representatives, agents, associates or affiliates for all or part of any such loss or losses that may be suffered; (iii) are able to sustain a complete loss on the investment in the Equity Shares; (iv) have no need for liquidity with respect to the investment in the Equity Shares; and (v) have no reason to anticipate any change in your or their circumstances, financial or otherwise, which may cause or require any sale or distribution by you or them of all or any part of the Equity Shares. You acknowledge that an investment in the Equity Shares involves a high degree of risk and that the Equity Shares are, therefore, a speculative investment. You are seeking to subscribe to the Equity Shares in the Issue for your own investment and not with a view to resale or distribute;

24) The BRLM or any of its shareholders, directors, officers, employees, counsel, representatives, agents or affiliates have not provided you with any tax advice or otherwise made any representations regarding the tax consequences of the purchase, ownership and disposal of the Equity Shares (including but not limited to the Issue and the use of the proceeds from the Equity Shares). You will obtain your own independent tax advice and will not rely on the BRLM or any of its shareholders, employees, counsel, officers, directors, representatives, agents or affiliates or our Company when evaluating the tax consequences in relation to the Equity Shares (including but not limited to the Issue and the use of the proceeds from the Equity Shares). You waive and agree not to assert any claim against the BRLM or our Company with respect to the tax aspects of the Equity Shares or the Issue or as a result of any tax audits by tax authorities, wherever situated;

25) That where you are acquiring the Equity Shares for one or more managed accounts, you represent and warrant that you are authorised in writing, by each such managed account to acquire the Equity Shares for each managed account; and to make the representations, warranties, acknowledgements, undertakings and agreements herein for and on behalf of each such account, reading the reference to "you" to include such accounts;

26) You are not a 'promoter' (as defined under the SEBI ICDR Regulations) of our Company and are not a person related to our Promoters, either directly or indirectly, and your Bid does not directly or indirectly represent the promoters or

promoter group (as defined under the SEBI ICDR Regulations) of our Company or persons or entities related thereto;

27) You have no rights under a shareholders' agreement or voting agreement entered into with the Promoters or Promoter Group, no veto rights or right to appoint any nominee director on our Board of Directors other than the rights, if any, acquired in the capacity of a lender not holding any Equity Shares, the acquisition of which shall not deem you to be a person related to the Promoters;

28) The Bid made by you would not result in triggering a tender offer under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (the "SEBI Takeover Regulations") and you shall be solely responsible for compliance with all other applicable provisions of the SEBI Takeover Regulations;

29) You have no right to withdraw your application or revise your Bid downwards after the Issue Closing Date (as defined hereinafter);

30) You are eligible to apply for and hold Equity Shares so allotted and together with any securities of our Company held by you prior to the Issue. You further confirm that your aggregate holding upon the issue and Allotment of the Equity Shares shall not exceed the level permissible as per any applicable law;

31) To the best of your knowledge and belief, your aggregate holding together with other Bidders in the Issue that belong to the same group or that are under common control as you, pursuant to the Allotment under the Issue shall not exceed 50% of the Issue Size. For the purposes of this representation:

- the expression 'belongs to the same group' shall mean entities where (a) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and independent directors, amongst a QIB, its subsidiary or holding company and any other QIB; and

- 'Control' shall have the same meaning as is assigned to it under Regulation 2(1) (e) of the SEBI Takeover Regulations.

32) You shall not undertake any trade in the Equity Shares credited to your beneficiary account until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges;

33) You are aware and understand that the BRLM has entered into a Placement Agreement with our Company, whereby the BRLM has, subject to the satisfaction of certain conditions set out therein, severally and not jointly, agreed to manage the Issue and use reasonable efforts to procure subscriptions for the Equity Shares on the terms and conditions set forth therein;

34) The contents of this Preliminary Placement Document and that of the Placement Document are exclusively the responsibility of our Company and that neither the BRLM nor any person acting on their behalf has or shall have any liability for any information, representation or statement contained in this Preliminary Placement Document and the Placement Document or any information previously published by or on behalf of our Company and will not be liable for your decision to participate in the Issue based on any information, representation or statement contained in this Preliminary Placement Document and the Placement Document or otherwise. By participating in the Issue, you agree to the same and confirm that you have neither received nor relied on any other information, representation, warranty or statement made by or on behalf of the BRLM or our Company or any other person and none of the BRLM, our Company or any other person will be liable for your decision to participate in the Issue based on any other information, representation, warranty or statement that you may have obtained or received;

35) The only information you are entitled to rely on, and on which you have relied, in committing yourself to acquire the Equity Shares is contained in this Preliminary Placement Document and will be contained in the Placement Document, such information being all that you deem necessary to make an investment decision in respect of the Equity Shares and that you have neither received nor relied on any other information given or representations, warranties or statements made by the BRLM or our Company and neither the BRLM nor our Company will be liable for your decision to accept an invitation to participate in the Issue based on any other information, representation, warranty, statement or opinion that you have obtained or received;

36) You understand that the Equity Shares issued pursuant to the Issue shall be subject to the provisions of the Memorandum of Association and Articles of Association of our Company and will be credited as fully paid and will rank *pari passu* in all respects with the existing Equity Shares including the right to receive dividend and other distributions declared;

37) You agree to indemnify and hold our Company, the BRLM and their respective affiliates and their respective directors, officers, employees and persons in control harmless from any and all costs, claims, liabilities and expenses (including

legal fees and expenses) arising out of or in connection with any breach of your representations, warranties, acknowledgements and undertakings in this Preliminary Placement Document and the Placement Document includingthis section. You agree that the indemnity set forth in this section shall survive the resale of the Equity Shares by or on behalf of the managed accounts;

38) You understand that the BRLM has no obligation to purchase or acquire all or any part of the Equity Shares which are subscribed by you in the Issue or to support any losses directly or indirectly sustained or incurred by you for any reason whatsoever in connection with the Issue, including non- performance by us of any of our respective obligations or any breach of any representations or warranties by us, whether to you or otherwise;

39) You are aware that (i) applications for in-principle approval, in terms of Regulation 28(1)(a) of the SEBI Listing Regulations for listing and admission of the Equity Shares and for trading on NSE, were made and such approvals have been received from NSE and (ii) the application for the final listing and trading approval will be made only after Allotment. There can be no assurance that the final approvals for listing of the Equity Shares will be obtained in time or at all. Our Company, and the BRLM shall not be responsible for any delay or non-receipt of such final approvals or any loss arising from such delay or non-receipt;

40) You are an investor who is seeking to purchase the Equity Shares for your own investment and not with a view to distribution. In particular, you acknowledge that (i) an investment in the Equity Shares involves a high degree of risk and that the Equity Shares are, therefore, a speculative investment, (ii) you have sufficient knowledge, sophistication and experience in financial and business matters so as to be capable of evaluating the merits and risk of the purchase of the Equity Shares, and (iii) you are experienced in investing in private placement transactions of securities of companies in a similar stage of development and in similar jurisdictions and have such knowledge and experience in financial, business and investments matters that you are capable of evaluating the merits and risks of your investmentin the Equity Shares;

41) Neither the BRLM nor any of its affiliates have any obligation to purchase or acquire all or any part of the Equity Shares purchased by you in the Issue or to support any losses directly or indirectly sustained or incurred by you for any reason whatsoever in connection with the Issue, including non-performance by our Company of any of its obligations or any breach of any representations and warranties by our Company, whether to you or otherwise;

42) You are aware and understand that you are allowed to place a Bid for Equity Shares. Please note that submitting a Bidfor Equity Shares should not be taken to be indicative of the number of Equity Shares that will be allotted to a successful Bidder. Allotment of Equity Shares will be undertaken by our Company, in its absolute discretion, in consultation with the BRLM;

43) You acknowledge that this Preliminary Placement Document and the Placement Document do not confer upon or provide you with any right of renunciation of the Equity Shares offered through the Issue in favour of any person;

44) You agree that any dispute arising in connection with the Issue will be governed by and construed in accordance withthe laws of India, and the courts in Ahmedabad, Gujarat, India shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Preliminary Placement Document and the Placement Document;

45) Each of the representations, warranties, acknowledgements and agreements set out above shall continue to be true and accurate at all times, up to and including the Allotment, listing and trading of the Equity Shares in the Issue;

46) It is agreed that if any such representations, warranties, acknowledgements, agreements and undertakings are no longer accurate, you will promptly notify our Company and the BRLM;

47) You have made, or are deemed to have made, as applicable, the representations set forth in this section titled "***Representations by Investors***";

48) Our Company, the BRLM, their respective affiliates, directors, officers, employees and persons in control and otherswill rely on the truth and accuracy of the foregoing representations, warranties, acknowledgements and undertakings which are given to the BRLM on its own behalf and on behalf of our Company and are irrevocable; and

49) You confirm that neither is your investment as an entity of a country which shares land border with India nor is the beneficial owner of your investment situated in or a citizen of such country (in each which case, investment can only be through the Government approval route), and that your investment is in accordance with press note no. 3 (2020 Series), dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade, Government of India, and Rule 6 of the FEMA Rules.

OFFSHORE DERIVATIVE INSTRUMENTS

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an Eligible FPI including the affiliates of the Book Running Lead Manager, which is registered as a category I FPIs may issue, subscribe to or otherwise deal in offshore derivate instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying, and all such offshore derivative instruments are referred to herein as **"P-Notes"**), and persons who are eligible for registration as Category I FPIs can subscribe to or deal in such P-Notes provided that in the case of an entity that has an investment manager who is from the Financial Action Task Force member country, such investment manager shall not be required to be registered as a Category I FPI. The above-mentioned category I FPIs may receive compensation from the purchasers of such instruments. In terms of Regulation 21 of SEBI FPI Regulations, P-Notes may be issued only by such persons who are registered as Category I FPIs and they may be issued only to persons eligible for registration as Category I FPIs subject to exceptions provided in the SEBI FPI Regulations and compliance with 'know your client' requirements, as specified by SEBI and subject to compliance with such other conditions as may be specified from the SEBI from time to time. An Eligible FPI shall also ensure that no transfer of any instrument referred to above is made to any person unless such FPIs are registered as Category I FPIs and such instrument is being transferred only to person eligible for registration as Category I FPIs subject to requisite consents being obtained in terms of Regulation 21 of SEBI FPI Regulations. Such P-Notes can be issued subject to compliance with the KYC norms and such other conditions as specified by SEBI from time to time, including payment of applicable regulatory fee. P-Notes have not been and are not being offered or sold pursuant to this Preliminary Placement Document. This Preliminary Placement Document does not contain any information concerning P-Notes or the issuer(s) of any P-Notes, including without limitation any information regarding any risk factors relating thereto.

Subject to certain relaxations provided under Regulation 22(4) of the SEBI FPI Regulations, investment by a single FPI including its investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than 50.00% or common control,) is not permitted to be 10.00% or above of our post- Issue Equity Share capital on a fully diluted basis. The SEBI has, vide a circular dated November 5, 2019, issued the operational guidelines for FPIs, designated depository participants and eligible foreign investors (the "**FPI Operational Guidelines**"), to facilitate implementation of the SEBI FPI Regulations. In terms of such FPI Operational Guidelines, the above-mentioned restrictions shall also apply to subscribers of Offshore Derivative Instruments and two or more subscribers of Offshore Derivative Instruments having common ownership, directly or indirectly, of more than 50.00% or common control shall be considered together as a single subscriber of the Offshore Derivative Instruments. Further, in the event a prospective investor has investments as an FPI and as a subscriber of Offshore Derivative Instruments, these investment restrictions shall apply on the aggregate of the FPI investments and Offshore Derivative Instruments position held in the underlying company.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade, Government of India, investments where the entity is of a country which shares land border with India or where the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, can only be made through the Government approval route, as prescribed in the FDI Policy and FEMA Rules. These investment restrictions shall also apply to subscribers of Offshore Derivative Instruments.

Affiliates of the Book Running Lead Managers which are Eligible FPIs may purchase, to the extent permissible under law, the Equity Shares in the Issue, and may issue Offshore Derivative Instruments in respect thereof. Any Offshore Derivative Instruments that may be issued are not securities of our Company and do not constitute any obligation of, claims on or interests in our Company. Our Company has not participated in any offer of any Offshore Derivative Instruments, or in the establishment of the terms of any Offshore Derivative Instruments, or in the preparation of any disclosure related to any Offshore Derivative Instruments. Any Offshore Derivative Instruments that may be offered are issued by, and are the sole obligations of, third parties that are unrelated to our Company. Our Company and the Book Running Lead Managers do not make any recommendation as to any investment in Offshore Derivative Instruments and do not accept any responsibility whatsoever in connection with any Offshore Derivative Instruments. Any Offshore Derivative Instruments that may be issued are not securities of the Book Running Lead Managers and do not constitute any obligations of or claims on the Book Running Lead Managers.

PROSPECTIVE INVESTORS INTERESTED IN PURCHASING ANY OFFSHORE DERIVATIVE INSTRUMENTS HAVE THE RESPONSIBILITY TO OBTAIN ADEQUATE DISCLOSURES AS TO THE ISSUER(S) OF SUCH OFFSHORE DERIVATIVE INSTRUMENTS AND THE TERMS AND CONDITIONS OF ANY SUCH OFFSHORE DERIVATIVE INSTRUMENTS FROM THE ISSUER(S) OF SUCH OFFSHORE DERIVATIVE INSTRUMENTS. NEITHER SEBI NOR ANY OTHER REGULATORY AUTHORITY HAS REVIEWED OR APPROVED ANY OFFSHORE DERIVATIVE INSTRUMENTS, OR ANY DISCLOSURE RELATED THERE TO. PROSPECTIVE INVESTORS ARE URGED TO CONSULT THEIROWN FINANCIAL, LEGAL, ACCOUNTING AND TAX ADVISORS REGARDING ANY CONTEMPLATED INVESTMENT IN OFFSHORE DERIVATIVE INSTRUMENTS, INCLUDING WHETHER OFFSHORE DERIVATIVE INSTRUMENTS ARE ISSUED IN COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS.

DISCLAIMER CLAUSE OF THE STOCK EXCHANGE

As required, a copy of this Preliminary Placement Document has been submitted to the Stock Exchange. The Stock Exchange do not in any manner:

1. warrant, certify or endorse the correctness or completeness of the contents of this Preliminary Placement Document;
2. warrant that the Equity Shares issued pursuant to the Issue will be listed or will continue to be listed on the Stock Exchange; or
3. take any responsibility for the financial or other soundness of our Company, its Promoter, its management or any scheme or project of our Company,

and it should not for any reason be deemed or construed to mean that this Preliminary Placement Document has been cleared or approved by the Stock Exchange. Every person who desires to apply for or otherwise acquire any Equity Shares may do so pursuant to an independent inquiry, investigation and analysis and shall not have any claim against the Stock Exchange whatsoever, by reason of any loss which may be suffered by such person consequent to or in connection with, such subscription/acquisition, whether by reason of anything stated or omitted to be stated herein, or for any other reason whatsoever.

PRESENTATION OF FINANCIAL AND OTHER FINANCIAL INFORMATION

Certain Conventions

In this Preliminary Placement Document, unless otherwise specified or the context otherwise indicates or implies, references to "you", "your", "offeree", "purchaser", "subscriber", "recipient", "investors", "prospective investors" and "potential investor" are to the Eligible QIBs in the Issue and references to the "Issuer", "Pashupati", "Company", "our Company" refers to **Pashupati Cotspin Limited** and references to "we", "us", or "our" are to our Company.

Currency and units of presentation

Unless otherwise specified or the context otherwise requires, all references in this Preliminary Placement Document to (i) the 'US' or 'U.S.' or the 'United States' or the 'U.S.A' are to the United States of America and its territories and possessions; (ii) 'India' are to the Republic of India and its territories and possessions; and (iii) the 'UK' or 'U.K.' or the 'United Kingdom' are to the United Kingdom of Great Britain and its territories and possessions; and (iv) the 'Government' or 'GoI' or the 'Central Government' or the 'State Government' are to the Government of India, Central or State, as applicable.

In this Preliminary Placement Document, references to 'INR', '₹', 'Rs.', 'Indian Rupees' and 'Rupees' are to the legal currency of India, references to "GBP" or "£", are to the legal currency of Great Britain and references to 'USD', 'U.S. Dollars' and 'US$' are to the legal currency of the United States.

References to the singular also refer to the plural and one gender also refers to any other gender, wherever applicable. All the numbers in this Preliminary Placement Document have been presented in million or whole numbers, unless stated otherwise. The amounts in our Financial Statements included herein are presented in Rs. lakhs or in Rs. crores.

In this Preliminary Placement Document, references to "Lakh" represents "100,000", "million" represents "1,000,000", "crore" represents "10,000,000", and "billion" represents "1,000,000,000".

Certain figures contained in this Preliminary Placement Document, including financial information, have been subject to rounding adjustments. Any discrepancies in any table between the totals and the sum of the amounts listed are due to rounding off. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given, and (ii) the sum of the figures in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Unless otherwise specified, all financial numbers in parenthesis represent negative figures.

Page Numbers

Unless otherwise stated, all references to page numbers in this Preliminary Placement Document are to page numbers of this Preliminary Placement Document.

Financial and Other Information

The financial year of our Company commences on April 1 of each calendar year and ends on March 31 of the following calendar year, and, unless otherwise specified or if the context requires otherwise, all references to a particular 'Fiscal Year' or 'fiscal' or "financial year" or 'FY' are to the 12 months period ended on March 31 of that year.

Our Company publishes its financial statements in Indian Rupees. We have prepared our audited consolidated and standalone financial statements in accordance with Indian GAAP, as applicable, in accordance with the Companies Act, 2013,read with Companies (Accounts) Rules, 2014, and in compliance with the SEBI Listing Regulations.

There are significant differences between Indian GAAP, the International Financial Reporting Standards ("IFRS") and the Generally Accepted Accounting Principles in the United States of America ("U.S. GAAP"). Accordingly, the degree to which the Indian GAAP financial statements included in this Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practice and Indian GAAP. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Prospectus should accordingly be limited. We have not attempted to explain those differences or quantify their impact on the financial data included herein, and we urge you to consult your own advisors regarding such differences and their impact on our financial data

As required under applicable regulations, we have included the following in this Preliminary Placement Document:

i. the audited consolidated and standalone financial statements of the Company as at and for the year ended March 31, 2022 prepared in accordance with Indian GAAP, the Companies Act, 2013, read with Companies (Accounts) Rules, 2014, and in compliancewith the SEBI Listing Regulations;
ii. the audited consolidated and standalone financial statements of the Company as at and for the year ended March 31, 2023 prepared inaccordance with Indian GAAP, the Companies Act, 2013, read with Companies (Accounts) Rules, 2014, and in compliance with the SEBI Listing Regulations;

iii. the audited consolidated and standalone financial statements of the Company as at and for the year ended March 31, 2024 prepared inaccordance with Indian GAAP, the Companies Act, 2013, read with Companies (Accounts) Rules, 2014, and in compliance with the SEBI Listing Regulations;

Mahendra N. Shah & Co, Chartered Accountants, our Statutory Auditor as required by the Companies Act, 2013, have been appointed pursuant to our Shareholder's approval in the Annual General Meeting held on September 30, 2023 for a period of five years till Fiscal 2028.

Our Audited financial statements for Fiscal 2022 Fiscal 2023 and Fiscal 2024 as included in this Preliminary Placement Document in "***Financial Information***" on page 132,

In this Preliminary Placement Document, certain monetary thresholds have been subjected to rounding adjustments; accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

Non-GAAP Financial Measures

Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance such as EBITDA, PAT Margin, Net-Debt Equity Ratio and Net worth, have been included in this Placement Document. These may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance and may not be comparable to similarly titled measures presented by other companies.

INDUSTRY AND MARKET DATA

Information regarding markets, market size, market share, market position, growth rates and other industry data pertaining to our Company's businesses contained in this Preliminary Placement Document consists of estimates based on data reports compiled by government bodies, professional organizations and analysts, data from other external sources and our knowledge of our revenues and the markets in which we compete. Unless stated otherwise, the statistical information included in this Preliminary Placement Document relating to the industry in which we operate has been reproduced from various trade, industry, government publications and websites and publicly available information.

This data is subject to change and cannot be verified with certainty due to limits on the availability and reliability of the raw data and other limitations and uncertainties inherent in any statistical survey. Neither our Company nor the Book Running Lead Manager have independently verified this data and do not make any representation regarding and take any responsibility for the accuracy and completeness of such data. In many cases, there is no readily available external information (whether from trade or industry associations, government bodies or other organizations) to validate market- related analysis and estimates, so we have relied on internally developed estimates. While we believe our Company's internal estimates to be reasonable, such estimates have not been verified by any independent sources and neither our Company nor the Book Running Lead Manager can assure potential investors as to their accuracy. Potential investors should not place undue reliance on such information forming a part of this Preliminary Placement Document.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this Preliminary Placement Document that are not statements of historical fact constitute "forward-looking statements". Investors can generally identify forward-looking statements by terminology such as "aim", "anticipate", "believe", "continue", "can", "could", "estimate", "expect", "intend", "may", "objective", "plan", "potential", "project", "pursue", "shall", "should", "will", "would", or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements.

The forward-looking statements appear in a number of places throughout this Preliminary Placement Document and include statements regarding the intentions, beliefs or current expectations of our Company concerning, amongst other things, the expected results of operations, financial condition, liquidity, prospects, growth, strategies and dividend policy of our Companyand the industry in which we operate. In addition, even if the result of operations, financial conditions, liquidity and dividend policy of our Company, and the development of the industry in which we operate, are consistent with the forward-looking statements contained in this Preliminary Placement Document, those results or developments may not be indicative of results or developments in subsequent periods.

All statements regarding our Company's expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our Company's business strategy, planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), new business and other matters discussed in this Preliminary Placement Document that are not historical facts. These forward- looking statements contained in this Preliminary Placement Document (whether made by us or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. All forward-looking statements are subject to risks, uncertainties and assumptions about our Company that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause the actual results, performances and achievements of our Company to be materially different from any of the forward-looking statements include, among others:

- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Competition from existing and new entities may adversely affect our revenues and profitability;
- Political instability or changes in the Government could adversely affect economic conditions in India and consequently our business may get affected to some extent;
- Our business and financial performance is particularly based on market demand and supply of our products;
- The performance of our business may be adversely affected by changes in, or regulatory policies of, the Indian national, state and local Governments;
- Any downgrading of India's debt rating by a domestic or international rating agency could have a negative impact on our business and investment returns;
- Changes in Government Policies and political situation in India may have an adverse impact on the business and operations of our Company;
- The occurrence of natural or man-made disasters could adversely affect our results of operations and financial condition.

Additional factors that could cause actual results, performance or achievements of our Company to differ materially include, but are not limited to, those discussed under the sections titled "***Risk Factors***", "***Industry Overview***", "***Our Business***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 33, 57,66 and 51 respectively.

By their nature, market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, any future gains, losses or impact on net income and net income could materially differ from those that have been estimated, expressed or implied by such forward-looking statements or other projections. The forward-looking statements contained in this Preliminary Placement Document are based on the beliefs of the management, as well as the assumptions made by, and information currently available to, the management of our Company. Although we believe that the expectations reflected in such forward-looking statements are reasonable at this time, we cannot assure investors that such expectations willprove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. In any event, these statements speak only as on the date of this Preliminary Placement Document or the respective dates indicated in this Preliminary Placement Document, and we undertake no obligation to update or revise any of them, whether as a result of new information, future events or otherwise. If any of these risks and uncertainties materialize, or if any of our Company's underlying assumptions prove to be incorrect, the actual results of operations or financial condition of our Company could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to us are expressly qualified in their entirety

by reference to these cautionary statements. In accordance with SEBI and Stock Exchange requirements, our Company and the BRLM will ensure that the eligible equity shareholders are informed of material developments until the time of the grant of listing and trading permissions by the Stock Exchanges.

ENFORCEMENT OF CIVIL LIABILITIES

Our Company is a public limited liability company incorporated under the laws of India. All our Directors, the Key Managerial Personnel and the members of our Senior Management are residents of India and all or a substantial portion of the assets of our Company and such persons are located in India. As a result, it may be difficult or may not be possible for investors outside India to effect service of process upon our Company or such persons in India, or to enforce judgments obtained against such parties outside India predicated upon civil liabilities of our Company or such directors and executive officers under laws other than Indian laws, including judgments predicated upon the civil liability provisions of the federal securities laws of the United States.

Recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Code of Civil Procedure, 1908, as amended (the "**Civil Procedure Code**"), on a statutory basis. Section 13 of the Civil Procedure Code provides that a foreign judgment shall be conclusive regarding any matter directly adjudicated upon between the same parties or parties litigating under the same title, except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognise the law of India in cases in which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; or (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. India is not a party to any multilateral international treaty in relation to the recognition or enforcement of foreign judgments. However, Section 44A of the Civil Procedure Code provides that a foreign judgment rendered by a superior court (within the meaning of that section) in any jurisdiction outside India which the Government has by notification declared to be a reciprocating territory, may be enforced in India by proceedings in execution as if the judgment had been rendered by a competent court in India. Under Section 14 of the Civil Procedure Code, a court in India will, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the foreign judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record but such presumption may be displaced by proving want of jurisdiction. However, Section 44A of the Civil Procedure Code is applicable only to monetary decrees not being in the nature of any amounts payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalties and does not include arbitration awards.

Among other jurisdictions, the United Kingdom of Great Britain and Northern Ireland, Republic of Singapore, United Arab Emirates and Hong Kong have been declared by the Government to be reciprocating territories for the purposes of Section 44A of the Civil Procedure Code, but the United States of America has not been so declared. A judgment of a court in a jurisdiction which is not a reciprocating territory may be enforced only by a fresh suit upon the judgment and not by proceedings in execution. The suit must be brought in India within three years from the date of the foreign judgment in the same manner as any other suit filed to enforce a civil liability in India.

It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it viewed the amount of damages awarded as excessive or inconsistent with public policy of India. Further, any judgment or award in a foreign currency would be converted into Rupees on the date of such judgment or award and not on the date of payment. A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to repatriate outside India any amount recovered, and any such amount may be subject to income tax in accordance with applicable laws. We cannot assure that such approval will be forthcoming within a reasonable period of time, or at all, or that conditions of such approvals would be acceptable. Our Company and the BRLM cannot predict whether a suit brought in an Indian court will be disposed of in a timely manner or be subject to considerable delays.

EXCHANGE RATE INFORMATION

Fluctuations in the exchange rate between the Rupee and the U.S. dollar will affect the U.S. dollar equivalent of the Rupee priceof the Equity Shares on the Stock Exchanges. These fluctuations will also affect the conversion into U.S. dollar of any cash dividends paid in Rupees on the Equity Shares.

INR TO USD

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Indian Rupeeand the U.S. dollar (in ₹ per U.S.D) based on the reference rates released by the RBI and Financial Benchmark India Private Limited ("**FBIL**"), which are available on the website of FBIL. No representation is made that the Indian Rupee amounts actually represent such amounts in U.S. dollar or could have been or could be converted into USD at the rates indicated, any other rates, or at all.

	(₹ PerUS$)			
	Period end (^)	**Average [(1)]**	**High [(2)]**	**Low (3)**
Financial Year:				
2024	83.37	82.79	83.40	81.65
2023	82.22	80.39	83.20	75.39
2022	75.81	74.51	76.92	72.48
Six-months ended:				
March 31, 2024	83.37	82.99	83.37	82.68
September 30, 2023	83.06	83.05	83.26	82.66
Month ended:				
September 30, 2204	83.78	83.81	83.98	83.49
August 31, 2024	83.87	83.90	83.96	83.72
July 31, 2024	83.77	83.59	83.74	83.40
June 30, 2024	83.45	83.47	83.59	83.07
May 31, 2024	83.30	83.39	83.52	83.08
April 30, 2024	83.52	83.41	83.52	83.23
March 31, 2024	83.37	82.99	83.37	82.68
February 29, 2024	82.92	82.96	83.09	82.91
January 31, 2024	83.08	83.12	83.33	82.85
December 31, 2024	83.12	83.27	83.40	83.02
November 30, 2023	83.35	83.30	83.39	83.13
October 31, 2023	83.27	83.24	83.27	83.15
September 30, 2023	83.06	83.05	83.26	82.66

(Source: www.rbi.org.in and www.fbil.org.in)

(^) The price for the period end refers to the price as on the last trading day of the respective fiscal year or quarterly or monthly periods.

(1) Average of the official rate for each working day of the relevant period.

(2) Maximum of the official rate for each Working Day of the relevant period.

(3) Minimum of the official rate for each Working Day of the relevant period.

***Notes**:*

- If the RBI/FBIL reference rate is not available on a particular date due to a public holiday, exchange rates of the previous workingday have been disclosed.
- The RBI/FBIL reference rates are rounded off to two decimal places.

DEFINITIONS AND ABBREVIATIONS

This Preliminary Placement Document uses the definitions and abbreviations set forth below, which you should consider when reading the information contained herein.

The following list of certain capitalised terms used in this Preliminary Placement Document is intended for the convenience of the reader/ prospective investor only and is not exhaustive.

Unless otherwise specified, the capitalised terms used in this Preliminary Placement Document shall have the meaning as defined hereunder. Further any references to any agreement, document, statute, rules, guidelines, regulations or policies shallinclude amendments made thereto, from time to time.

*The words and expressions used in this Preliminary Placement Document but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations framed thereunder. Notwithstanding the foregoing, terms used in the sections titled "**Taxation**", "**Industry Overview**", "**Financial Information**" and "**Legal Proceedings"** on pages 120, 57, 132 and 125, respectively, shall have the meaning given to such terms in such sections.*

General Terms

Term	Description
"Our Company", "the Company", "the Issuer" or "PASHUPATI"	Pashupati Cotspin Limited, a public limited company converted from Limited Liability Partnership under Part I Chapter XXI of Section 366 of Companies Act, 2013 having its Registered office at Survey No.404 at & Post Balasar, Kadi-Detroj Road, Kadi, Mahesana- 382715, Gujarat
"We", "Our", or "Us"	Unless the context otherwise indicates or implies, refers to our Company.

Company related terms

Term	Description
Articles or Articles of Association	The Articles of Association of our Company, as amended from time to time.
Audit Committee	The Audit Committee constituted by the Board of our Company in accordance with the applicable provisions of the Companies Act, 2013, the SEBI Listing Regulations and as disclosed in the section titled "***Board of Directors and Senior Management***" on page 75.
Auditors or Statutory Auditors or Independent Auditors	Statutory auditors of the Company namely, M/s Mahendra N Shah & Co, Chartered Accountants.
Board of Directors or Board	The board of directors of our Company, including any duly constituted committee thereof.
CFO	Chief Financial Officer, i.e., Hareshkumar Rameshchandra Shah
Chairman and Managing Director	The Chairman and Managing Director of our Board of Directors, i.e., Saurin Jagdish Bhai Parikh
Corporate Social Responsibility Committee	The corporate social responsibility committee constituted by the Board of our Company in accordance with the applicable provisions of the Companies Act, 2013 and as disclosed in the section titled "***Board of Directors and Senior Management***" on page 75.
CSR Policy	Corporate Social Responsibility Policy
Director(s)	The directors on the Board of our Company, as may be appointed from time to time.
Equity Shares	The equity shares of a face value of ₹ 10 each of the Company.
Financial Statements	Fiscal 2024 Audited Indian GAAP Financial Statements, Fiscal 2023 Audited Indian GAAP Financial Statements, Fiscal 2022 Audited Indian GAAP Financial Statements

Term	Description
Independent Director(s)	Independent directors of our Company, unless otherwise specified.
Key Managerial Personnel	The key managerial personnel of our Company in accordance with the provisions of the Companies Act, 2013 and Regulation 2(1)(bb) of the SEBI ICDR Regulations. For details, please see the section titled "***Board of Directors and Senior Management***" on page 75.
Memorandum or Memorandum of Association or MOA	The Memorandum of Association of our Company, as amended from time to time.
Nomination and Remuneration Committee	The nomination and remuneration committee constituted by the Board of our Company in accordance with the applicable provisions of the Companies Act, 2013, the SEBI Listing Regulations and as disclosed in the section titled "***Board of Directors and SeniorManagement***" on page 75.
Non-Executive Director(s)	Non-executive directors of our Company, unless otherwise specified.
Promoter	The Promoters of our Company, being, Mr. Saurin Jagdish Bhai Parikh , Mr. Trivedi Tushar R ,Mr. Dakshesh Jayantilal Patel and Ms. Patel Minaben Daksheshbhai
Promoter Group	The individuals and entities forming part of our promoter group in accordance with Regulation 2(1) (pp) of the SEBI ICDR Regulations.
Registered Office	The registered office of the Company situated at Survey No.404 at & Post Balasar, Kadi – Detroj Road, Kadi, Mahesana– 382715 Gujarat
Shareholders	Shareholders of our Company.
Stakeholders	The stakeholders relationship committee constituted by the Board of our Company in accordance with the applicable provisions of the Companies Act, 2013, the SEBI Listing Regulations and as disclosed in the section titled "***Board of Directors and Senior Management***" on page 75.

Issue related terms

Term	Description
Allocated or Allocation	The allocation of Equity Shares, by our Company in consultation with the BRLM, following the determination of the Issue Price to Eligible QIBs on the basis of the Application Forms submitted by them, in consultation with the BRLM and in compliance with Chapter VI of the SEBI ICDR Regulations.
Allot/ Allotment/ Allotted	Allotment and issue of Equity Shares pursuant to the Issue.
Allottees	Eligible QIBs to whom Equity Shares are issued pursuant to the Issue.
Application Amount	With respect to a Bidder shall mean the aggregate amount paid by such Bidder at the time of submitting a Bid in the Issue.
Application Form	Form (including any revisions thereof) which will be submitted by the Eligible QIBs for registering a Bid in the Issue.
Bid Amount	The amount determined by multiplying the price per Equity Share indicated in the Bid by the number of Equity Shares Bid for by a Bidder and payable by the Bidder in the Issue on submission of the Application Form.
Bid(s)	Indication of an Eligible QIB's interest, including all revisions and modifications of interest, as provided in the Application Form, to subscribe for the Equity Shares pursuant to the Issue. The term "Bidding" shall be construed accordingly.
Bidder(s)	Any prospective investor, being an Eligible QIB, who makes a Bid pursuant to the terms of this Preliminary Placement Document and the Application Form.
Book Running Lead Manager or BRLM	Narnolia Financial Services Limited
CAN/ Confirmation of Allocation Note	Note, advice or intimation confirming Allocation of Equity Shares to such Successful Bidders after determination of the Issue Price.
Closing Date	The date on which Allotment of Equity Shares pursuant to the Issue shall be made, i.e., on or about [●], 2024.
Designated Date	The date on which the Equity Shares issued pursuant to the Issue, are listed on the Stock Exchanges pursuant to receipt of the final listing and trading approvals for the Equity Shares from the Stock Exchanges or the date on which Form PAS-3 is filed by our Company with the RoC, whichever is later.
Eligible FPIs	FPIs that are eligible to participate in this Issue in terms of applicable laws, other than individuals, corporate bodies and family offices.
Eligible QIBs	QIBs, as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations that are eligible to participate in the Issue and which are not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations and are not restricted from participating in the Issue under the applicable laws. In addition, QIBs, outside the United States in "offshore Transactions", as defined in, and in reliance on Regulation S under the U.S. Securities Act. Further, FVCIs are not permitted to participate in the Issue.
Escrow Account	Special non-interest bearing, no-lien, current bank account without any cheques or overdraft facilities, opened in the name and style "PASHUPATI COTSPIN LIMITED-QIP ESCROW ACCOUNT" with the Escrow Bank, subject to the terms of the Escrow Agreement into which the Application Amount payable by the Bidders in connection with the subscription to the Equity Shares pursuant to the Issue shall be deposited.
Escrow Agreement	Agreement dated September 17, 2024, entered into by and amongst our Company, the Escrow Bank and the BRLM for collection of the Application Amounts and remitting refunds, if any, of the amounts collected, to the Bidders.
Escrow Bank	Axis Bank Limited
Floor Price	Floor price of ₹ [●] for each Equity Share, calculated in accordance with Chapter VI of the SEBI ICDR Regulations. Our Company may offer a discount on the Floor Price in accordance with the approval of our Board dated August 03, 2024, and the Shareholders on September 07, 2024 , and in terms of Regulation 176(1) of the SEBI ICDR Regulations.

Term	Description
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018, as amended.
Gross Proceeds	The gross proceeds of the Issue that will be available to our Company.
Issue	Offer and issuance of the Equity Shares to Eligible QIBs, pursuant to Chapter VI of the SEBI ICDR Regulations and the applicable provisions of the Companies Act, 2013 and the rules made thereunder.
Issue Closing Date	[●] the date after which our Company (or BRLM on behalf of our Company) shall cease acceptance of Application Forms and the Application Amount.
Issue Opening Date	[●] the date on which our Company (or the BRLM on behalf of our Company) shall commence acceptance of the Application Forms and the ApplicationAmount.
Issue Period	Period between the Issue Opening Date and the Issue Closing Date, inclusive of both days during which Eligible QIBs can submit their Bids along with the ApplicationAmount.
Issue Price	A price per Equity Share of ₹ [●].
Issue Size	Aggregate size of the Issue, up to ₹ [●] Lakhs.
Net Proceeds	The net proceeds from the Issue, after deducting fees, commissions and expenses of the Issue.
Placement Agreement	Placement agreement dated [●] by and among our Company and the BRLM.
Preliminary Placement Document	This Preliminary Placement Document dated October 17, 2024 issued in accordancewith Chapter VI of the SEBI ICDR Regulations and the provisions of the Companies Act, 2013 and the rules prescribed thereunder.
Placement Document	The placement document to be issued in accordance with Chapter VI of the SEBI ICDR Regulations and the provisions of the Companies Act, 2013 and the rules prescribedthereunder.
QIBs or Qualified Institutional Buyers	Qualified institutional buyers, as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
QIP	Qualified institutions placement under Chapter VI of the SEBI ICDR Regulations and applicable provisions of the Companies Act, 2013 read with applicable rules.
Regulation S	Regulation S under the Securities Act.
Refund Amount	The aggregate amount to be returned to the Bidders who have not been Allocated Equity Shares for all, or part, of the Application Amount submitted by such Bidder pursuant tothe Issue.
Refund Intimation	The intimation from the Company to relevant Bidders confirming refund of the Refund Amount to their respective bank accounts.
Relevant Date	[●] which is the date of the meeting in which our Board decided to open the Issue.
Stock Exchange	National Stock Exchange of India Limited
Successful Bidders	The Bidders who have Bid at or above the Issue Price, duly paid the Application Amount with the Application Form and who are Allocated Equity Shares pursuant to the Issue.
U.S. / United States	The United States of America.
U.S. Securities Act	The United States Securities Act of 1933, as amended.
Working Day	Any day other than second and fourth Saturday of the relevant month or a Sunday or a public holiday or a day on which scheduled commercial banks are authorized or obligated by law to remain closed in Mumbai, India.

Business and Industry related terms:

Terms	Full Form
B.H.P.	Break Horse Power
B/R	Blow room
DG Sets	Diesel Generator Set
DD	Duty Drawback
DGFT	Director General of Foreign Trade
DR	Double Roller
EM	Entrepreneurship Memorandum
EPCG	Export Promotion Capital Goods

Terms	Full Form
FFF	From Fibre to Fashions
FOB	Free on Board
GIDC	Gujarat Industrial Development Corporation
HDPE	High-density polyethylene
HP	Horse Power
IEC	Import Export Code
MMF	Manmade Fibers
MT	Metric Tonne
MW	Megawatt
POY	Partially Oriented Yarn
PT	Per Tonne
R&D	Research & Development
SEZ	Special Economic Zone
SH	State Highway
SME	Small and Medium Enterprise
Spdl.	Spindle
SSI	Small Scale Industries
TPD	Tonnes per Day
TPM/tpm	Tonnes per Month
UGVCL	Uttar Gujarat Vij Company Limited

Term	Description
UK	United Kingdom
USA	United States of America
USD	US Dollars
UT	Union Territory
YTD	Year to Date

Conventional and general terms

Term	Description
₹, Rs., INR, Rupees	Indian Rupees
AGM	Annual General Meeting
AS or Accounting Standards	Accounting Standards issued by the Institute of Chartered Accountants of India
CAGR	Compound annual growth rate
Calendar Year	Year ending on December 31
CDSL	Central Depository Services (India) Limited
CESTAT	Customs, Excise and Service Tax Appellate Tribunal
CIN	Corporate Identification Number
Civil Procedure Code	The Code of Civil Procedure, 1908
Companies Act, 2013	The Companies Act, 2013, along with the relevant rules made and clarifications issuedthereunder
Consolidated FDI Policy	Consolidated Foreign Direct Investment Policy notified by the DPIIT by way of circular bearing number DPIIT file number 5(2)/2020-FDI Policy dated October 15, 2020 effective from October 15, 2020
Cr. PC	The Code of Criminal Procedure, 1973
Depositories	CDSL and NSDL
Depositories Act	The Depositories Act, 1996
Depository Participant or DP	A depository participant as defined under the Depositories Act
DP ID Number	Depository participant identification number
DPIIT	Department for Promotion of Industry and Internal Trade
EGM	Extraordinary general meeting
Eligible FPIs	FPIs that are eligible to participate in this Issue
EU	European Union

Term	Description
FDI	Foreign Direct Investment
FEMA	The Foreign Exchange Management Act, 1999, together with rules and regulationsissued thereunder
FEMA Rules	The Foreign Exchange Management (Non-debt Instruments) Rules, 2019, as amended
FIR	First information report
Financial Year or Fiscal	The period of 12 months ended March 31 of that particular year, unless otherwise stated
Form PAS-4	Form PAS-4 as prescribed under the Companies (Prospectus and Allotment of Securities) Rules, 2014
FPIs	Foreign portfolio investors as defined under the SEBI FPI Regulations and includes aperson who has been registered under the SEBI FPI Regulations
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
FVCI	Foreign Venture Capital Investor, as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, registered with SEBI
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product
General Meeting	AGM or EGM
GoI or Government	Government of India
GST	Goods and Services Tax
HUF	Hindu Undivided Family
HNI	High net-worth individual
I.T. Act	The Income-tax Act, 1961
ICAI	Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
Indian GAAP	Accounting principles generally accepted in India, including the Companies (Accounting Standards) Rules, 2006, as amended, specified under section 133 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014.
IRDAI	Insurance Regulatory and Development Authority of India
MAT	Minimum Alternate Tax
MCA	Ministry of Corporate Affairs, GoI
MoEF	Ministry of Finance, GoI
MoU	Memorandum of Understanding
Mutual Funds	Mutual funds registered under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
NEFT	National Electronic Fund Transfer
Non-Resident Indian or NRI	An individual resident outside India who is citizen of India
Non-Resident or NR	A person resident outside India, as defined under the FEMA
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
P.A. or p.a.	Per annum
PAN	Permanent Account Number allotted under the I.T. Act
PAS Rules	The Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended
PAT	Profit after tax
RBI	Reserve Bank of India
RoC or Registrar	Registrar of Companies, Gujarat at Ahmedabad
SCR (SECC) Regulations	The Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations), Regulations, 2018
SCRA	The Securities Contracts (Regulation) Act, 1956
SCRR	The Securities Contracts (Regulation) Rules, 1957
SEBI	The Securities and Exchange Board of India established under the SEBI Act
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI FPI Regulations	The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018

Term	Description
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
SEBI Listing Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Mutual Fund Regulations	The Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
U.S.	United States of America
Wilful Defaulter or Fraudulent Borrower	Wilful defaulter or fraudulent borrower as defined under Regulation 2(1) (lll) of the SEBI ICDR Regulations

SUMMARY OF BUSINESS

Overview

Our Company was originally formed and registered as a Limited Liability Partnership under the Limited Liability Partnership Act, 2008 (**"LLP Act"**) in the name and style of "Pashupati Cotspin LLP" (LLPIN: AAB-3046) and received a certificate of incorporation from the Registrar of Companies, Gujarat, Dadra and Nagar Haveli on January 07, 2013. The constitution and capital Contribution of the Limited Liability partnership was changed pursuant to supplementary agreement modifying the Limited Liability partnership . Further, "Pashupati Cotspin LLP" was thereafter converted from a Limited Liability Partnership to a Private Limited Company under part I Chapter XXI of Section 366 of Companies Act, 2013 with the name of Pashupati Cotspin Private Limited and received a fresh certificate of incorporation from the Registrar of Companies Gujarat, Central Registration Centre on July 3, 2017. The Corporate Identification Number of our Company is L17309GJ2017PLC098117. Later, our Company was converted into Public Limited Company and consequently name of company was changed from "Pashupati Cotspin Private Limited" to "Pashupati Cotspin Limited" vide Special resolution passed by the Shareholders at the Extra Ordinary General Meeting held on July 11, 2017 and a fresh certificate of incorporation dated July 18, 2017 issued by the Registrar of Companies, Gujarat, Ahmedabad. The firm was established with the main aim of setting up of a manufacturing plant of ginning and spinning yarn from cotton fibres.

We are 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 has entered into a forward integration of the Textile industry by manufacturing of cotton yarn to 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.

The manufacturing facility of our Company is situated at Kadi of Mahesana District in Gujarat state which is close to the rich cotton growing areas of Maharashtra and Saurashtra (region) of Gujarat. The company has established a capacity of the spindlage of total 36960 spindle, and 112 DR ginning units. Our plant is equipped with modern and automatic plant and machinery. The level of advancement determines the productivity of machines and labor, which in turn, determines the production and profitability of our Company. Our technical team in spinning is well equipped with modern spinning technology and processing techniques by virtue of which we are able to ensure quality yarn. Technology is a crucial aspect of the cotton yarn industry. Our Company is also using the storage space available with us for the purpose of letting it out to customers and thereby earning lease rentals as consideration.

Our Renewable Project Portfolio

Currently 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).

Cotton Bales/ lint Cotton: The main application of ginned cotton referred to as lint is for spinning operations. The cotton moves through the Spinning machines and is converted into Cotton yarn.

Black Cotton Seeds/ DelineateSeeds: Black cottonseed is used as feed products for livestock or the Cottonseed are crushed into theOil mill after removing lint from the cotton to extract oil (Cottonseed Oil).

Cotton Yarn: Yarn is the end product of spinning. It is the primary component for any Cotton woven or knitted fabric. Cotton yarn is used to make different type of fabrics. In some cases, the cotton yarn is blended with some other yarn in different ratios to provide different effects like shining or to lend more elasticity to the yarn. It is the yarn count and the twisting mode of the yarn that actually determines the overall strength and look of the man factured fabric.

Key Performance Indicators

Set forth below are our key standalone performance indicators for the periods indicated:

(₹ in lakhs, unless otherwise stated)

Particulars	March 31, 2022	March 31, 2023	March 31, 2024
Total Revenue	66,560.13	45,026.68	66,761.22
EBITDA [(1)]	4,304.48	2,462.48	3,952.38
EBITDA margin [(2)]	6.47%	5.47%	5.92%
Profit for the year ("**PAT**")	1,112.55	410.77	830.39
PAT margin [(3)]	1.67%	0.91%	1.24%
Return on Capital Employed("**ROCE**") [(4)]	10.16%	5.48%	10.14%
Return on Equity("**ROE**") [(5)]	10.75%	3.73%	7.22%
Debt to Equity Ratio (x)[(6)]	1.64%	1.56%	1.27%

(1) EBITDA is calculated as profit for the period / year, plus tax expenses (consisting of current tax, deferred tax and current taxesrelating to earlier years), exceptional items, finance costs and depreciation and amortization expenses.

(2) EBITDA Margin is calculated as EBITDA as a percentage of Total Income.

(3) PAT Margin is calculated as profit for the period / year as a percentage of Total Income.

(4) ROCE (Return on Capital Employed) is calculated as profit before tax plus finance costs divided by total net worth and total debt.

(5) ROE (Return on Equity) is calculated as profit after tax for the period/year divided by total net worth.

(6) Debt to Equity Ratio is calculated total net worth divided by total debt for the period/year.

SWOT ANALYSIS

- **Strengths**
  - Well Established manufacturing facility.
  - Experienced Promoter & Management Team.
  - Strategic location of the manufacturing facility.

- **Weakness**
  - Seasonal availability of raw Cotton.
  - Dependence on suppliers for products availability.

- **Opportunities**
  - Large growth potential.
  - Increasing demand of the product in international market and domestic market.
  - Government incentive for the growth of the Textile sector.

- **Threats**
  - Market Competition.
  - Frequent changes in market trends.

SUMMARY OF THE ISSUE

The following is a general summary of the terms of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Preliminary Placement Document, including the sections titled "***Risk Factors***", "***Use of Proceeds***", "***Placement***", "***Issue Procedure***" and "***Description of the Equity Shares***" on pages 33, 43, 104, 91 and 118, respectively.

Issuer	Pashupati Cotspin Limited
Face Value	₹10 per Equity Share
Issue Size	Issue of up to [•] Equity Shares at a premium of ₹ [•], aggregating to up to ₹ [•] Lakhs. A minimum of 10% of the Issue Size i.e., at least up to [•] Equity Shares, shall be made available for Allocation to Mutual Funds only and the balance [•] Equity Shares shall be made available for Allocation to all QIBs, including Mutual Funds. In case of under- subscription in the portion available for Allocation to Mutual Funds, such undersubscribed portion or part thereof may be Allotted to other Eligible QIBs.
Date of Board Resolution	August 03, 2024
Date of Shareholders' Resolution	September 07, 2024
Floor Price	₹ [●] per Equity Share The Floor Price for the Issue has been calculated in accordance with Chapter VI of the SEBI ICDR Regulations. Our Company may offer a discount of not more than 5% on the Floor Price in accordance with the approval of our Board dated August 03, 2024 and the shareholders of our Company accorded through their special resolution passed via postal ballot on September 07, 2024 and in terms of Regulation 176(1) of the SEBI ICDR Regulations.
Issue Price	₹ [●] per Equity Share of the Company (including a premium of ₹ [●] per Equity Share)
Eligible Investors	Eligible QIBs, to whom this Preliminary Placement Document and the Application Form are delivered and who are eligible to bid and participate in the Issue. For further details, please see the sections titled "***Issue Procedure – Eligible Qualified Institutional Buyers***" and "***Transfer Restrictions and Purchaser Representations***" on pages 91 and 111, respectively. The list of Eligible QIBs to whom this Preliminary Placement Document and the Application Form is delivered shall be determined by the BRLM in consultation with the Company, at their sole discretion.
Equity Shares issued and outstanding immediately prior to the Issue	1,52,84,000 Equity Shares of face value of ₹ 10 each, being fully paid-up
Subscribed and paid-up Equity Share capital prior to the Issue	₹ 15,28,40,000
Equity Shares issued and outstanding immediately after the Issue	[●] Equity Shares
Issue Procedure	The Issue is being made only to Eligible QIBs in reliance on Section 42 of the Companies Act read with Rule 14 of the PAS Rules, and all other applicable provisions of the Companies Act, read with Chapter VI of the SEBI ICDR Regulations. For details, please see the section titled "***Issue Procedure***" on page 91.

Listing	Our Company has received in-principle approval dated [●] from NSE in terms of Regulation 28(1)(a) of the SEBI Listing Regulations for listing of the Equity Shares to be issued pursuant to the Issue. Our Company shall make application to the Stock Exchange after Allotmentto obtain final listing approval for the Equity Shares.
Trading	The trading of the Equity Shares would be in dematerialized form and only in the cash segment of each of the Stock Exchange. Our Company will make application to the Stock Exchange after credit of Equity Shares to the beneficiary account with the Depository Participant to obtain final trading approval for the Equity Shares to be issued pursuant to this Issue.
Lock-up	See "***Placement – Lock-up***" on page 104 for a description of restrictions on our Company and Promoters in relation to Equity Shares.
Transferability Restrictions	The Equity Shares being Allotted pursuant to this Issue shall not be sold for a period of one year from the date of Allotment, except on the floor of the Stock Exchanges. For further details, please see the section titled "***Transfer Restrictions and Purchaser Representations***" on page 111.
Use of Proceeds	The Gross Proceeds aggregate to ₹ [•] lakhs. Subject to compliance with applicable laws, the net proceeds from the Issue, after deducting fees, commissions and the estimated expenses of the Issue of approximately ₹ [•] lakhs, shall be approximately ₹[•] lakhs. For details, please see the section titled "***Use of Proceeds***" on page 43.
Risk Factors	For details, please see the section titled "***Risk Factors***" on page 33 for a discussion of risks you should consider before deciding whether to subscribe for the Equity Shares.
Dividend	See "***Description of the Equity Shares***" and "***Dividends***" on pages 118 and 50,respectively
Taxation	Please see the section titled "***Taxation***" on page 120.
Closing Date	The Allotment is expected to be made on or about [●].
Status, Ranking and dividends	The Equity Shares being issued pursuant to the Issue shall be subject to the provisions of the Memorandum of Association and Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares, including rights in respect of dividends. Our Shareholders (as on record date) will be entitled to participate in dividends and other corporate benefits, if any, declared by our Company after the Closing Date, in compliance with the Companies Act, 2013, the SEBI Listing Regulations and other applicable laws and regulations. Our Shareholders may attend and vote in shareholders'meetings on the basis of one vote for every Equity Share held. For details, please see the sections titled "***Description of the Equity Shares***" and "***Dividends***" on pages 118 and 50 respectively.
Voting Rights	See "***Description of the Equity Shares – Voting Rights***" on page 118.
Security Codes for the Equity Shares	**ISIN:** INE124Y01010 **NSE Symbol**: PASHUPATI

SELECTED FINANCIAL INFORMATION

The following tables set out selected financial information as extracted from our Financial Statements, prepared in accordance with the applicable accounting standards, Companies Act, 2013 and the requirements of SEBI Listing Regulations, as applicable, and presented in "***Financial Information***" on page 132. The selected financial information presented below should be read in conjunction with "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" and "***Financial Information***", on pages 51 and 132, respectively, for further details.

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SUMMARY OF STANDALONE BALANCE SHEET AS AT MRACH 31, 2024, MARCH 31, 2023, AND MARCH 31, 2022.

(₹ in lakhs)

Particulars	As at March31,		
	2024	2023	2022
EQUITY AND LIABILITIES			
1. Share Holders Fund			
(a) Equity Share capital	1,528.40	1,528.40	1,528.40
(b) Reserves & Surplus	10,327.01	9,611.26	9,315.13
(c) Money Received Against Share Warrants		-	-
2. **Non-currentliabilities**			
(a) Long Term Borrowings	4,583.80	5,116.11	8,323.09
(b) Deferred tax Liabilty	879.89	616.13	453.34
(c) Other Long Term Liabilities	15.02	15.77	38.88
(d) Long Term Provisions	134.54	107.82	145.97
3. **Current liabilities**			
(a) Short Term borrowing	10,475.50	12,212.61	9,422.37
(b) Trade Payable			
(i)Total Outstanding due to Micro Small and medium Enererprise	8.10	0.51	1.32
(ii)Total Outstanding due to other Micro Small and medium Enererprise	2,677.16	773.67	559.49
(c) Other current liabilities	276.69	696.91	442.19
(d) Short Term Provisions	105.82	68.18	457.21
Total:	**31,011.93**	**30,747.37**	**30,687.39**
ASSETS			
1. Non-currentassets			
(a)Property, Plant and Equipment			
(i) Tangible Assets	13,509.97	11,165.90	8,588.61
(ii) Capital Work-In-Progress	-	2,636.17	-
(b) Non Current Investments	122.85	110.35	125.20
(c) Long Term Loans and Advances	650.55	850.34	850.34
2. Currentassets			
(a)Inventories	4,138.37	3,526.45	6,161.09
(b) Current Investment	4,216.55	3,303.24	3,754.36
(c)Trade Receivable	6,204.1	6,205.71	5,033.91
(d)cash and Cash Equivalents	199.18	249.88	286.15
(e)Short term loan ans advances	1,218.44	1,998.01	5,156.08
(e) Other current Assets	751.92	701.31	731.66
Total :	**31,011.93**	**30,747.37**	**30,687.39**

SUMMARY OF STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE FISCAL YEARS ENDED MARCH 31, 2024, MARCH 31, 2023 AND MARCH 31, 2022.

(₹ in lakhs except per share data)

Particulars	For the financial year ended March 31,		
	2024	**2023**	**2022**
I. Revenue from Operations	65,837.68	44,273.28	66,138.19
Less: Excise duty	-	-	-
Revenue from operation (Net)	**65,837.68**	**44,273.28**	**66,138.19**
II. Other Income	923.54	753.39	421.94
III. Total Revenue(I+II)	**66,761.22**	**45,026.68**	**66,560.13**
IV. Expenses:			
(a) Cost of materials consumed	56,052.67	37,458.56	55,515.06
(b) Purchase of stock-in-trade	2,266.63	-	108.5
(c) Changes in inventories of finished goods, work in progress and stock in trade	(576.28)	575.67	215.79
(d) Employee benefits expense	1,558.97	1,213.94	1,389.17
(e) Finance costs	1,702.19	980.81	1,342.43
(f) Depreciation and amortization expense	1,133.02	867.64	1,354.43
(g) Other expenses	3,506.85	3,316.03	5,027.13
Total Expenses	**65,644.05**	**44,412.66**	**64,952.77**
V. Profit before exceptional items and tax (III-IV)	**1,117.17**	**614.02**	**1,607.36**
Exceptional Items		-	-
VI Profit/(Loss)before tax(VII-VIII)	**1,117.17**	**614.02**	**1,607.36**
Tax Expense			
(1) Current tax(net)	23.02	0.00	512.24
(2)MAT credit entitlement	0.00	0.00	0.00
(3)Deferred Tax	263.76	162.79	(146.25)
(4) Short/(Excess) Provision of Tax	0.00	40.47	128.82
XII Profit/(Loss) After Tax (IX-X)	**830.39**	**410.77**	**1,112.55**
Earnings per equity share:			
Basic	5.43	2.69	7.28
Diluted	5.43	2.69	7.28

SUMMARY OF STANDALONE STATEMENT OF CASH FLOW FOR THE FISCAL YEARS ENDED MARCH 31, 2024, MARCH 31, 2023 and MARCH 31, 2022.

(₹in Lakhs)

Particulars	For the financial year ended March31,		
	2024	2023	2022
CASH FLOW FROM OPERATING ACTIVITIES			
Profit/(loss) before tax and exceptional items	1,117.16	614.02	1,607.36
Non-cash adjustments to reconcile profit before tax to net cash flows			
Depreciation and amortization expenses	1,133.02	867.64	1,354.69
Finance Cost	1,702.19	980.81	1,342.43
Interest Income	(652.56)	(550.44)	(237.16)
Bad Debts & Sundry balance written off			414.10
(Profit) / Loss on sale of Fixed Assets			9.78
Foreign Exchange Loss			
Foreign Exchange Gain			(23.93)
Operating profit/(loss) before working capital change	**3,336.04**	**1,912.03**	**4,467.25**
Adjustments for Changes in Working Capital			
Trade Receivables, Loans & Advances	936.78	2,101.64	(3,355.6)
Stock	611.91	2,634.63	976.25
Trade Payable & Liabilities	1,554.45	405.22	252.34
Cash(usedin)/generatedfromoperatingactivities	**5,215.36**	**7,053.53**	**2,340.25**
Directtaxespaid /netofrefund	(29.40)	(512.94)	(124.82)
Netcashflow(usedin)/generated from operating activities(A)	**5,185.96**	**6,540.59**	**2,215.43**
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Fixed Assets	(840.95)	(3,444.92)	(205.37)
Sale of Fixed Assets	(962.04)		50.80
Loans Given			-
Investment In Corporate Entities	-	491.66	(3,233.78)
Interest Received	652.56	550.44	237.16
Net cash (used in) / generated from investing activities(B)	**(1,150.43)**	**(2,402.81)**	**(3,151.2)**
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from/(Repayment) of Long Term Loans Borrowings (Net)	(2,269.41)	(416.75)	2745.52
Proceeds from Issuance of Shares/Warrants			
Interest Paid	(1,702.19)	(980.81)	(1342.43)
Dividend paid including distribution tax	(114.63)	(114.63)	(114.63)
Net cash (used in) / generated from financingactivities(C)	**(4,086.23)**	**(1,512.19)**	**1,288.47**
Netincrease/(decrease)in cash and cash equivalents(A+B+C)	**(50.67)**	**265.59**	352.70
Opening Balance of Cash & Cash equivalents	249.88	286.15	187.06
Closing Balance of Cash & Cash equivalents	**199.18**	249.88	**286.15**
Net Increase/(Decrease) in cash & cash equivalents	**(50.67)**	**(36.28)**	**99.09**

RELATED PARTY TRANSACTIONS

For details of the related party transactions during (i) the Financial Year ended March 31, 2024; (ii) the Financial Year ended March 31, 2023; and (iii) the Financial Year ended March 31, 2022 as per the requirements under lndian GAAP for Fiscal 2022, Fiscal 2023 and Fiscal 2024, please see the section titled "***Financial Information***", on page 132 for the above-mentioned period/fiscal years respectively.

RISK FACTORS

This Preliminary Placement Document contains certain forward-looking statements that involve risks and uncertainties. Our results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Preliminary Placement Document.

Prospective investors should carefully consider the following risk factors as well as other information included in this Preliminary Placement Document prior to making any decision as to whether or not to invest in the Equity Shares.

*The risks described below are those that we consider to be most significant to our business, results of operations and financial conditions as of the date of this Preliminary Placement Document. However, they are not the only risks relevant to us or the Equity Shares or the industry in which we currently operate. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may also impair our business prospects, results of operations and financial condition. As a result, the trading price of the Equity Shares could decline and investors may lose part or all of their investment. In order to obtain a complete understanding about us, you should read this section in conjunction with the sections titled "**Our Business**", "**Industry Overview**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations**", on pages* 66,57, and 51 *respectively, as well as the other financial and statistical information contained in this Preliminary Placement Document. In making an investment decision, prospective investors must rely on their own examination of us on a consolidated basis and the terms of the Issue, including the merits and risks involved. Investors should consult their respective tax, financial and legal advisors about the particular consequences of an investment in this Issue. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment, which may differ in certain respects from that of other countries.*

*In this section, unless the context otherwise requires, "we", "us" and "our", includes our Subsidiaries. See "**Our Business - Overview**" on page 66 Unless otherwise stated, all financial numbers are presented in million*

INTERNAL RISKS

Risks related to our business and industry

INTERNAL RISK FACTORS:

1. **Any adverse movement in the price of the raw material may affect the price of the finished products and affect our profitability.**

   Cotton is the main raw material used to produce cotton bales and cotton yarn. The price of the cotton are very volatile subject to price fluctuations resulting from weather, natural disasters, domestic and foreign trade policies, shifts in supply and demand and other factors beyond our control. Any adverse movement in the price of the Cotton will impact our cost of production which we may not be able to pass on to the customer which may affect our profitability of even lead to losses. Further any prolonged increase in cotton prices could have a material adverse effect on our Company over a period of time and affect all our strategies and future projections.

2. **Information relating to our production capacities and the historical capacity utilization of our production facilities included in this Preliminary Placement Document is based on certain assumptions and has been subjected to rounding off and future production and capacity utilization may vary.**

   Information relating to our production capacities and the historical capacity utilization of our production facilities included in this Preliminary Placement Document is based on various assumptions and estimates of our management, including proposed operations, assumptions relating to availability and quality of raw materials, assumptions relating to operational efficiencies and production plan of our Company. Actual production levels and utilization rates may differ significantly from the estimated production capacities or historical estimated capacity utilization information of our facilities. Undue reliance should therefore not be placed on our production capacity or historical estimated capacity utilization information for our existing facilities included in this Preliminary Placement Document. For further information, see the section titled "Our Business" on page 66 of this ***Preliminary Placement Document***.

3. **The price, which we are able to obtain for the yarn and cotton bales that we produce depend largely on prevailing market prices.**

Any decrease in yarn prices may adversely affect our profitability. The wholesale price of cotton has a significant impact on our profits. Cotton is subject to price fluctuations resulting from weather, natural disasters, domestic and foreign trade policies, shifts in supply and demand and other factors beyond our control. As a result, any prolonged decrease in cotton prices could have a material adverse effect on our Company and our results of operations. Further, we have not yet entered into any contract for hedging the risk of any adverse price movement in the price of our raw material or finished goods.

4. **Our revenues are significantly dependent upon sales of our main products that are cotton bales and yarn.**

Our core business is the manufacture of cotton bales and yarn. Consequently, our income is significantly dependent on sales of the cotton bales and yarn and over the years, such sales have emerged as the major contributor to our revenue and business. Our continued reliance on sales of our products for a significant portion of our revenue exposes us to risks, including the potential reduction in the demand for such products in the future; increased competition from domestic and regional manufacturers; cost-effective technology; fluctuations in the price and availability of the raw materials; changes in regulations and import duties; and the cyclical nature of our customers' businesses. One or more such reasons may affect our revenues and income from sales of our products and thereby adversely affect our business, profitability, cash flows and results of operations.

5. **Dependence upon transportation services for supply and transportation of our products are subject to various uncertainties and risks, and delays in delivery may result in rejection of products by customer.**

We depend on transportation services to deliver our products from the raw material site to our factory and from our factory to the site of the customer. We rely on third parties transportation service providers to provide such services. Any disruptions of transportation services because of weather related problems, strikes, lock-outs, inadequacies in road infrastructure or other events could impair our procurement of raw materials and our ability to supply our products to our customers. There is no assurance that such disruptions will not occur in the future. Any such disruptions could materially adversely affect our business, financial condition and results of operations.

6. **Changes in technology may render our current technologies obsolete or require us to make substantial capital investments. Modernization and technology up gradation is essential to reduce costs and increase the output.**

Our manufacturing technology may become obsolete or may not be upgraded timely, hampering our operations and financial conditions. Although we believe that we have installed plant and machineries with the latest upgraded technology suitable for cotton yarn production, we shall further continue to strive to keep our technology updated. In case of a new found technology in the industry we may be required to implement new technology employed by us which will render our current technology obsolete. Further, the cost in upgrading our technology may be significant which could substantially affect our finances and operations.

7. **The raw material and the finished product stored at our factory premises may be subject to distortation and colour fading due to lapse of time.**

The raw material and the finished product of our Company are stored at the go down located at the factory of our Company. Cotton is subject to change in colour simply through their own natural aging process. In case the raw material or the finished goods remained unsold for a period of time they may fade their colour which may render them useless or reduce their usefulness. In case of any such incidence we may be required to either scrap the said product or we may be not being able to realize proper price of the said goods which could have an adverse affect on the profitability and production schedule of the Company.

8. **All our manufacturing facilities are located at Kadi, Gujarat.**

We manufacture our products from our manufacturing facilities which are located at Kadi, Gujarat. Any disruption in the operations due to supply of power, fire outages or industrial accidents at the unit could hamper or delay our ability to

continue production and servicing. Any disruption or suspension in the production process in this facility can significantly impact our ability to service customer needs and relation with our customers and have a material adverse effect on our business, revenues, reputation, results of operation and financial condition.

9. Our indebtedness and the conditions and restrictions imposed by our financing and other agreements could adversely affect our ability to conduct our business and operations.

We are bound by restrictive and other covenants in our facility agreements with lender, including but not limited to, restrictions on the utilization of the loan for certain specified purposes w.r.t change in capital structure, Board of Directors, formulation of any scheme of amalgamation and reconstruction etc, timely provision of information and documents, timely creation of security, obtaining prior consent from existing lenders, maintenance of financial ratios and obtaining prior written approval from the appropriate lender for various corporate actions. If we are not in compliance with certain of these covenants and are unable to obtain waivers from all of our lenders, our lenders may accelerate the repayment schedules. Subsequently, if we are unable to pay our debt, affected lenders could also proceed against any collateral granted to them to secure such indebtedness. Furthermore, these covenant defaults can result in cross-defaults in our other debt financing agreements, and there can be no assurance that potential defaults will not result in future cross-defaults. If our lenders accelerate the repayment of our borrowings, we cannot assure you that we will have sufficient assets to repay amounts outstanding under our loan agreements or continue our business.

We have obtained a substantial amount of indebtedness which could adversely affect our financial condition. As on March 31, 2024 our outstanding secured working capital loan of ₹15014.3 Lacs w.r.t. working capital Loan against property of promoters. In addition, we may require to avail additional indebtedness in the future in the form of secured or unsecured loan which our lender may not agreed or sanctioned the requisite amount in future.

10. Our raw material and finished products both are highly flammable commodity. Any adverse situation at our factory or godown can have an adverse affect on our operations and profitability.

Cotton being a highly flammable commodity, every stage from procurement, processing, storage and transportation to trading is fraught with an imminent danger of an instant fire. The risk of fire hazard is increased due to increased automation and use of large volume of machinery for material handling. Any spark generated at these places can not only generate fire but also the same could propagate to other machines through cotton conveying. We maintain standard fires and perils policies in respect of the buildings, plant and machinery, stocks of goods, raw material and office equipment in our manufacturing facilities. Further, apart from the above risk our products are also vurlernable to water and moisture. High content of moisture in the cotton or the cotton getting wet due to water then the same cannot be used for production. Also in case if the moisture content is more in the finished product the same cannot be sold to the customer or the customer may reject the order. Any such incident at our factory, godown or at any other place could adversely affect our business, financial condition, cash flows and results of operations.

11. Our business is subject to seasonal volatility, which may contribute to fluctuations in our results of operations and financial condition.

The major raw material used by our Company for the Ginning Unit is Cotton. Due to the seasonal availability of the Cotton, our industry is seasonal in nature. The period during which our business may experience higher revenues varies from season to season. During the crop season we are able to procure the cotton at reasonable terms and in large quantities. Whereas during the off season the availability of the cotton is less and also there are price variations. Accordingly, our revenue in one quarter may not accurately reflect the revenue trend for the whole Financial Year. The seasonality and cyclicity of our industry, and the financial services industry, may cause fluctuations in our results of operations and financial condition.

12. Any changes in regulations or applicable government incentives would adversely affect the Company's operations and growth prospects.

The Central and the State Government has provided several incentives to the textile sector, from which our Company may benefit, including the TUFS interest, electricity and capital subsidies. These incentives could be modified or removed at any time, or new regulations could be introduced which may change the current regime applicable to the

textile industry as a whole which will affect our Company's business, this could adversely affect our Company's operations and financial results. Our Company is also subject to various regulations and textile policies, primarily in India. Our Company's business and prospects could be adversely affected by changes in any of these regulations and policies, including the introduction of new laws, policies or regulations or changes in the interpretation or application of existing laws, policies and regulations. Any such change could have a material adverse affect on the Company's operations and financial results

13. We face substantial competition in the textile business, both from Indian and international companies, which may adversely affect our revenues.

We face significant competition from existing players and new entrants in the textile industry. The industry is highly competitive. We will face competition mainly from large vertically integrated and diversified companies as well as new companies, particularly in China and Indonesia. Some of our international competitors may be larger than us and have greater financial resources. Increased competition could result in price reductions, decreased sales, lower profit margins or losses in market share, any of which could have an adverse effect on our business, results of operations and financial condition.

14. Our Promoter and Promoter Group will retain majority control over the Company after the Issue, which will allow them to determine the outcome of the matters requiring the approval of shareholders.

Our promoters along with the promoter group will continue to hold collectively 73.03 % of the equity share capital of the company. As a result of the same they will be able to exercise significant influence over the control of the outcome of the matter that requires approval of the majority shareholders vote. Such a concentration of the ownership may also have the effect of delaying, preventing or deterring any change in the control of our Company. In addition to the above, our promoters will continue to have the ability to take actions that are not in, or may conflict with our interest or the interest of some or all of our minority shareholders, and there is no assurance that such action will not have any adverse effect on our future financials or results of operations.

15. We are heavily dependent on our Promoters and Key Managerial Personnel for the continued success of our business through their continuing services and strategic guidance and support.

Our success heavily depends upon the continued services of our Key managerial personnel, along with support of our Promoter. We also depend significantly on our Key Managerial Persons for executing our day to day activities. They provide expertise, which enables us to make well informed decisions in relation to our business and our future prospects. Our success largely depends on the continued services and performance of our management and other key personnel. The loss of any of our Promoter and Key Management Personnel, or failure to recruit suitable or comparable replacements, could have an adverse effect on us. The loss of service of the Promoters and other senior management could seriously impair the ability to continue to manage and expand the business efficiently. If we are unable to retain qualified employees at a reasonable cost, we may be unable to execute our growth strategy. For further details of our Directors and key managerial personnel, please refer to Section "Seniour Management" on page 75 of this Preliminary Placement Document.

16. Our Company does not have any formal long-term arrangements with the suppliers and customers. Any significant variation in the supply & demand may adversely affect the operations and profitability of our Company.

Major raw material used in the manufacturing at our Company is cotton, for the procurement of cotton we dependent on external suppliers and we do not have any formal long-term arrangements with our suppliers which oblige them to maintain their business with us. Our ability to maintain close and satisfactory relationships with our suppliers may impact our supplies and affect our production process. We also have not entered into any long term agreements with our customers. In the event of any change in the preference or production schedule of the customer, our customer may terminate the orders which may affect our Company's business, results of operations and revenues. Also, there is no assurance that the customers and suppliers will continue to supply raw materials to us and these customers will continue to purchase products from us. This could impact the financial performance of our Company and affect our financial condition.

17. ***Our business is dependent on the adequate and uninterrupted supply of electrical power at a reasonable cost. Failure on account of unavailability of electrical power may restrict us in utilizing our full capacity and, hence, may impact our business and results of operation.***

Adequate and cost effective supply of electrical power is critical to our operations, which entails significant consumption of electrical power. Currently, we source of our power requirements from the State Electricity Board. There can be no assurance that electricity supplied by them will be sufficient to meet our requirements or that we will be able to procure adequate and interrupted power supply in the future at a reasonable cost. Further, if the per unit cost of electricity is increased by the state electricity boards, our power costs will increase and it may not be possible to pass on any increase in our power costs to our customers, which may adversely affect our profit margins.

18. ***Textile industry is very volatile and fashion oriented; any lag on the part of our Company to identify the changes in the customer preferences and evolving fashion trends may adversely affect our business operations.***

Demand in the textile industry significantly depends on the customer preferences and evolving fashion trends. Any change in the preference of the customer or fashion trends such as shifting towards man-made fabric could have an adverse affect on the demand of cotton yarn. In order to be in line with this fashion trends, we need to anticipate the changes in the fashion trends and develop the products as per customer‘s needs. Our inability to tap the changing fashion can lead to rejection of our textiles thus damaging goodwill, business operations and financial conditions. Any failure to update ourselves or understand the trends in different regions of the world may result in reduction of our export sales, adversely affecting our financial condition

19. ***Our inability to effectively implement our business and growth strategy may have an adverse affect on our operation and growth.***

The success of our business will largely depend on our ability to effectively implement our business and growth strategy. In the past we have generally been successful in execution of our business but there can be no assurance that we will be able to execute our strategy on time and within the estimated budget in the future. If we are unable to implement our business and growth strategy, this may have an adverse effect on our business, financial condition and results of operations.

20. ***We could be harmed by employee misconduct or errors that are difficult to detect and any such incidences could adversely affect our financial condition, results of operations and reputation.***

Employee misconduct or errors could expose us to business risks or losses, including regulatory sanctions and serious harm to our reputation. There can be no assurance that we will be able to detect or deter such misconduct. Moreover, the precautions we take to prevent and detect such activity may not be effective in all cases. Our employees and agents may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions on account of which our business, financial condition, results of operations and goodwill could be adversely affected.

21. ***Our business is labour intensive and our business may be affected if we are unable to obtain or retain employees on contract or at commercially attractive costs.***

Our business is manpower intensive and our continued growth depends on our ability to recruit and retain suitable staff. Recruiting and retaining of skilled personnel with significant knowledge and experience in the textiles sector in India is very difficult. There can be no assurance that attrition rates for our employees will not increase. A significant increase in our employee attrition rate could also result in decreased operational efficiencies and productivity, loss of market knowledge and customer relationships, and an increase in recruitment and training costs, thereby materially affecting our business, results of operations and financial condition. We cannot assure you that we will be able to find or hire personnel with the necessary experience or expertise to operate our business. In the event that we are unable to hire people with the necessary knowledge or the necessary expertise, our business may be severely disrupted, financial condition and results of operations may be affected.

Additionally, any outbreak of the employee strike at the factory of our Company due to wage revision, increase in facility at the factory or any other reason can have an advese affect on the production schedule, revenue and reputation of our company. Further, in case of any upward revision in the manpower cost may have a direct impact on our employee costs and consequently, on our margins. Further, the minimum wage laws in India may be amended leading to upward

22. Any Penalty or demand raised by statutory authorities in future will affect our financial position of the Company.

Our Company is engaged in business of manufacturing of cotton bales and cotton yarn which attracts tax liability such as Goods and Service Tax and professional tax as per the applicable provisions of Law. We are also subject to the labour laws like depositing of contributions with Provident Fund. However, we have deposited the required returns under various applicable Acts but any demand or penalty raised by the concerned authority in future for any previous year and current year will affect the financial position of the Company

EXTERNAL RISK FACTORS

1. **Global economic, political and social conditions may harm our ability to do business, increase our costs and negatively affect our stock price.**

   Global economic and political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, change in regulatory framework, inflation, deflation, foreign exchange fluctuations, consumer credit availability, consumer debt levels, unemployment trends, terrorist threats and activities, worldwide military and domestic disturbances and conflicts, and other matters that influence consumer confidence, spending and tourism.

2. **Any downgrading of India's debt rating by a domestic or international rating agency could have a negative impact on our business**.

   India's sovereign debt rating could be downgraded due to various factors, including changes in tax or fiscal policy or a decline in India's foreign exchange reserves, which are outside our control. Any adverse revisions to India's credit ratings for domestic and international debt by domestic or international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available. This could have a material adverse effect on our business and financial performance, ability to obtain financing for capital expenditures and the price of our Equity Shares.

3. **Regional hostilities, terrorist attacks, communal disturbances, civil unrest and other acts of violence or war involving India and other countries may result in a loss of investor confidence and adversely affect the financial markets and our business.**

   Terrorist attacks, civil unrest and other acts of violence or war may negatively affect the Indian markets on which our Equity Shares will trade and also adversely affect the worldwide financial markets. In addition, the Asian region has from time to time experienced instances of civil unrest and hostilities among neighboring countries. Hostilities and tensions may occur in the future and on a wider scale. Military activity or terrorist attacks in India may result in investor concern about stability in the region, which may adversely affect the price of our Equity Shares. Events of this nature in the future, as well as social and civil unrest within other countries in the world, could influence the Indian economy and could have an adverse effect on the market for securities of Indian companies, including our Equity Shares.

4. **Instability in financial markets could materially and adversely affect our results of operations and financial condition.**

   The Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, especially in the United States of America or Europe, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets. The global financial turmoil, an outcome of the sub-prime mortgage crisis which originated in the United States of America, led to a loss of investor confidence in worldwide financial markets. Indian financial markets have also experienced the contagion effect of the global financial turmoil, evident from the sharp decline in SENSEX, BSE's benchmark index. Any prolonged financial crisis may have an adverse impact on the Indian economy and us, thereby resulting in a material and adverse effect on our business, operations, financial condition, profitability and price of our Equity Shares.

5. **Natural calamities could have a negative impact on the Indian economy and cause Our Company's business to suffer.**

   India has experienced natural calamities such as earthquakes, tsunami, floods etc. In recent years, the extent and severity of these natural disasters determine their impact on the Indian economy. Prolonged spells of abnormal rainfall or other natural calamities could have a negative impact on the Indian economy, which could adversely affect our business, prospects, financial condition and results of operations as well as the price of the Equity Shares.

6. **Government regulation of foreign ownership of Indian securities may have an adverse effect on the price of the Equity Shares.**

   Foreign ownership of Indian securities is subject to government regulation. Under foreign exchange regulations currently in effect in India, transfer of shares between non residents and residents are freely permitted(subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares,

which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the rupees proceeds from the sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the Income Tax authorities. There can be no assurance that any approval required from the RBI or any other government agency can be obtained.

7. If certain labour laws become applicable to us, our profitability may be adversely affected.

India has stringent labour legislations that protect the interests of workers, including legislation that sets forth detailed procedures for dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. Any change or modification in the existing labour laws may affect our flexibility in formulating labour related policies.

8. Political, economic and social changes in India could adversely affect our business.

Our business, and the market price and liquidity of our Company's shares, may be affected by changes in Government policies, including taxation, social, political, economic or other developments in or affecting India could also adversely affect our business. Since 1991, successive governments have pursued policies of economic liberalization and financial sector reforms including significantly relaxing restrictions on the private sector. In addition, any political instability in India may adversely affect the Indian economy and the Indian securities markets in general, which could also affect the trading price of our Equity Shares.

MARKET PRICE INFORMATION

As on the date of this Preliminary Placement Document, 1,52,84,000 Equity Shares of face value of ₹ 10 each are subscribed and paid-up.

On [●], the closing price of the Equity Shares on NSE was ₹ [●] respectively per Equity Share. Since the Equity Shares are available for trading on the Stock Exchange, the market price and other information for NSE has been given separately.

(i) The following tables set forth the reported high, low and average market prices and the trading volumes of the Equity Shares on the Stock Exchanges on the dates on which such high and low prices were recorded for the Financial Years ended March 31, 2024, March 31, 2023, and March 31, 2022:

NSE*									
Period	**High (₹)**	**Date of high**	**Number of Equity Shares traded on the date of high**	**Total turnover of Equity Shares traded on date of high (₹ in lakhs)**	**Low (₹)**	**Date of low**	**Number of Equity Shares traded on the date of low**	**Total turnover of Equity Shares traded on date of low (₹in lakhs)**	**Average price for the period (₹)**
Fiscal 2024	128	August 22, 2023	1600	2.048	86.05	March 31, 2024	3200	2.76	104.08
Fiscal 2023	170	May 10, 2022	6400	9.63	100	March 13, 2023	3200	3.21	122.19
Fiscal 2022	135	March 29, 2022	16000	19.56	60.2	June 15, 2021	49600	37.37	87.42

(Source www.nseindia.com)

Notes:

1. *High, low and average prices are based on the daily closing prices.*
2. *In the case of a year, average represents the average of the closing prices of all trading days of each year presented.*
3. *In case of two days with the same high price, low price, the date with the higher traded volume has been chosen.*

The following table sets forth the details of the number of Equity Shares traded on the Stock Exchange and the turnover during Fiscals 2024, 2023 and 2022:

Financial period	**Number of Equity Shares Traded**	**Turnover (in ₹)**
Fiscal 2024	88,000	93,68,080
Fiscal 2023	11,16,800	13,73,93,040
Fiscal 2022	13,58,400	11,50,88,240

* The following tables set forth the reported high, low and average market prices and the trading volumes of the Equity Shares on the Stock Exchanges on the dates on which such high and low prices were recorded during each of the last six months:

NSE											
Month year	**High (₹)**	**Date of high**	**Number of Equity Shares traded on date of high**	**Total turnover of Equity Shares traded on date of high (in Lakhs)**	**Low (₹)**	**Date of low**	**Number of Equity Shares traded on date of low**	**Total turnover of Equity Shares traded on date of low(in Lakhs)**	**Average price for the month (₹)**	**Equity Shares traded in the month**	
										Volume	**Turnover (₹ in Lakhs)**
September 2024	555	September 23, 2024	3200	17.64	462.1	September 03, 2024	4800	22.62	503.34	22400	111.31
August 2024	506.1	August 08, 2024	1600	8.04	435.35	August 02, 2024	7200	32.78	478.60	55200	260.66

July 2024	509.95	July 01, 2024	24000	115.21	404.35	July 16 ,2024	1600	6.50	436.00	142400	625.71
June 2024	520	June 27, 2024	10400	53.87	263.6	June 03, 2024	4000	10.54	369.65	1019200	3505.55
May 2024	271.4	May 30, 2024	182400	456.66	96.55	May 07, 2024	51200	50.96	193.013	2257600	4233.82
April 2024	126.3	April 24, 2024	247200	277.94	85	April 09, 2024	112000	98.55	100.61	1766400	1847.43

(Source www.nseindia.com)

***Notes**:*

1 *High, low and average prices are based on the daily closing prices.*
2 *In the case of a year, average represents the average of the closing prices of all trading days of each year presented.*
3 *In case of two days with the same high price, low price, the date with the higher traded volume has been chosen.*

(ii) The following table sets forth the market price on the Stock Exchanges on August 03, 2024, that is, the first working day following the approval of our Board of Directors for the Issue i.e. August 05, 2024:

NSE					
Open	**High**	**Low**	**Close**	**umber of Equity Shares traded**	**olume (₹lakhs)**
482	482	482	482	800	3.85

(Source: www.nseindia.com)

USE OF PROCEEDS

The Gross Proceeds from this Issue shall be approximately ₹ [●] lakhs. Subject to compliance with applicable laws, the Net Proceeds from this Issue, after deducting fees, commissions and estimated expenses relating to this Issue of approximately ₹ [●] lakhs, are ₹ [●] lakhs ***("Net Proceeds")***

Purpose of this Issue

Subject to compliance with applicable laws and regulations, our Company proposes to utilize the Net Proceeds for:

1. Funding working capital requirements of our Company.
2. General Corporate Purposes

*(Collectively referred as the "**objects**")*

Utilisation of Net Proceeds

The Net Proceeds are proposed to be utilised in the following manner:

(₹ in Lakhs)

Particulars	**Amount which will be financed from Net Proceeds**
Funding working capital requirements of our Company	1,800.00
General Corporate Purposes [(1)]	[●]
Total Net Proceeds	**[●]**

(1) The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds.

Our main objects clause and objects incidental or ancillary to the attainment of the main objects clause of the memorandum of association of our Company enables it to undertake the activities for which the (i) existing activities and (ii) the activities proposed to be funded from the Net Proceeds.

Proposed schedule of implementation and deployment of Net Proceeds

We propose to deploy the Net Proceeds for the aforesaid purposes in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below:

(₹ in Lakhs)

Particulars	**Total Estimated Cost**	**Amount to be funded from Borrowing / Internal Accruals**	**Amount to be funded from the Net Proceeds**	**Estimated Utilization of Net Proceeds Up to FY 2024-25[(2)]**
Funding working capital requirements of our Company	15,370.48	13,570.48	1,800.00	1,800.00
General Corporate Purposes [(1)]	[●]	[●]	[●]	[●]
Total	[●]	[●]	[●]	[●]

[(1)] The amount to be utilised for general corporate purposes alone shall not exceed 25% of the Gross Proceeds.
[(2)] To the extent our Company is unable to utilize any portion of the Net Proceeds towards the Object, as per the estimated schedule of deployment specified above; our Company shall deploy the Net issue Proceeds in the subsequent Financial Years towards the Object. Due to general business exigencies, the use of issue proceeds may be interchangeable.

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan, management estimates, and other commercial and technical factors. However, such fund requirements and deployment of funds have not been appraised by any bank, or financial institution. We may have to revise our funding requirements and deployment on account of a variety of factors such as our financial and market condition, business and strategy, competition, negotiation with vendors, variation in cost estimates on account of factors, incremental pre-operative expenses and other external factors such as changes in the business environment and interest or exchange rate fluctuations, which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of our management, subject to compliance with applicable laws. Our historical capital expenditure may not be reflective of our future capital expenditure plans.

In the event that the estimated utilization of the Net Proceeds and Issue related expenses in a scheduled fiscal year is not completely met, due to the reasons stated above, the same shall be utilised in the next fiscal year or if required, the amount scheduled for deployment in a specific Fiscal may be utilized in an earlier Fiscal, as may be determined by our Company, in accordance with applicable laws. Subject to applicable laws, in the event of any increase in the actual utilization of funds earmarked for the purposes set forth above, such additional funds for a particular activity will be met by way of means available to us, including from internal accruals and any additional equity and/or debt arrangements.

Subject to compliance with applicable laws, in case of any variations in the actual utilization of funds earmarked for the purposes

set forth above, increased fund requirements for a particular purpose may be financed from internal accruals, additional equity and/or debt arrangements or by surplus funds available in respect of the other purposes for which funds are being raised in the Issue (except towards general corporate purposes).

Details of the Object of the Net Proceeds

1. Funding working capital requirements of the Company

We have significant working capital requirements and in the ordinary course of business we fund our working capital needs through internal accruals and availing financing facilities from various banks and financial institutions. As on March 31, 2024, our Company has utilised ₹ 8,153.60 lakhs fund-based facilities. We require additional working capital in order to support its incremental business requirements, funding future growth opportunities and for other strategic and corporate purposes.

Considering future growth in business activities, based on historic growth rate of our Company, we estimate the working capital requirement of our Company to be ₹ 15,370.48 lakhs, respectively for which, we propose to utilize ₹ 1,800.00 lakhs from the Net Proceeds. The balance portion of our working capital requirement will be arranged from existing equity, internal accruals and borrowings from banks and financial institutions.

Basis of estimation of working capital requirement

Existing working capital of our Company

The details of Company's working capital and the source of funding, on the basis of the Audited Financial Statements for the Financial Years ended March 31, 2024, March 31, 2023 and March 31, 2022 of our Company are provided in the table below:

(₹ in Lakhs)

Particulars	**Based on Audited Financials**		
	31-Mar-24	**31-Mar-23**	**31-Mar-22**
Inventories (RM, FG and WIP)	4,138.37	3,526.45	6,161.09
Trade receivables	6,204.10	6,205.71	5,033.91
Cash and Bank Balance	199.18	249.89	286.15
Loans and Advances	1,868.99	2,848.35	6,006.42
Other Assets	4,968.47	4,004.55	4,486.02
Total Current Assets (A)	**17,379.11**	**16,834.95**	**21,973.59**
Trade payables	2,685.26	774.18	560.81
Other Current liabilities	291.71	712.68	481.07
Short-term provisions	105.82	68.18	457.21
Total Current Liabilities (B)	**3,082.79**	**1,555.04**	**1,499.09**
Net Working Capital (C=A-B)	**14,296.32**	**15,279.91**	**20,474.50**
Sources of Funds			
Current borrowings (excluding current maturity of non-current borrowings)	8,153.60	9,572.55	6,782.31
Internal Accruals/Existing Net worth	6,142.72	5,707.36	13,692.19
Total	**14,296.32**	**15,279.91**	**20,474.50**

Note: Pursuant to the certificate dated September 20, 2024, issued by M/s. Sandip Desai & Co. Chartered Accountants.

Provided below are details of the holding levels (days) for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022, which have been computed from the audited financial statements of our Company:

Particulars	**31-Mar-24**	**31-Mar-23**	**31-Mar-22**
Number of Days of Trade Receivables	34.00	46.00	25.00
Number of Days for Inventory	24.00	46.00	43.00
Number of days of Trade Payable	11.00	6.00	3.00

On the basis of existing working capital requirement and holding levels for the financial years ended March 31, 2024, March 31, 2023, and March 31, 2022, the Board of Directors of our Company, pursuant to its resolution dated September 20, 2024, has approved the projected working capital requirements for Fiscal 2025 as ₹ 15,370.48 lakhs. Accordingly, our Company proposes to utilize ₹ 1,800.00 lakhs of the Net Proceeds in Fiscal 2025 towards estimated working capital requirements. The balance portion of our working capital requirement shall be met inter alia from internal accruals and extending existing or additional working capital facilities from various banks, financial institutions and non-banking financial companies.

2. GENERAL CORPORATE PURPOSES:

Our Company proposes to deploy the balance Net Proceeds, aggregating to ₹ [●] lakhs, towards general corporate purposes as approved by our management from time to time, subject to such utilisation not exceeding 25% of the Gross Proceeds, in

compliance with applicable laws. The general corporate purposes for which our Company proposes to utilise Net Proceeds include, without limitation, capital expenditure for expansion of business, part prepayment/repayment of any borrowings, meeting expenses incurred in the ordinary course of business and towards any exigencies or any other purpose, as may be approved by our Board or a duly constituted committee thereof, subject to compliance with applicable law, including provisions of the Companies Act. The quantum of utilisation of funds towards each of the above purposes will be determined by our Board, based on the amount actually available under this head and the business requirements of our Company, from time to time, subject to compliance with applicable law.

In addition to the above, our Company may utilise the Net Proceeds towards other purposes considered expedient and as approved periodically by our Board, subject to compliance with necessary provisions of the Companies Act. Our Company's management shall have flexibility in utilising surplus amounts, if any. Our management will have the discretion to revise our business plan from time to time and consequently our funding requirement and deployment of funds may change. This may also include rescheduling the proposed utilization of Net Proceeds. In the event that we are unable to utilize the entire amount that we have currently estimated for use out of Net Proceeds in a Fiscal, we will utilize such unutilized amount in the subsequent Fiscals.

INTERIM USE OF FUNDS

Our Company will have flexibility in deploying the Net Proceeds received by our Company from the Issue in accordance with applicable laws. Pending utilisation of the Net Proceeds towards the purposes described in this section, shall be invested in money market instruments including money market/debt mutual funds, deposits in scheduled commercial banks or in short term debt or long-term debt or such other permitted modes as per applicable laws and other instruments as approved by the Board of Directors from time to time.

MONITORING UTILIZATION OF FUNDS

There is no requirement for the appointment of a monitoring agency, as the Issue size is less than ₹ 10,000 lakhs. Our Board will monitor the utilization of the proceeds of the Issue and will disclose the utilization of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. Our Company will indicate investments, if any, of unutilized Net Proceeds in the balance sheet of our Company for the relevant Fiscal subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Pursuant to Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, our Company shall on half-yearly basis disclose to the Audit Committee the Application of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Preliminary Placement Document and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full.

OTHER CONFIRMATIONS

In accordance with applicable laws, we undertake to not utilize proceeds from the Issue unless Allotment is made and the corresponding return of Allotment is filed with the RoC and final listing and trading approvals are received from each of the Stock Exchanges.

The Net Proceeds shall be kept by our Company in a separate bank account with a scheduled bank and shall be utilised as approved by our Board and/ or a duly authorized committee of our Board, from time to time only for such purposes, as permitted under the Companies Act, prescribed Objects as disclosed above and other applicable laws. Subject to applicable laws, our Board shall determine the quantum of Net Proceeds to be deployed by our Company from the Issue, depending on business opportunities or requirements of our Company from time to time.

Neither of our Promoters, members of the Promoter Group, our directors and the group companies are making any contribution either as part of the Issue or separately in furtherance of the Objects. None of our Promoters, members of the Promoter Group, our Directors and the group companies shall receive any proceeds from the Issue, whether directly or indirectly. Since the Issue is only made to Eligible QIBs, our Promoters, Directors, Key Managerial Personnel or members of Senior Management (including 'key managerial personnel' under the Companies Act) are not eligible to subscribe in the Issue.

CAPITALISATION STATEMENT

The following table sets forth our capitalization and total borrowings, as at March 31, 2024 which has been derived from our Audited Financial Statements and as adjusted to give effect to the receipt of the Gross Proceeds of the Issue. This table should be read in conjunction with the sections titled "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" and "***Financial Information***" on pages 51 and 132, respectively.

(in ₹ Lakhs, unless otherwise stated)

Particulars	Pre-Issue (as at March 31, 2024)	Post-Issue (as adjusted for the Issue*#**
1. Borrowings		
Long Term Borrowing	4,583.80	[●]
Short Term Borrowing	10,475.50	[●]
Total borrowings	**15,059.30**	[●]
2. **Total Equity**		
Equity share capital	1528.40	[●]
Reserves & Surplus	10,327.01	[●]
Total Equity	**11,855.41**	[●]
Total Capitalisation (1+2)	**26,914.71**	[●]
Total Borrowing / Total equity (1/2)	**0.56**	**[●]**

Notes:

These terms shall carry the meaning as per Schedule III to the Companies Act, 2013 (as amended).

*** To be incorporated after determination of the Issue Price.*

 # As adjusted to reflect the number of Equity Shares issued pursuant to the Issue and proceeds from the Issue. Adjustments do not include Issue related expenses.

CAPITAL STRUCTURE

The share capital of our Company as on the date of this Preliminary Placement Document is set forth below:

(in ₹ Lakhs, except share data)

	Particulars	Aggregate value at face value (except for securities premium account)
A	**AUTHORISED SHARE CAPITAL**	
	1,60,00,000 Equity Shares of face value of ₹10 each	1600.00
B	**ISSUED CAPITAL BEFORE THE ISSUE**	
	1,52,84,000 Equity Shares of face value of ₹10 each	1528.40
C	**SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE ISSUE**^	
	1,52,84,000 Equity Shares of face value of ₹10 each	1528.40
D	**PRESENT ISSUE IN TERMS OF THIS PRELIMINARY PLACEMENT DOCUMENT**^	
	Up to [●] Equity Shares aggregating up to ₹ [●] Lakhs (1) (2)	[●]
E	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE ISSUE**	
	[•] Equity Shares of face value of ₹ 10 each (2)	[●]
F	**SECURITIES PREMIUM ACCOUNT**	
	Before the Issue	4259.60
	After the Issue (3)	[●]

(1) This Issue has been authorised and approved by our Board of Directors on August 03, 2024, and by our Shareholders through a special resolution passed via postal ballot on September 07, 2024.

(2) To be determined upon finalisation of Issue Price.

(3) The securities premium account after the Issue is calculated on the basis of Gross Proceeds. Adjustments do not include Issue relatedexpenses. To be updated upon finalisation of Issue Price.

Equity shares capital history of our Company:

The following table sets forth details of allotments of Equity Shares of our Company since the date of incorporation:

Date of Allotment	Number of equity shares allotted	Face value per equity share (in ₹)	Issue price per equity share (in ₹)	Nature of consideration	Nature of allotment
[1] July 03, 2017	75,00,000	10	10	Other than cash[1]	Subscription to Memorandum
[2] September 06, 2017	27,84,000	10	75	Cash	Public Issue
[2] Febuary 04, 2020	9,50,000	10	59	Cash	Futher Issue (Prefrential Basis)
[2] July 24, 2020	40, 50,000	10	59	Cash	Futher Issue (Prefrential Basis)

[1] Equity Shares allotted pursuant to conversion of M/s Pashupati Cotspin LLP, a Limited Liability Partnership into a Private Limited company under Section 366 of Part I, Chapter XXI of the Companies Act, 2013 with the name of Pashupati Cotspin Private Limited

[1]Initial Subscribers to Memorandum of Association subscribed for 75, 00,000 Equity Shares of face value of Rs. 10/-each fully paid at par pursuant to conversion of Limit Liability Partnership M/s Pashupati Cotspin LLP into Company under Section 366 of Part I , Chapter XXI of the Companies Act, 2013, details of which are given as below:

S. No.	Name of Subscribers	Number of Shares Subscribed
1.	Mr. Saurin Jagdish Bhai Parikh	17,25,000
2.	Mr. Trivedi Tushar R	2,25,000
3.	Mr. Bhaveshkumar Jayantilal Patel	5,25,000
4.	Mrs. Renukaben Jagdish Chandra Parikh	9,75,000
5.	Mrs. Hariprabha Arvindbhai Parikh	9,75,000
6.	Mrs. Falguni Mitesh Parikh	11,25,000
7.	Mr. Dakshesh Jayantilal Patel	5,25,000

S. No.	Name of Subscribers	Number of Shares Subscribed
8.	Mr. Ashish Rameshchandra Trivedi	6,00,000
9.	Mr. Mukeshkumar V Patel	6,00,000
10.	Mrs. Toralben U Brahmbhatt	2,25,000
	Total	**75,00,000**

[2] On September 06, 2017, our company allotted 27,84,000 Equity Shares of Rs. 75 each, pursuant to public issue. Further on Febuary 04, 2020, our Company has allotted 9,50,000 Equity Shares as Convertible Equity Warrant at price of Rs 59 per warrant and Further on July 24, 2020, our Company has allotted 40, 50,000 Equity Shares as Convertible Equity Warrant at price of Rs 59 per warrant

Except as stated in "– ***Equity share capital history of our Company***" as above, our Company has not made any allotment of Equity Shares in the one year immediately preceding the date of this Preliminary Placement Document, including for consideration other than cash, or made any allotment of Equity Shares pursuant to a preferential issue, private placement or a rights issue.

Proposed Allottees in the Issue

In compliance with the requirements of Chapter VI of the SEBI ICDR Regulations, Allotment shall be made at the sole discretion of our Company in consultation with the BRLM to Eligible QIBs. The names of the proposed Allottees and the percentage of the post-Issue Equity Share capital that may be held by them will be included in the Placement Document, in the section titled "***Proposed Allottees***" on page 135.

Pre-Issue and post-Issue Equity Shareholding Pattern:

The following table provides the pre-Issue shareholding pattern as of March 31, 2024, and the post-Issue shareholding pattern:

S. No.	Category	Pre-Issue (as on March 31, 2024)		Post-Issue*	
		Number of Equity Shares held	% of shareholding	Number of Equity Shares held	% of shareholding
A.	**Promoters' holding****				
	Indian				
	Individual	1,00,82,600	65.97	[●]	[●]
	Bodies corporate	10,80,000	7.07	[●]	[●]
	Sub-total	1,11,62,600	73.03	[●]	[●]
	Foreign promoters	-	-	[●]	[●]
	Sub-total (A)	**1,11,62,600**	**73.03**	[●]	[●]
	Non-Promoter holding^				
B	*Institutional investors*			[●]	[●]
	Foreign Portfolio Investors Category I	65,600	0.43	[●]	[●]
	Private corporate bodies	12,000	0.08	[●]	[●]
	Directors and relatives	-	-	[●]	[●]
	Key Managerial Personnel	-	-	[●]	[●]
	Indian public	19,01,400	12.44	[●]	[●]
	Any Others (Specify)	21,42,400	14.01	[●]	[●]
	Sub-total (B)	**41,21,400**	**26.96**	[●]	[●]
	Non-Promoter-Non-Public holding	**41,21,400**	**26.96**	[●]	[●]
	Grand Total (A+B)	**1,52,84,000**	**100.00**	[●]	[●]

* *The post-Issue shareholding pattern has been intentionally left blank and will be filled in the Placement Document.*

** *Includes shareholding of the members of the Promoter Group.*

^ *Rounded off to two decimal places.*

Other confirmations:

1. The Promoters, the Directors, the Key Managerial Personnel and members of the Senior Management of our Company do not intend to participate in the Issue. Since the Issue is only made to Eligible QIBs, our Promoters, Directors or members of Senior Management (including 'key managerial personnel' under the Companies Act, 2013) are not eligible to subscribe in the Issue.

2. There would be no change in control in our Company consequent to the Issue.

3. Our Company shall not make any subsequent qualified institutions placement until the expiry of two weeks from the date of the Issue. Further, Equity Shares allotted pursuant to this Issue cannot be sold by the Allottees for a period of one year from the date of Allotment, except on the Stock Exchanges.

4. Except as disclosed in "***Capital Structure – Equity Share capital history of our Company***" on page 47, our Company has not made any allotment of Equity Shares in the one year immediately preceding the date of this Placement Document, including for consideration other than cash.

5. Our Equity Shares have been listed for a period of at least one year prior to the date of the issuance of the notice of the Postal Ballot of our shareholders dated August 03, 2024, for approving the Issue.

DIVIDENDS

The declaration and payment of dividends by our Company will be recommended by our Board and approved by our Shareholders at their discretion, subject to the provisions of the Articles of Association and the applicable laws, including the Companies Act, 2013.

The following table provides details of the dividend declared by our Company on the Equity Shares in respect of Fiscals 2024, 2023 and 2022 and since April 1, 2023 until the date of this Placement Document.

Financial period	Face value per share (₹)	Interim dividend per Equity Share (₹)	Final dividend per Equity Share(₹)
Fiscals 2022	10	0	0.75
Fiscals 2023	10	0	0.75
Fiscals 2024	10	0	0.75

Future Dividends

The form, frequency and amount of future dividends declared by our Company will depend on a number of internal and external factors, including, but not limited to, distributable surplus available, stability of earnings, future growth plans and investment opportunities, working capital requirements, capital expenditure requirements, requirement of cash flow to meet contingencies, outstanding borrowings, past dividend trends, prevailing legal requirements, regulatory conditions or restrictions laid down under the applicable laws including tax laws and any other relevant factors that the Board may deem fit to consider before declaring dividend.

The Equity Shares to be issued in connection with this Issue shall qualify for all dividends, including interim dividend, if any, that is declared after Allotment.

Please also see the sections titled "***Taxation***" and "***Risk Factors***" on pages 120 and 33, respectively.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion in conjunction with our financial condition and results of operations for Fiscal 2024, 2023 and 2022. Our financial year ends on March 31 of each year. Accordingly, all references to a particular financial year are to the 12-month period ended March 31 of that year.

This discussion contains forward-looking statements, that involve risks and uncertainties and reflects our current views with respect to future events and financial performance. We caution investors that our business and financial performance is subject to substantive risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth under the sections titled "***Forward-Looking Statements***" and "***Risk Factors***" on pages 13 and 33, respectively, and elsewhere in this Preliminary Placement Document.

Some of the information in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the chapter "***Forward- Looking Statements***" on page 13 for a discussion of the risks and uncertainties related to those statements and also the section "***Risk Factors***" on page 33 for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

Overview of Our Business

We are 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 has entered into a forward integration of the Textile industry by manufacturing of cotton yarn to 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.

The manufacturing facility of our Company is situated at Kadi of Mahesana District in Gujarat state which is close to the rich cotton growing areas of Maharashtra and Saurashtra (region) of Gujarat. The company has established a capacity of the spindlage of total 36960 spindle, and 112 ginning units. Our plant is equipped with modern and automatic plant and machinery. The level of advancement determines the productivity of machines and labor, which in turn, determines the production and profitability of our Company. Our technical team in spinning is well equipped with modern spinning technology and processing techniques by virtue of which we are able to ensure quality yarn. Technology is a crucial aspect of the cotton yarn industry. Our Company is also using the storage space available with us for the purpose of letting it out to customers and thereby earning lease rentals as consideration

The Promoters of our Company Mr. Saurin Jagdish Bhai Parikh, Mr. Tushar R Trivedi and Mr. Dakshesh Jayantilal Patel have more than two decades of experience in the cotton textile industry. Our Promoters have sound knowledge of manufacturing process, marketing, finance and all kind of other commercial activities related to the cotton textile industry including but not limited to manufacturing and marketing of raw cotton, Cotton bales, Cotton seeds, yarn and by-products. Under the leadership of our promoter we have been able to maintain cordial customer relationship and generate repeated order flows.

Key Performance Indicators

Set forth below are our key performance indicators for the periods indicated:

(₹ in Lakhs, unless otherwise stated)

Particulars	March 31, 2022	March 31, 2023	March 31, 2024
Total income	66560.13	45026.68	66761.22
EBITDA	1607.36	614.02	1117.17
Total Tax Expenses	494.81	203.26	286.78
Profit for the year ("**PAT**")	1112.55	410.77	830.39
Return on Capital employed ("**ROCE**") (%)	10.16%	5.48%	10.14%
Debt to Equity Ratio	1.64%	1.56%	1.27%

Principal Factors Affecting Our Financial Condition and Results of Operations

Our results of operations, financial condition and liquidity have been influenced in the periods discussed in this Preliminary Placement Document by the following events, facts, developments and market characteristics. We believe these factors are likely to continue to influence our operations in the future.

Our business is subject to seasonality

We are impacted by seasonal variations in sales volumes, which may cause our revenues to vary significantly between different quarters in a Fiscal. As a result, our revenue and profits may vary significantly during different financial periods and certain periods may not be indicative of our financial position for a full financial year and may be significantly below the expectations of the market, analysts and investors. Therefore, our results of operations and cash flows across quarters in a Fiscal may not be comparable and any such comparisons may not be meaningful, or may not be indicative of our annual financial results or our results in any future quarters or periods. Further, any decrease in sales during festive period may adversely affect our business, results of operations and financial condition.

Significant Accounting Policies

The accounting policies have been applied consistently to the periods presented in the Audited Financial Statements. For details see "***Financial Information***" on page 132.

Results of Operations Based on Our Standlone Audited Financial Statements:

The following table sets forth select financial data from our statement of Standlone profit and loss for Fiscals 2024, 2023 and 2022 the components of which are also expressed as a percentage of total income for such periods.

(Amount in Lanks)

Particulars	For the financial year ended March 31,		
	2024	**2023**	**2022**
I. Revenuefrom Operations	65837.68	44273.28	66138.19
Less Excise duty		-	-
Revenue from operation (Net)	65837.68	44273.28	66138.19
II. OtherIncome	923.54	**753.39**	**421.94**
III. TotalRevenue(I+II)	**66761.22**	**45026.68**	**66560.13**
IV. Expenses:			
(a)Costofmaterialsconsumed	56052.67	37458.56	55515.06
(b)Purchaseofstock-in-trade	2266.63	-	108.5
(c)Changes in inventories of finishedgoods, work in progress and stockin trade	(576.28)	575.67	215.79
(d)Employee benefits expense	1558.97	1213.94	1389.17
(e)Financecosts	1702.19	980.81	1342.43
(f) Depreciation and amortization expense	1133.02	867.64	1354.69
(g)Other expenses	3506.85	3316.03	5027.13
TotalExpenses	**65644.05**	**44412.66**	**64952.77**
V. Profitbeforeexceptionalitemsandtax (III-IV)	**1117.17**	**614.02**	**1607.36**
ExceptionalItems		**-**	**-**
VI Profit/(Loss)beforetax(VII-VIII)	**1117.17**	**614.02**	**1607.36**
Taxexpense			
(1)Currenttax(net)	23.02	0	512.24
(2)MATcreditentitlement	0	0	0
(3)DeferredTax	263.76	162.79	(146.25)
(4) Short/(Excess) Provision Of Tax	-	40.47	128.82
XII Profit/(Loss) After Tax (IX-X)	**830.39**	**410.77**	**1112.55**
Earnings per equity share:			
Basic	5.43	2.69	7.28
Diluted	5.43	2.69	7.28

Comparison of Historical Results of Operations

Fiscal 2024 compared to Fiscal 2023

Total Revenue
Our total revenue for the Fiscal 2024 was ₹ 66761.22 lakhs as compared to ₹ 45026.68 lakhs for the Fiscal 2023, representing increase of 48.27%. Total revenue is bifurcated into revenue from operations and other income.

Revenue from operations
During the Fiscal 2024, the revenue from operations of our company Increased to ₹ 65837.68 lakhs as against ₹ 44273.28 lakhs for the Fiscal 2023, representing increase of 48.70%.

Other income
Other income for Fiscal 2024 was ₹ 923.54 lakhs as compared to ₹ 753.39 lakhs for the Fiscal 2023, representing an Increase of 22.59%. This increase is due to other non-operative income of the Company.

Expenses

Cost of materials consumed

Cost of materials consumed for the Fiscal 2024 was ₹ 56052.67 lakhs as compared to ₹ 37458.56 lakhs for the Fiscal 2023 representing a Increase of 49.63%.

Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-progress
The changes in inventories of finished goods, stock-in-trade and work in progress for the fiscal 2024 recorded an decrease to ₹ (576.28) lakhs from ₹575.67 lakhs for the fiscal 2023 representing an overall increase of 200.10%.

Employee benefit expenses

Our Company has incurred ₹ 1558.97 lakhs employee benefit expense for the Fiscal 2024 as compare to ₹ 1213.94 lakhs for the Fiscal 2023, representing an increase of 28.42%. Increase in Employee benefit cost is due to regular increase in salary and wages.

Finance cost

Finance cost for the Fiscal 2024 was ₹ 1702.19 lakhs as compared to ₹ 980.81 lakhs for the Fiscal 2023, representing a increase of 73.54 %. Increase in financial cost is due to increase in borrowing for working capital requirements of the Company.

Depreciation and Amortization Expense
Depreciation and amortization expense for the Fiscal 2024 was ₹ 1133.02 lakhs as compared to ₹ 867.64 lakhs for the Fiscal 2023, representing a decrease of 30.58%.

Other expenses
Other expenses for the Fiscal 2024 was ₹ 3506.85 lakhs as compared to ₹ 3316.03 lakhs for the Fiscal 2023, representing a Increase of 5.75%. This Increase pertains operations of the Company.

Profit/Loss before Tax
The profit/(loss) before tax for the Fiscal 2024 of ₹ 1117.17 lakhs as compared to ₹ 614.02 lakhs showing a increase of 81.94%.

Profit/Loss after Tax
profit after tax for the Fiscal 2024 of ₹ 830.39 lakhs an Increase of 102.15% over the profit after tax for the Fiscal 2023 of ₹ 410.77 lakhs.

Fiscal 2023 compared to Fiscal 2022

Total Revenue
Our total revenue for the Fiscal 2023 was ₹ 45026.68 lakhs as compared to ₹ 66560.13 lakhs for the Fiscal 2022, representing decrease of (33.05%). Total revenue is bifurcated into revenue from operations and other income.

Revenue from operations
During the Fiscal 2023, the revenue from operations of our company decrease to ₹ 44273.28 lakhs as against ₹ 66138.19 lakhs for the Fiscal 2022, representing decrease of (33.05%)

Other income
Other income for Fiscal 2023 was ₹ 753.39 lakhs as compared to ₹ 421.94 lakhs for the Fiscal 2022, representing an Increase of 74.28%. This increase is due to other non-operative income of the Company.

Expenses

Cost of materials consumed

Cost of materials consumed for the Fiscal 2023 was ₹ 37458.56 lakhs as compared to ₹ 55515.06 lakhs for the Fiscal 2022 representing a decrease of (32.52%). Due to Opening Balance of the Stock at the beginning of the fiscal year 2023, hence cost of material consumed was reduced.

Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-progress
The changes in inventories of finished goods, stock-in-trade and work in progress for the fiscal 2023 recorded an increase to ₹ 575.67 lakhs from ₹ 215.79 lakhs for the fiscal 2022 representing an overall increase of 166.77%.

Employee benefit expenses

Our Company has incurred ₹ 738.91 lakhs employee benefit expense for the Fiscal 2023 as compare to ₹ 705.21 lakhs for the Fiscal 2022, representing an increase of 4.78%. Increase in Employee benefit cost is due to regular increase in salary and wages.

Finance cost

Finance cost for the Fiscal 2023 was ₹ 980.81 lakhs as compared to ₹ 1342.43 lakhs for the Fiscal 2022, representing a decrease of 26.93%

Depreciation and Amortization Expense
Depreciation and amortization expense for the Fiscal 2023 was ₹ 867.64 lakhs as compared to ₹ 1354.69 lakhs for the Fiscal 2022, representing a decrease of 35.95%.

Other expenses
Other expenses for the Fiscal 2023 was ₹ 3316.03 lakhs as compared to ₹ 5027.13 lakhs for the Fiscal 2022, representing a Increase of 34.03%. This Increase pertains operations of the Company.

Profit/Loss before Tax
The profit/(loss) before tax for the Fiscal 2023 of ₹ 614.02 lakhs as compared to ₹ 1607.36 lakhs showing a fall of 61.79%.

Profit/Loss after Tax
profit after tax for the Fiscal 2023 of ₹ 410.77 lakhs an Decrease of 63.07% over the profit after tax for the Fiscal 2022 of ₹ 1112.55 lakhs.

Related Party Transactions

Related party transactions with our promoters, directors and their entities and relatives primarily relate to purchase and sale of products, remuneration, sitting fees, borrowings, deposits, rent, interest, reimbursements, disinvestments, employee benefit expenses, corporate social responsibility, contribution to gratuity fund, etc. For further details of such related parties, refer chapter titled ***"Financial Information"*** beginning on page 132 of this Preliminary Placement Document.

Contingent Liabilities

The below mentioned are our contingent liabilities and commitments as on March 31, 2024, March 31, 2023 and March 31, 2022 as per audited financial statements:

a) Bank guarantees amounting to Rs. 23.51 Lakhs (P.Y.Rs.144.82 Lakhs.) in favour of DGFT & Customs, Rs. 444.53 Lakhs (P.Y.Rs.444.53 Lakhs) in favour of Uttar Gujarat Vij Company Limited.

b) The company has imported capital spares under the EPCG Scheme at concessional rate of custom duty by undertaking obligation to export. Future outstanding export obligation under the scheme is Rs. 382.72 Lakhs (previous year Rs. 382.72 Lakhs) which is equivalent to 6 times of duty saved Rs. 63.79 Lakhs (Previous year Rs. 63.79 Lakhs). The export obligation must be completed by 2021-22 to 2027-28.

c) In respect of Goods and Service Tax Liability of Rs. 566.47 Lakhs (F.Y. 17-18 & F.Y 18-19 Related to case for Income difference between income shown on portal and income disclose in books of accounts & wrongly availed Input Tax Credit.)

d) Corporate guarantees amounting to Rs. 19,579 in Lakhs favour of Pashupati Texspin Export LLP (Relation: Associate)

Off-Balance Sheet Arrangements

We do not have any other off-balance sheet arrangements or other relationships with unconsolidated entities, such as special purpose vehicles, that have been established for the purposes of facilitating off-balance sheet arrangements.

Qualitative Disclosure about Market Risk

The Company's financial liabilities comprise mainly of borrowings, trade, other payables and financial assets comprise mainly of security deposits, cash and cash equivalents, other balances with banks, loans, trade receivables and other receivables.
The Company is exposed to Market risk - Foreign Currency, Market risk - Foreign Currency, Credit risk and Liquidity risk. The Board of the Company monitors the risk as per risk management policy. Further, the Audit Committee has additional oversight in the area of financial risks and controls. For further details of such risk, refer chapter titled **"*Financial Information*"** beginning on page 132 of this Draft Preliminary Placement Document.

Unusual or Infrequent Events or Transactions

Except as described elsewhere in this Draft Preliminary Placement Document, there have been no unusual or infrequent events or transactions including unusual trends on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses.

Significant economic/regulatory changes

Government policies governing the sector in which we operate as well as the overall growth of the Indian economy has a significant bearing on our operations. Major changes in these factors can significantly impact income from continuing operations.
There are no significant economic changes that materially affected our Company's operations or are likely to affect income except as mentioned in the section titled "***Risk Factors***" on page 33.
Except as disclosed in this Draft Preliminary Placement Document, to our knowledge, there are no significant regulatory changes that materially affected or are likely to affect our income from continuing operations.

Expected future changes in relationship between costs and revenues, in case of events such as future increase in labour or material costs or prices that will cause a material change are known

Other than as described in the section titled **"*Risk Factors*"** and chapter titled **"*Management's Discussion and Analysis of Financial Conditions and Results of Operations*"** beginning on pages 33 and 51, respectively, and elsewhere in this Draft Preliminary Placement Document, there are no known factors to our knowledge which would have a material adverse impact on the relationship between costs and income of our Company. Our Company's future costs and revenues will be determined by demand/supply situation and government policies.

The extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices

Changes in revenue in the last three financial years are provided in chapter titled **"*Financial Informa*tion"** beginning on page 132 of this Draft Preliminary Placement Document.

Competitive Conditions

We have competition with Indian and international manufacturers and our results of operations could be affected by competition in the manufacturing and processing industry in India and international market in the future. We expect competition to intensify due to possible new entrants in the market, existing competitors further expanding their operations and our entry into new markets where we may compete with well-established unorganized companies / entities. This we believe may impact our financial condition and operations. For details, please refer to the chapter titled **"*Risk Factors*"** beginning on page 33 of this Draft Preliminary Placement Document.

New Product or Business Segment

Except as disclosed in "***Our Business***" on page 66, we have not announced and do not expect to announce in the near future any new products or business segments.

Significant Developments since last balance sheet date

Except as disclosed above and in this Draft Preliminary Placement Document, including under **"*Our Business*"** and **"*Risk Factors*"** on pages 66 and 33 respectively, to our knowledge no circumstances have arisen since March 31, 2024, the date of the last financial information disclosed in this Draft Preliminary Placement Document which materially and adversely affect or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 month.

INDUSTRY OVERVIEW

GLOBAL OUTLOOK

Global growth is expected to slow to 2.4 percent in 2024 the third consecutive year of deceleration reflecting the lagged and ongoing effects of tight monetary policies to rein in decades-high inflation, restrictive credit conditions, and anemic global trade and investment. Near-term prospects are diverging, with subdued growth in major economies alongside improving conditions in emerging market and developing economies (EMDEs) with solid fundamentals. Meanwhile, the outlook for EMDEs with pronounced vulnerabilities remains precarious amid elevated debt and financing costs. Downside risks to the outlook predominate. The recent conflict in the Middle East, coming on top of the Russian Federation's invasion of Ukraine, has heightened geopolitical risks. Conflict escalation could lead to surging energy prices, with broader implications for global activity and inflation. Other risks include financial stress related to elevated real interest rates, persistent inflation, weaker-than-expected growth in China, further trade fragmentation, and climate change-related disasters. Against this backdrop, policy makers face enormous challenges and difficult trade-offs. International cooperation needs to be strengthened to provide debt relief, especially for the poorest countries; tackle climate change and foster the energy transition; facilitate trade flows; and alleviate food insecurity. EMDE central banks need to ensure that inflation expectations remain well anchored and that financial systems are resilient. Elevated public debt and borrowing costs limit fiscal space and pose significant challenges to EMDEs—particularly those with weak credit ratings—seeking to improve fiscal sustainability while meeting investment needs. Commodity exporters face the additional challenge of coping with commodity price fluctuations, underscoring the need for strong policy frameworks. To boost longer-term growth, structural reforms are needed to accelerate investment, improve productivity growth, and close gender gaps in labor markets.

Global economic activity continues to soften, amid the effects of tight monetary policies, restrictive financial conditions, and weak global trade growth. After a sharp slowdown in 2022 and another decline last year, global output growth is set to edge down in 2024, marking the third consecutive year of deceleration. The recent conflict in the Middle East has heightened geopolitical risks and raised uncertainty in commodity markets, with potential adverse implications for global growth. This comes while the world economy is continuing to cope with the lingering effects of the overlapping shocks of the past four years the COVID-19 pandemic, the Russian Federation's invasion of Ukraine, and the rise in inflation and subsequent sharp tightening of global monetary conditions.

Near-term prospects are diverging (figure 1.1.A). Growth in advanced economies as a whole and in China is projected to slow in 2024 to well below its 2010-19 average pace. Meanwhile, aggregate growth is set to improve in EMDEs with strong credit ratings, remaining close to pre-pandemic average rates. Although overall growth is also expected to firm somewhat from its 2023 low in EMDEs with weak credit ratings, the outlook for many such countries remains precarious, given elevated debt and financing costs, and idiosyncratic headwinds such as conflict.

Global headline and core inflation have continued to decline from 2022 peaks. Nonetheless, inflation remains above target in most advanced economies and about half of inflation-targeting EMDEs. Global inflation is projected to remain above its 2015-19 average beyond 2024 (figure 1.1.B). Monetary tightening in advanced economies is concluding, but real policy interest rates are expected to remain elevated for some time, as inflation returns to target only gradually. This will keep the stance of advanced-economy monetary policies restrictive in the near-term, following the largest and fastest increase in U.S. real policy rates since the early 1980s (figure 1.1.C).

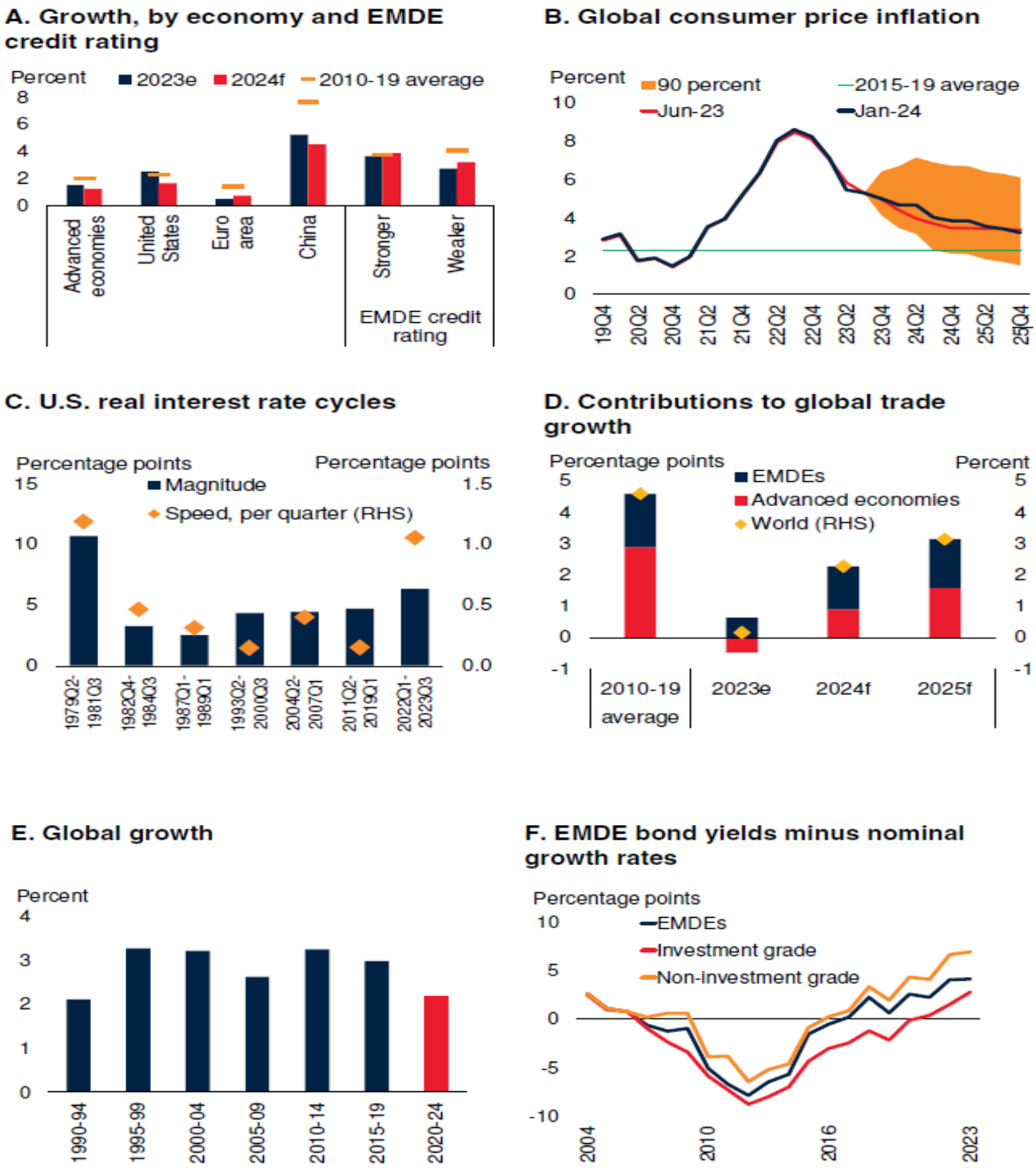
Long-term yields on advanced-economy government bonds were volatile in 2023, reflecting shifting expectations about the path of future interest rates and sizable movements in term premia. Although yields have retreated from their late-October peaks, they still imply increased fiscal vulnerabilities, given that median global government debt has risen by 20 percentage points of GDP since 2007, when U.S. yields were last at their current levels. The drag on growth from monetary tightening is expected to peak in 2024 in most major economies, assuming an orderly evolution of broader financial conditions. Thus far, headwinds to growth from elevated interest rates have been offset, to some degree, by households and firms spending out of savings buffers, resilient risk appetite, and extended maturities on stocks of low-cost debt, as well as by expansionary fiscal policy in some cases, most notably the United States.

Global trade growth in 2023 was the slowest outside global recessions in the past 50 years, with goods trade contracting amid anemic global industrial production. Services trade has continued to recover from the effects of the pandemic, but at a slower pace than previously expected. Global trade growth is projected to pick up to 2.3 percent in 2024, partly reflecting a recovery of demand for goods and, more broadly, in advanced-economy trade (figure 1.1.D).

The recent conflict in the Middle East has so far had only a muted impact on commodity prices. In 2023 as a whole, most commodity prices weakened to varying degrees; however, they remain above pre-pandemic levels. Despite recent volatility triggered mainly by the conflict, and assuming hostilities do not escalate, average oil prices in 2024 are projected to edge down as global growth weakens and oil production increases. Metal prices are set to decline again as the slower growth in China further weighs on metal demand. Food prices are expected to soften further this year amid ample supplies for major crops but remain elevated.

FIGURE 1.1 Global economic prospects

Growth rates in advanced economies as a whole and in China are projected to slow in 2024 to well below their 2010-19 average paces. Although growth is forecast to firm slightly in many EMDEs, it will remain below pre-pandemic average rates in countries with weak credit ratings. Global inflation is projected to continue receding only gradually, as demand softens. Advanced-economy monetary policies are expected to remain tight—including in the United States, following the largest and fastest increase in real policy rates since the early 1980s. Global trade, virtually stagnant in 2023, is set to resume slow growth in 2024. In all, 2020-24 marks the weakest start to a decade for global growth since the 1990s. Rising interest rates have driven borrowing costs well above nominal growth rates in many EMDEs, particularly those with weaker creditworthiness, squeezing fiscal space.



Sources:

Consensus Economics; Federal Reserve Bank of St. Louis; J.P. Morgan; Moody's Analytics; Oxford Economics; World Bank.
Note: e = estimate; f = forecast; CPI = consumer price index; EMBI = Emerging Market Bond Index;
EMDEs = emerging market and developing economies. GDP aggregates calculated using real U.S. dollar GDP weights at average 2010-19 prices and market exchange rates. Credit ratings are Moody's sovereign foreign currency ratings.

A. EMDE aggregates show the median. "Stronger" is defined as credit ratings of B and above."Weaker" is defined as ratings of Caa and below.
B. Model-based GDP-weighted projections of country-level inflation using Oxford Economics' Global Economic Model, using global oil price forecasts from table 1.1. Uncertainty bands are the distribution of forecast errors for total CPI from Consensus Economics for an unbalanced panel of 18 economies.
C. "Magnitude" is the trough-to-peak change and "speed" is the average change per quarter during periods of rising real rates. Real rate is the U.S. policy rate minus one-year-ahead expected inflation from consumer surveys, adjusted for persistent errors.
D. Trade in goods and services is measured as the average of export and import volumes.
F. Lines show medians of annual average U.S. dollar bond yields minus trailing 10-year averages of nominal GDP growth in U.S. dollars. Bond yields are constructed by adding EMBI sovereign spreads to the U.S. 10-year yield. Unbalanced panel of up to 61 EMDEs.

GLOBAL OUTLOOK AND RISKS

Risks to the outlook

Risks to the global growth outlook have become somewhat more balanced since last June, as banking system stress in advanced economies has receded and inflation has declined. Nevertheless, risks remain tilted to the downside. The possibility of an intensification of the conflict in the Middle East represents a major downside risk. This, or rising geopolitical tensions elsewhere, could have adverse impacts through commodity markets, trade and financial linkages, uncertainty, and confidence. Weak growth, elevated debt, and still high interest rates heighten the risk of financial stress, especially in the more vulnerable EMDEs. Higher or more persistent inflation may require a longer-than-assumed period of tight monetary policy. Subdued recent activity in China raises the possibility of slower-than-expected growth, which would have adverse global spillovers. Trade fragmentation and climate-related disasters could also result in weaker growth in the near and longer terms. On the upside, recent surprisingly strong economic activity in the United States, along with declining inflation, points to the possibility that growth may be stronger than projected, perhaps as a result of improved supply conditions.

Financial stress

Interest rates in advanced economies have risen markedly over the past couple of years, as central banks have acted to rein in inflation. There have also been occasional surges in long-term bond yields, which have been associated with episodes of financial stress, including instability in U.K. gilt markets in 2022 and the failures of several U.S.banks early last year. These bouts of financial instability were stemmed by timely and extensive policy responses. There remains a risk, however, that renewed increases in market interest rates, or an extended period of elevated real policy rates, could expose latent financial and economic vulnerabilities, precipitating a souring of risk appetite and a sharp tightening of global financial conditions.

There could be several triggers for such an outcome. Monetary easing in advanced economies could be postponed if progress returning inflation to targets were to slow or if labor markets tightened unexpectedly. Alternatively, a negative supply shock, such as a sizable increase in oil prices related to geopolitical developments, could see inflation resurge. Following a lengthy spell of above-target inflation, central banks might judge that surging non-core prices could raise inflation expectations, necessitating tighter monetary policies. In circumstances like these, heightened uncertainty over the path of policy rates, abetted by expansive government borrowing or quantitative tightening, could prompt sharp increases in term premia, driving bond yields higher (Cohen, Hördahl, and Xia 2018). Estimates of U.S. term premia in 2023 exhibited substantial volatility, which could continue into 2024. Sudden moves in yields could be amplified by the unwinding of the leveraged positions of non-bank financial institutions, including those intended to profit from arbitrage strategies in government bond markets (Avalos and Sushko 2023).

Such developments could drive borrowing rates higher, choke off credit growth, and prompt sharp falls in asset prices. For financial institutions, a sudden and pronounced steepening of the yield curve, driven by a rise in the term premium on long-dated securities, could lead to capital impairment and further exacerbate the credit crunch—a potential outcome made more likely by the lenient regulatory treatment of sovereign risk (BIS 2018). For businesses in interest-sensitive sectors, including commercial real estate, rolling over loans could become challenging. Over time, a rising proportion of households could struggle to service loans, including adjustable-rate mortgages, eroding the quality of bank assets.

Trade fragmentation

Increasing trade restrictions, which have become more common in recent years, present another risk of damage to both near- and long-term global growth prospects. Trade restrictions tend to reduce economic efficiency and often fail to meet their primary objectives because of avoidance efforts. The result may be just a shift in the pattern of interdependence among countries, with increasing indirect linkages through supply chains (Alfaro and Chor 2023; Freund et al. 2023). For instance, following the increases in tariffs imposed by the United States on imports from China in 2018 and 2020, countries that expanded their market shares in the United States also strengthened their trade ties with China. Such tariff increases may therefore not have achieved their primary objective of reducing U.S. economic dependence on China, but they are likely to have led to higher prices of imported goods for U.S. consumers by increasing the length and complexity of supply chains. Other efforts at friendshoring, near-shoring, or on-shoring, motivated by geopolitical tensions, could have similar results.

More frequent natural disasters with worsening impacts

The possibility of increasingly frequent and severe natural disasters resulting from climate change poses a global threat, with the

potential to generate significant losses in lives, livelihoods, and output (Casey, Fried, and Goode 2023). Natural disasters, including those linked to climate change, impacted 130 million people and caused more than 40,000 deaths annually, on average, over the past three decades (Song, Hochman, and Timilsina 2023). Climate change-related disasters have caused severe damage to private and public infrastructure, disrupted output, and reduced productivity (Dieppe, Kilic Celik, and Okou 2020; Hallegatte, Jooste, and McIsaac 2022)

The adverse effects of climate change and natural disasters on growth could be amplified by limited fiscal capacity to respond to them, or through their impact on public sector balance sheets (Milivojevic 2023). Natural disasters could also pose risks to the stability of banking sectors by compromising loan collateral and triggering increases in non-performing loans (Nie, Regelink, and Wang 2023). At the same time, the financial sector faces balance sheet risks from the green transition, such as from stranded assets in highcarbon sectors.

Climate change-related natural disasters will likely affect different countries to different extents, depending on their geography and their economic structures. Relative to advanced economies, EMDEs have less capacity to respond to these disasters, while intensive urbanization in some EMDEs may increase vulnerability to such hazards as floods (Rentschler et al. 2022). Moreover,

World Economic Outlook Growth Projections

(Real GDP, annual percent change)	ESTIMATE 2023	PROJECTIONS 2024	2025
World Output	3.1	3.1	3.2
Advanced Economies	1.6	1.5	1.8
United States	2.5	2.1	1.7
Euro Area	0.5	0.9	1.7
Germany	−0.3	0.5	1.6
France	0.8	1.0	1.7
Italy	0.7	0.7	1.1
Spain	2.4	1.5	2.1
Japan	1.9	0.9	0.8
United Kingdom	0.5	0.6	1.6
Canada	1.1	1.4	2.3
Other Advanced Economies	1.7	2.1	2.5
Emerging Market and Developing Economies	4.1	4.1	4.2
Emerging and Developing Asia	5.4	5.2	4.8
China	5.2	4.6	4.1
India	6.7	6.5	6.5
Emerging and Developing Europe	2.7	2.8	2.5
Russia	3.0	2.6	1.1
Latin America and the Caribbean	2.5	1.9	2.5
Brazil	3.1	1.7	1.9
Mexico	3.4	2.7	1.5
Middle East and Central Asia	2.0	2.9	4.2
Saudi Arabia	−1.1	2.7	5.5
Sub-Saharan Africa	3.3	3.8	4.1
Nigeria	2.8	3.0	3.1
South Africa	0.6	1.0	1.3
Memorandum			
Emerging Market and Middle-Income Economies	4.2	4.0	4.0
Low-Income Developing Countries	4.0	5.0	5.6

Source: IMF, *World Economic Outlook Update*, January 2024

Note: For India, data and forecasts are presented on a fiscal year basis, with FY 2023/2024 (starting in April 2023) shown in the 2023 column. India's growth projections are 5.7 percent in 2024 and 6.8 percent in 2025 based on calendar year.

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the impacts of natural disasters are likely to be uneven across populations and to increase poverty (Hallegatte and Rozenberg 2017; Jafino et al. 2020).

THE RISKS TO GLOBAL GROWTH ARE BROADLY BALANCED AND A SOFT LANDING IS A POSSIBILITY

Global growth is projected at 3.1 percent in 2024 and 3.2 percent in 2025, with the 2024 forecast 0.2 percentage point higher than that in the October 2023 World Economic Outlook (WEO) on account of greater-than-expected resilience in the United States and several large emerging market and developing economies, as well as fiscal support in China. The forecast for 2024–25 is, however, below the historical (2000–19) average of 3.8 percent, with elevated central bank policy rates to fight inflation, a withdrawal of fiscal support amid high debt weighing on economic activity, and low underlying productivity growth. Inflation is falling faster than expected in most regions, in the midst of unwinding supply-side issues and restrictive monetary policy. Global headline inflation is expected to fall to 5.8 percent in 2024 and to 4.4 percent in 2025, with the 2025 forecast revised down.

With disinflation and steady growth, the likelihood of a hard landing has receded, and risks to global growth are broadly balanced. On the upside, faster disinflation could lead to further easing of financial conditions. Looser fiscal policy than necessary and than assumed in the projections could imply temporarily higher growth, but at the risk of a more costly adjustment later on. Stronger structural reform momentum could bolster productivity with positive cross-border spillovers. On the downside, new commodity price spikes from geopolitical shocks—including continued attacks in the Red Sea—and supply disruptions or more persistent underlying inflation could prolong tight monetary conditions. Deepening property sector woes in China or, elsewhere, a disruptive turn to tax hikes and spending cuts could also cause growth disappointments.

(Source: Global Economic Prospects, January 2024)

https://www.imf.org/en/Publications/WEO/Issues/2024/01/30/world-economic-outlook-update-january-2024?cid=ca-com-compd-pubs_rotator#Overview)

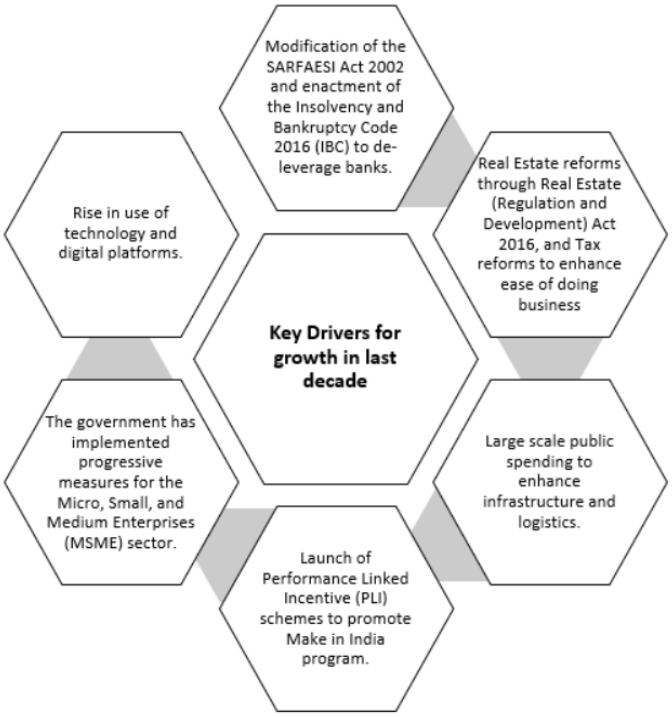
INDIAN ECONOMY:

Overview of the Indian Economy (1950-2014)

Initially (1950-1980), India operated as a closed economy with import substitution, export subsidies, and strict controls on technology and investment. Post-1980, recognizing the limitations of this approach, pro-business reforms were introduced, including import liberalization, export incentives, and an expansionary fiscal policy. While these changes aimed to enhance productivity and boost demand through improved credit availability and increased public expenditure, they also led to unsustainable investments, questionable loans, and a Balance-of-Payments (BoP) crisis in 1990-91.

The 1991 Balance-of-Payments (BoP) crisis marked a turning point in India's economic trajectory. Reforms were initiated to dismantle a complex system of rules, licenses, and state ownership biases, shifting away from inward-looking trade strategies. India moved towards becoming a market economy by removing industrial licensing and liberalizing foreign direct investment (FDI). However, the latter half of the 1990s experienced a growth slowdown, influenced by the East Asian financial crisis, fiscal setbacks, agricultural challenges, structural reform delays, and political instability. Some attribute the slowdown to inflation-driven monetary tightening.

The early 2000s experienced robust domestic economic activity, improved corporate performance, a favorable investment climate, and positive sentiments toward India as a preferred investment destination. Transformative reforms from 1998-2002 contributed to this growth, global economic expansion, and increased capital flows to India. Initiatives like Sarva Shiksha Abhiyan (SSA), National Rural Health Mission (NRHM), and National Rural Employment Guarantee Scheme (NREGS) were implemented. However, the global financial crisis in 2008 revealed vulnerabilities, leading to a rise in bad debts in banks, reaching double-digit percentages by March 2018, primarily originating between 2006 and 2008.



During 2009-2014, the government aimed to sustain growth through persistent high fiscal deficits and prolonged loose monetary policies. Nominal GDP growth remained elevated due to high inflation, with India experiencing annual double-digit inflation rates for five consecutive years. The country grappled with significant twin deficits - a fiscal deficit of 4.9% in FY13 and a current account deficit of 4.8% in FY13 - leading to an overvalued rupee. In 2013, these challenges culminated in a sharp depreciation of the Indian rupee against the US dollar, declining annually by 5.9%. Consequently, economic growth stagnated.

Decade of transformative growth (2014-2024)

The Indian economy underwent significant structural reforms during this period, boosting its macroeconomic foundations. These measures propelled India to become the fastest-growing economy among G20 nations. Further, efficient handling of the COVID-19 pandemic and recent geopolitical challenges has ensured that the Indian economy continues to outperform its global peers. Current estimates suggest a growth of 7.3% in 2023-24, building on the impressive 9.1% (FY22) and 7.2% (FY23) growth in the preceding two years. It is commendable that India is expected to post a GDP growth rate of over 7% for the third year in a row while the global economy is struggling to post a 3% growth.

The structural reforms implemented since 2014 have strengthened the macroeconomic fundamentals of the economy. Below, we list the key reforms implemented during the last decade:

Challenges Emerge Alongside India's Reform-Driven Growth

The report also emphasized the challenges that the Indian economy is facing. These challenges are:

Geoeconomic changes and evolving globalization trends: India's economic growth is not only influenced by its own actions but also by global events. As the world becomes more interconnected, global trade patterns and economic cooperation changes impact India. The current trend of friend shoring and onshoring, driven by a shift away from hyper-globalization, is affecting worldwide trade and, consequently, overall global growth.

Complex Interplay of Energy Security and Economic Growth: Choosing between ensuring enough energy for economic growth and transitioning to cleaner energy is a complex issue. It involves factors like politics, technology, finances, economics, and society. Moreover, decisions made by one country affect others, making the situation even more intricate.

Employment risks in the AI era: The rise of Artificial Intelligence (AI) is a significant challenge for governments globally, especially in service sectors where jobs may be affected. An IMF paper suggests that 40% of global jobs are at risk due to AI, presenting both opportunities and risks.

Filling the gaps in the Skills, Education, and Health ecosystem: Nationally, it's vital to ensure a skilled workforce, quality education at all levels, and good health among the population. This boosts economic productivity by having capable and healthy workers.

Factors Driving the Domestic Economy

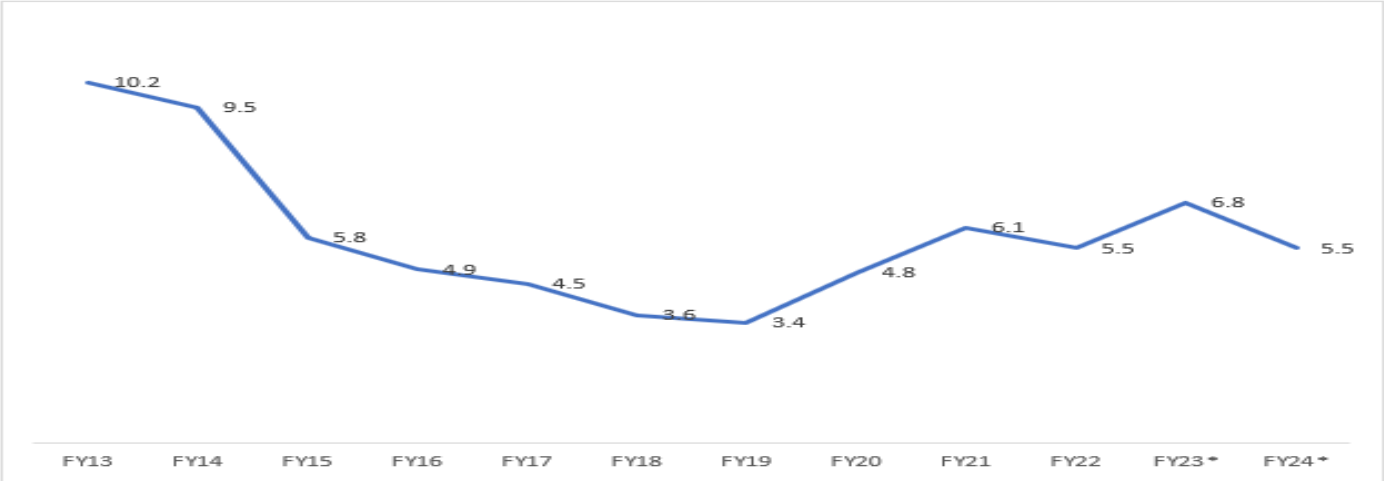
Strong Credit Growth: Bank credit has grown remarkably in recent years, surpassing deposit growth fueled by sustained demand and robust post-pandemic economic recovery. FY23 witnessed a noteworthy 15% growth in non-food bank credit, the highest in the past decade. This surge in credit was accompanied by a substantial enhancement in the banking sector's health. Notably, the asset quality across all Scheduled Commercial Banks (SCBs) groups improved, with Gross Non-Performing Assets (GNPAs) and Net NPAs reaching a multi-year low by September 2023. This positive transformation in the banking sector contrasts sharply with the challenges it faced in the previous decade, emphasizing the success of reforms the government and the RBI implemented in addressing the "twin balance sheet problem." The cleansing of balance sheets facilitated a healthier credit environment and a revival of credit growth.

Stability of the Macroeconomic Environment:

Between FY09 and FY14, there was high retail inflation, averaging 10%. However, since the introduction of flexible inflation targeting around 4% (with a band of +/- 2%) in FY16, retail inflation averaged 4.2% till FY20. The Price Stabilization Fund (PSF), established in 2014-15, effectively managed price fluctuations in key agri-horticultural goods.

In FY24 (April-December), inflationary pressures eased, with average retail inflation at 5.5%, compared to 6.8% in FY23. This decline was led by favorable core (non-food, non-fuel) inflation trends, reaching a 49-month low of 3.8% in December 2023. Overall, retail inflation is now stable, staying within the defined tolerance band of 2 to 6 percent. The RBI predicts an average inflation of 5.4% in FY24.

Retail Inflation % in India



*Source: DEA; Note: * data for FY23 is revised, and FY24 is an Estimate.*

The Road Ahead

The report states that India's robust growth is anticipated to continue, supported by macroeconomic stability. The official estimate for FY24 projects a 7.3% growth rate, with decreasing headline inflation. Favorable factors include resilient service exports, lower oil import costs, and a reduced current account deficit of 1% of GDP in H1 FY24. The positive outlook is driven by the digital revolution, supportive regulatory environment, social and economic upliftment measures, and efforts to diversify exports. Reforms implemented over the past decade establish a foundation for resilient governance, setting the stage for sustained economic growth. Further reforms at sub-national levels, focusing on MSMEs, regulatory efficiency, land availability, and energy needs, are expected to accelerate economic growth.

(Source: https://www.ibef.org/blogs/indian-economy-a-review-key-takeaways)

Global Textile Industry

The global textile industry is the foundation of fashion and apparel market. The industry goes through constant changes and developments owing to changing consumer tastes and preferences, technological improvements, and sustainability initiatives. There are several factors, including rising population, urbanization, increasing disposable income, popularity of e-commerce platform, growing awareness and adoption of environmental-friendly textile, which are contributing towards the demand for diverse textile products across the globe. This, in turn, is fostering industry expansion. As per Maximize Market Research, a global research and consultancy firm, the global textile market was valued at USD 1,695 billion19 in 2023. The industry is estimated to grow at a CAGR of 7.7% and reach USD 3,041 billion by 2030.

With escalating awareness on sustainable practice, numerous textile companies are working on restructuring their businesses and building manufacturing practices to make sustainable products. For instance, DuPont's plant-based faux fur is a luxurious alternative to animal fur, which designers can use in premium garments. Another case is that of Eastman, where it formed an agreement with Circular Polymers to use waste materials, such as discarded carpets, and recycle them through its carbon renewal technology into new materials. Besides, novel technologies, such as smart textiles and advanced manufacturing techniques, have been shaping product innovation and consumer demand. The coronavirus pandemic has been a major disruptor, forcing the industry to move towards Personal Protective Equipment (PPE) and healthcare textiles. The industry adapted to the unprecedented requirement and showed agility in the face of adversity. In addition, key players such as Nike, Adidas, and H&M have been taking significant steps towards sustainability and embracing circular fashion initiatives. They are investing in eco-safe materials and collaborating with players to lower environmental footprints across the supply chains.

Additionally, digital transformation is playing a major role in stimulating growth in the textile market. More than ever, customers can directly engage with brands through online retailing platforms and e-commerce. These customization capabilities and comfort are providing freedom to customers. Such market dynamism, converging sustainability consciousness, quality and durability with technological integration, and receptive strategies augurs well for the industry. However, confirming to the health and safety standards, addressing durability requirements, and tackling environmental sustainability issues aren't easy to manage and may deter the industry's growth and evolution.

China and India are the top producers and exporters of textiles industry. The US is among the key textile markets not only in the North American regions, but across the globe. It is among the largest producers and exporters of raw cotton, while a big importer of raw textile

Key Growth Drivers for Global Apparel Industry

- **Online shopping and e-commerce are revolutionizing the market**: Manufacturers have been able to tap buyers through online portal. This has enabled them to market their product at a much larger scale and expand their customer base to different geographies. Covid-19 led to a surge in e-commerce, which is propelling the market expansion. As per data gathering and visualization firm Statista, retail ecommerce sales increased from USD 3.35 trillion in 2019 to USD 4.25 trillion in 2020 and is estimated to have reached USD 5.78 trillion[1] in 2023 (actuals not available yet). Domestic apparel brands are exploring international markets through e-commerce portals and serving buyers across the globe instead of getting restricted to one geography. As an instance, Amazon's luxury offering, which was earlier restricted to North America, was launched in Europe in 2022. This was made available to the UK, France, Italy, Spain, and Germany via Amazon.

- **Changing fashion trend**: Fashion is ever changing, and this is the key driver behind the industry's growth and expansion. Sustainable fashion, athleisure, gender-neutral apparel are among the latest trends. Athleisure is a new trend driven by lifestyle changes and increasing health consciousness without compromising on style. Individuals are looking for comfort wear that are stylish and may be used for workout sessions along with regular wear. Additionally, gender-neutral fashion is picking pace with several consumers opting for unisex designs and styles in their clothing, accessories, and footwear.

- **Increasing disposable income**: Rising spendable income, particularly in emerging markets, is playing a critical role in steering consumer spending behaviour on apparels. India's per capita disposable income is estimated to be ₹2.14 lakh[2] (around USD 2,564) in FY 2024, up 8% y-o-y vis-à-vis 13% rise in FY 2023. China's per capital disposable income rose 6% in nominal terms to around USD 5,511[3] in 2023. As more and more individuals are working and increasing their income levels, there's a dramatic shift in their purchase pattern. Not only is the spending on apparels, accessories and footwear increasing, but there's a growing preference for branded clothing.

- **Sustainability and ethical fashion**: Demand for eco-friendly and sustainable apparel is rising. Concerns over the clothing industry's effects on the environment and society are growing among consumers. As such, they are gravitating towards brands that manufacture ethically and sustainably using eco-friendly materials like recycled fabrics, organic cotton, and other cutting-edge substitutes. Customers are more conscious than ever regarding reducing environmental impact and fostering a sustainable future.

- **Advent of new technology**: Technological advancement is another significant factor that is driving the industry. Increasing knowhow of 3D printing and artificial intelligence are expected to evolve the way clothes are manufactured, designed, and distributed. Another interesting use of technology has been developing a virtual fitting room, which allows customers to try on clothes virtually to get a sense of how it would physically look on them. For instance, Walmart was seen launching Zeekit, a virtual fitting room platform for its customers in 2022. In addition, manufacturers are investing in research and development with the intention to make advancements in material science and manufacturing techniques. There are computer-controlled embroidery machines that can create design on the fabric, make special fabric effects, perform chain stitch embroidery, cutwork, sequins, applique just via an input given in digital format. They also want to create innovative fabrics that are lightweight, durable, comfortable and form protective layers and enhance safety features in apparel. There is also a conscious effort to replace animal and fossil-fuel-based textiles in the industry through the Material Innovation Initiative (MII).

- **Rising influence of social media**: Social media is playing a crucial role in shaping the tastes and preferences of individuals in fashion. The need to dress and appear better is also growing more than ever. People are taking fashion inspiration from digital platforms and are getting influenced by global fashion, celebrity endorsements, and social media influencers. Brands are also trying to increase their presence and make visually attracting content to stimulate demand. As per Statista, top fashion luxury brands spent nearly USD 400 million[4] in social media marketing in the US in the third quarter of 2021 to enhance their presence in popular social channels including Instagram, YouTube, and Twitter.

- **Asia-Pacific holds a prominent role**: The Asia-Pacific region is expected to drive the global apparel market. The governments in the region have undertaken several initiatives to foster growth and development in the textile and apparel space. For instance, in India, governments incentives such as Amended Technology Upgradation Fund Scheme and Advance Authorization Scheme Source aim to augment production of textile and apparel products in the country. There are other measures to bolster export competitiveness of Indian apparel. Similarly, the CNTAC, China's regulating organization for textile and apparel, in its 14th five-year plan outlined the development goals, growth strategies, and key tasks for textile and clothing sector. Both India and China are major garment exporters.

Source:
[1] https://www.statista.com/statistics/379046/worldwide-retail-e-commerce-sales/.
[2]. https://pib.gov.in/PressReleaseIframePage.aspx?PRID=2010626.
[3]. https://english.www.gov.cn/archive/statistics/202401/17/content_WS65a73d26c6d0868f4e8e32e0.html.
[4] *https://www.statista.com/statistics/1295282/miv-fashion-luxury-brands-usa/*.

COMPANY PROFILE

Background of the Company

Our Company was originally formed and registered as a Limited Liability Partnership under the Limited Liability Partnership Act, 2008 ("**LLP Act**") in the name and style of "Pashupati Cotspin LLP" (LLPIN: AAB-3046) and received a certificate of incorporation from the Registrar of Companies, Gujarat, Dadra and Nagar Havelli on January 07, 2013. The constitution and capital Contribution of the Limited Liability partnership was changed pursuant to supplementary agreement modifying the Limited Liability partnership Agreement dated January 9, 2013, July 29, 2013, October 21, 2013 and March 31, 2017. Further, "Pashupati Cotspin LLP" was thereafter converted from a Limited Liability Partnership to a Private Limited Company under part I Chapter XXI of Section 366 of Companies Act, 2013 with the name of Pashupati Cotspin Private Limited and received a fresh certificate of incorporation from the Registrar of Companies Gujarat, Central Registration Center on July 3, 2017. Later, our Company was converted into Public Limited Company and consequently name of company was changed from "Pashupati Cotspin Private Limited" to "Pashupati Cotspin Limited" vide Special resolution passed by the Shareholders at the Extra Ordinary General Meeting held on July 11, 2017 and a fresh certificate of incorporation dated July 18, 2017 issued by the Registrar of Companies, Gujarat, Ahmedabad.

SWOT analysis of the Company

Detailed SWOT analysis for Pashupati Cotspin Limited is as follows-

STRENGTH	➢ Well Established manufacturing facility ➢ Experienced Promoter & Management Team. Strategic location of the manufacturing facility
WEAKNESS	➢ Seasonal availability of raw Cotton. ➢ Dependence on suppliers for products availability
OPPORTUNITY	➢ Large growth potential. ➢ Increasing demand of the product in international market and domestic market ➢ Government incentive for the growth of the Textile sector
THREAT	➢ Market Competition ➢ Frequent changes in market trends

Global Market Scenario

The global textile market is currently worth USD 1.7 trillion, which is equivalent to 2% of the global GDP. The US, the EU, and China are the three biggest apparel marketplaces in the world with a combined share of about 54%[1] Developing economies such as China and India will be the key forces behind the global apparel market's expansion.
[1] https://niveshmitra.up.nic.in/Textiles.aspx.

The US: The apparel manufacturing business in the United States is a dynamic and constantly changing market. It covers a broad spectrum of goods, from high-end clothing to necessities, meeting the needs of a wide range of customers. The

contribution of the US textile and apparel to its GDP declined to 0.12%[2] in 2020, down from 0.57% in 1998, as per Bureau of Economic Analysis, 2021. The industry's contribution remains at around 0.10%27 of the GDP in the fourth quarter of 2023.

In recent times, uncertain global economic situation, Russia-Ukraine war, inflationary pressures, and slowdown in developed economies are impacting demand and affecting the industry. Covid-19 related shipping and logistics challenges have subsided, but labour costs have risen. The continuous bilateral tussle between the US and China is another area of concern, as the US refrains from import from the latter. This means finding other sourcing countries outside of China, such as Vietnam, Bangladesh, India, Cambodia, and Indonesia. However, the transition would be difficult considering the massive dependence on China.

China: China's apparel industry is dealing with growing complexities in the external environment and global economies. The demand growth for apparel has been impacted owing to geo-political situations, China Plus One strategy, and a slowdown in global economic growth. Global apparel and footwear makers are strategizing to shift their manufacturing base away from China owing to geo-political tension between China and the West. While the US and European brands target to severe ties with China to lower political risks, finding feasible production locations would be challenging owing to the lack of skilled labour, raw material, infrastructure, and supply chain. Chinese clothing companies are working towards innovation and development, creating a cutting-edge industrial framework, and steering the sector toward smart, integrated, high-end development. Amid all the challenges, some of the trends that's driving domestic demand are yoga wear, hiking, outdoor and other sports apparel as customers look for healthier lifestyles. In addition, consumers are seeking for lesser but better-quality products. Rising affluence and upper middle class, rebound in spending post the pandemic are supporting growth in domestic demand, though at a slower pace.

The Indian Market Scenario

The Indian apparel and textile industry contributes around 2.3% to the country's GDP, 13% to industrial production and 12% to exports, according to government data[3]. The country's share of the global trade in textiles and apparel stands at 4%. The industry is the second largest employer in the country and a source of earning to 45 million people and 100 million individuals in allied industries. It is also the second-largest maker of PPE across the globe with over 600 certified companies producing PPEs

In 2024, the average volume per person is estimated to be 24.2 pieces[4] . During the year, most of the sales, around 99%, would be coming from non-luxury apparel. Moving forward, the Indian apparel market volume is expected to touch 40.1 billion pieces by 2028. Overall, India's rich tradition of textiles and apparel augers well for the country and makes it a great manufacturing, investment, and export hub.

India is targeting to reach $250 billion in textiles production and $100 billion in exports by 2030. The textile and apparel sector in the country is strong from fiber, yarn, fabric, and garments all the way up the value chain. The traditional handloom, handicrafts, wool, and silk products, as well as the organized textile sector, are just a few of the many diverse segments that make up India's textile and apparel business. The mass production of textile items through capital-intensive technology, encompassing spinning, weaving, processing, and garment manufacturing, is the hallmark of India's organized textile industry. India accounts for 23% of global cotton production and 39% of the world's total land under cotton cultivation. An estimated 6.5 million cotton farmers depend heavily on cotton for their livelihood. According to the Directorate of Economics and Statistics' Third Advance Estimate (DES), India produced 94 lakh bales of raw jute in FY 2022–2023.

The Indian textile and apparel industry is expected to grow at 10% CAGR from 2019-20 to reach USD 190 billionby 2025-26, according to the government[5]. India has a 4% share of the global trade in textiles and apparel. Moreover, India is the world's 3rd largest exporter of textiles and apparel. India ranks among the top five global exporters in several textile categories, with exports expected to reach USD 65 billion by FY 2026. Major textile and apparel export destinations for India are the US, EU-27 and the UK, accounts for approximately 50% of India's textiles and apparel exports.

The textiles and apparel industry contributes 2.3% to the country's GDP, 13% to industrial production and 12% to exports. The textile industry in India is predicted to double its contribution to the GDP, rising from 2.3% to approximately 5% by the end of this decade

The Indian technical textile market is the fifth largest in the world, with a potential growth rate of 10% and an enhanced penetration level of 9-10%. In 2022-23, the sportech industry in India is projected to be worth USD 1.17 million.

Source:

[2] https://shenglufashion.com/2022/05/15/state-of-u-s-textile-and-apparel-manufacturing-output-employment-and-trade-updated-january-2022/#:~:text=On%20the%20other%20hand%2C%20as,of%20Economic%20Analysis%2C%202021.
[3] https://www.investindia.gov.in/sector/textiles-apparel.
[4] https://www.statista.com/outlook/cmo/apparel/india.
[5] https://www.investindia.gov.in/sector/textiles-apparel.

OUR BUSINESS

Unless the context requires otherwise, any reference to the terms "Our Company", "We", "Us" and "Our" refers to our Company.

Our Company was originally formed and registered as a Limited Liability Partnership under the Limited Liability Partnership Act, 2008 (**"LLP Act"**) in the name and style of "Pashupati Cotspin LLP" (LLPIN: AAB-3046) and received a certificate of incorporation from the Registrar of Companies, Gujarat, Dadra and Nagar Haveli on January 07, 2013. The constitution and capital Contribution of the Limited Liability partnership was changed pursuant to supplementary agreement modifying the Limited Liability partnership Agreement dated January 9, 2013, July 29, 2013, October 21, 2013 and March 31, 2017. Further, "Pashupati Cotspin LLP" was thereafter converted from a Limited Liability Partnership to a Private Limited Company under part I Chapter XXI of Section 366 of Companies Act, 2013 with the name of Pashupati Cotspin Private Limited and received a fresh certificate of incorporation from the Registrar of Companies Gujarat, Central Registration Centre on July 3, 2017. The Corporate Identification Number of our Company is L17309GJ2017PLC098117. Later, our Company was converted into Public Limited Company and consequently name of company was changed from "Pashupati Cotspin Private Limited" to "Pashupati Cotspin Limited" vide Special resolution passed by the Shareholders at the Extra Ordinary General Meeting held on July 11, 2017 and a fresh certificate of incorporation dated July 18, 2017 issued by the Registrar of Companies, Gujarat, Ahmedabad. The firm was established with the main aim of setting up of a manufacturing plant of ginning and spinning yarn from cotton fibres.

We are 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 has entered into a forward integration of the Textile industry by manufacturing of cotton yarn to 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.

The manufacturing facility of our Company is situated at Kadi of Mahesana District in Gujarat state which is close to the rich cotton growing areas of Maharashtra and Saurashtra (region) of Gujarat. The company has established a capacity of the spindlage of total 36960 spindle, and 112 DR ginning units. Our plant is equipped with modern and automatic plant and machinery. The level of advancement determines the productivity of machines and labor, which in turn, determines the production and profitability of our Company. Our technical team in spinning is well equipped with modern spinning technology and processing techniques by virtue of which we are able to ensure quality yarn. Technology is a crucial aspect of the cotton yarn industry. Our Company is also using the storage space available with us for the purpose of letting it out to customers and thereby earning lease rentals as consideration.

The Promoters of our Company Mr. Saurin Jagdish Bhai Parikh, Mr. Trivedi Tushar R and Mr. Dakshesh Jayantilal Patel have more than two decades of experience in the cotton textile industry. Our Promoters have sound knowledge of manufacturing process, marketing, finance and all kind of other commercial activities related to the cotton textile industry including but not limited to manufacturing and marketing of raw cotton, Cotton bales, Cotton seeds, yarn and by-products. Under the leadership of our promoters we have been able to maintain cordial customer relationship and generate repeated order flows.

ADDRESS OF MANUFACTURING FACILITY

There are mainly two divisions of the Company i.e. Ginning Division, Address: Sr.No. 919/1, Kadi – Detroj Road, Balasar, Kadi, Mehsana – 382715, Gujarat, India and Spinning Division, Address: Sr.No. 919/2, Kadi – Detroj Road, Balasar, Kadi, Mehsana – 382715, Gujarat, India

OUT SPECTRUM OF SERVICES/PRODCUTS

Pashupati Cotspin Limited 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).

Company list of the products that we manufacture in our in-house production facilities.

- **Ginning & Pressing**

Product		Uses/Appliction
Cotton Bales/ lint Cotton		The main application of ginned cotton referred to as lint is for spinning operations. The cotton moves through the Spinning machines and is converted into Cotton yarn.
Black Cotton Seeds/ Delineate Seeds		Black cottonseed is used as feed products for livestock or the Cottonseed are crushed into the Oil mill after removing lint from the cotton to extract oil (Cottonseed Oil).

- **Spinning**

Product		Uses/Application
Cotton Yarn	 	Yarn is the end product of spinning. It is the primary component for any Cotton woven or knitted fabric. Cotton yarn is used to make different type of fabrics. In some cases, the cotton yarn is blended with some other yarn in different ratios to provide different effects like shining or to lend more elasticity to the yarn. It is the yarn count and the twisting mode of the yarn that actually determines the overall strength and look of the man factured fabric.

- **Factory**

INSTALLED CAPACITY AND CAPACITY UTILIZATION FOR LAST THREE YEARS :-

Ginning Division -112 Nos.

Particulars	Existing Capacity (in MT/year)		
	2021-22	2022-23	2023-24
Installed Capacity	19800	19800	19800
Actual Production	8300	9400	17500
Capacity Utilization	41.92%	47.47%	88.38%

Spinning Division- Ring Frame- 21nos. Total Spindles- 36960 Nos.

Particulars	Existing Capacity (in MT/year)		
	2021-22	2022-23	2023-24
Installed Capacity	9000	9500	10500
Actual Production	8550	6700	9200
Capacity Utilization	95%	70.52%	87.61%

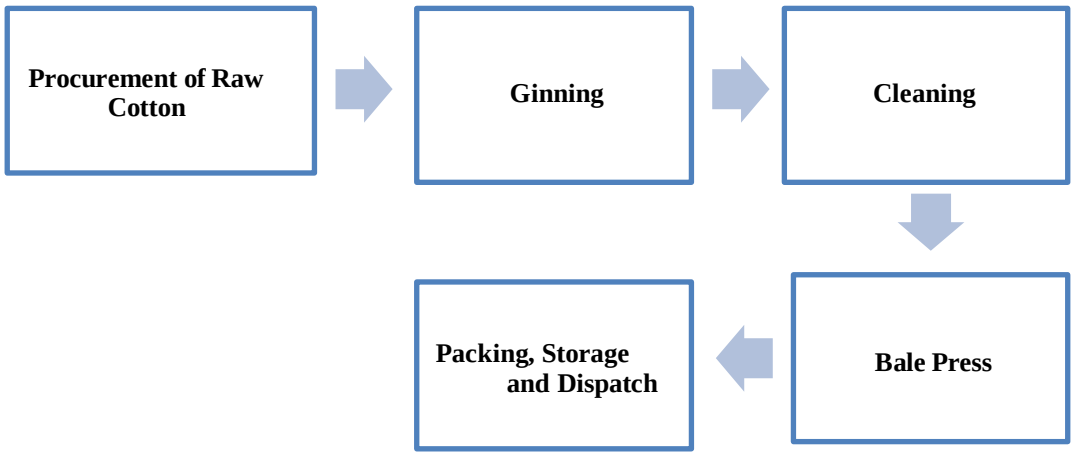
TFO Division- 20 Nos.

Particulars	Existing Capacity (in MT/year)		
	2021-22	2022-23	2023-24
Installed Capacity	2160	2160	2160
Actual Production	1800	1500	1300
Capacity Utilization	83.33%	69.44%	60.18%

The manufacturing facility of our Company is situated at Kadi of Mahesana District in Gujarat state which is close to the rich cotton growing areas of Maharashtra and Saurashtra (region) of Gujarat. The company has established a capacity of the spindlage of total **36,960 spindle**, and **112 DR ginning units**. Our plant is equipped with modern and automatic plant and machinery. The level of advancement determines the productivity of machines and labor, which in turn, determines the production and profitability of our Company. Our technical team in spinning is well equipped with modern spinning technology and processing techniques by virtue of which we are able to ensure quality yarn. Technology is a crucial aspect of the cotton yarn industry. Our Company is also using the storage space available with us for the purpose of letting it out to customers and thereby earning lease rentals as consideration

GINNING & PRESSING DIVISION

Ginning is the first mechanical process involved in processing cotton. Ginning mill separates cotton fibers from the seed bolls and dust particles. The main application of ginned cotton referred to as lint is for spinning operations, where lint is converted to yarn. We produce quality cotton in our own Ginning and Pressing Unit. The installed capacity of Ginning and Pressing plant is 56 grinning machine. Plant is equipped with latest and best quality Ginning and Pressing machineries capable to produce 500 cotton bales per day during season.



1. Procurement of Raw Material

Major raw material for our Company is Kapas (raw cotton). Our production process starts with the procurement of raw material. This step involves identification of the vendor from whom the material is to be procured and the quantity of the material required. Once the raw material is received from the vendor they are tested for quality. The selection of raw material is based on factors like pricing, payment terms, availability and quality of Kapas. Grading and mixing of the raw material received from the vendor is done to get the desired quality. Conveyors are used to feed the raw cotton into the ginning machines.

2. Ginning

A Ginning machine uses the raw cotton (Kapas) received from the conveyors as Raw materials. Ginning is the process of separating the cotton fibers from the cotton seeds. The separated cotton seeds are transported out of the ginning Unit and lint of cotton received from the ginning machine are transported for further cleaning process through conveyors.

3. Cleaning

The lint cotton received from the ginning machine is sending for further cleaning. This process involves cleaning of the impurities which are left into the lint cotton. The impurities separated during this process includes dust, leaves, stems and other small particles.

4. Bale Press

This step involves pressing of Lint cotton. In this process Lint cotton is used as Raw materials. The lint cotton will be kept in lint Godown for adding moisture for 6% to 7% before sending them for pressing. The gradation will be mainly for small staple, medium staple, long staple and very long staple fibres etc. The said lint cotton then will go through openers and finally for pressing. The pressed bales will be manually packed.

5. Packaging, Storage and Dispatch

After the bales are prepared the same are packed and stored in the warehouse for dispatch.

SPINNING DIVISION

1. Blow Room

A blow room line consists of bale opening cotton, cleaning, mixing and lap making. Impurities of cotton have to be removed during this process. This process involves various functions like opening of Bale and removing impurities of cotton like trash and other foreign matter. The procedure is to be carried out with least loss of Lint. Apart from cleaning mixing of various cotton varieties is also carried out in this section. The mixed cotton is converted into laps (Thick sheet of Cotton). The laps are transferred for further process of carding.

2. Carding

In the carding section, cotton lap is converted into slivers. The slivers are put into cans. At carding stage cleaning is also carried out resulting into waste loss.

3. Draw & Speed Frames

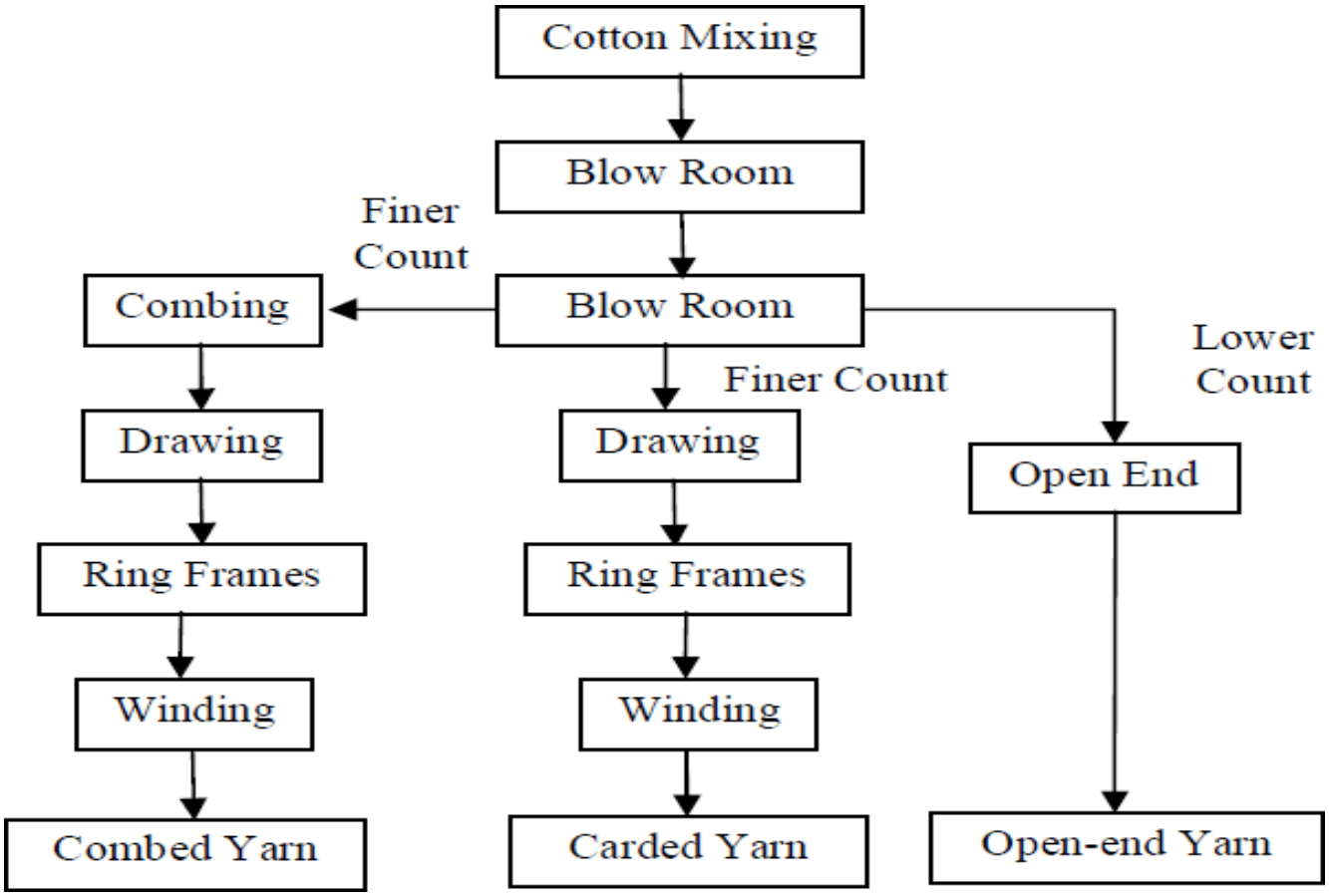
The carded slivers received in the can are further drawn on Draw frames/Speed frames. The function is to make the sliver more uniform in the thickness by doubling process to make it suitable for further drawing. The sliver after doubling process has to be reduced to required thickness for the yam to be spun. This function is carried out on speed frame in several steps by Roving.

4. Ring Frames

In the Ring frame material obtained from the previous department is converted into desired count. This process is done by drafting the roving received from earlier section which is thicker than final count of the product, Twisting and Winding on the Bobbins is also carried out on this machine. The Twisting process gives strength to the yarn.

5. Winding & Reeling

This process generally involves transferring the yarn from ring cop/tube to the large packing cones. This process is used to remove the faults from the yarn and get the better quality of yarn.



6. Packing and Dispatch

Cones are normally covered by plastic bags before packing in Gunny bag or in Boxes.

EQUIPMENTS

Brief details of major Plant and Machinery installed:-

Ginning & Pressing Unit: - Double Roller Ginning Machines, Auto Feeder and its Accessories, Automatic System (Kapas to Press), Tractor Loader, Conveyor System, Bailing Press, Humidity System, ACE Forklift

Spinning Unit: - Blendomat BOA2300, Extention Unit BR- EW, Pre – Cleaner CL- P, Universal Mixer MX – U 6/1600, Cleanomat Cleaner CL- C 1/1600, Card TC 5-3 with KHC, Directfeed DFK CO 960, Lap former, Comber, ADF, Speed Frame - LF4200X-200 Spdl, Coil Spring Duly Hardened and Tempered With Castor, Moterised Bobbin Transfer System, Automatic Bobbin Exchanger, Ring Frame - RXI240'e' with 1824 spindles inclusive of Toyota Auto Doffer and suitable for Link Winder, Humidification Plant, Securoprop SPFPU, Yarn Conditioning System – Model Profix 1250E (Capacity 1250 Kgs/Batch With Auto Feeding & Energy Saver Unit

COLLABORATIONS/TIE UPS/ JOINT VENTURES

Except as disclosed in this Prospectus and those entered in the normal Course of business, we do not have any Collaborations/ Tie-Ups/ Joint Ventures as on the date of Prospectus.

Human Resources as on 31st July 2024:

Category	Ginning Unit	Spinning Unit / TFO Unit
Administration Staff	55	76
Skilled	26	214
Semi Skilled Workers	0	20
Unskilled Workers	0	20
Total	**81**	**330**

SWOT ANALYSIS

Strengths • Well Established manufacturing facility • Experienced Promoter & Management Team. • Strategic location of the manufacturing facility	**Weakness** • Seasonal availability of raw Cotton. • Dependence on suppliers for products availability
Opportunities • Large growth potential. • Increasing demand of the product in international market and domestic market • Government incentive for the growth of the Textile sector	**Threats** • Market Competition • Frequent changes in market trends

OUR LOCATIONS

Registered Office & Factory Unit	Survey No. 919/1 and 919/2 (Old Survey No. 404) At & Post Balasar, Kadi-Detroj Road, Kadi Mahesana Gujarat – 382715, India
Corporate Office	D-707, Ganesh Meridian, Opp. Gujarat High Court, S.G. Highway, Ahmedabad- 380060, Gujarat, India.

INTELLECTUAL PROPERTY

Sr. No.	Trademark/Logo	Registration/ Application No.	Class	Registration/ Application Date	Status
1.	PASHUPATI™ GROWTH WITH VISION	4147224	23	April 15 , 2019	Registered

INFRASTRUCTURE AND UTILITIES

Raw Materials:

The basic raw material required for the manufacture of Ginned Cotton is Kapas (Raw Cotton) and for Cotton yarn is ginned cotton. The vendors of raw cotton are identified based on the several parameters like the quality of raw material, price competitiveness and the time taken for delivery. The raw cotton required is mainly procured from the local supplies. Normally the ginning season period is six to eight months depending up on crop level and export market. Ginned cotton is procured from the Ginning Unit of the Company and in certain cases from the local market.

Packing material required by the company are mainly Paper tube, HDPE bag, HM bag, etc. for safety of the products during transportation. Packing materials are easily available in domestic market.

Power

The power requirements at the manufacturing facility are procured from the Uttar Gujarat Vij Company Limited (UGVCL).

Water

The Company requires water for Humidification as well as drinking & sanitation purposes. The Company has made a provision for its own bore well at factory premises to meet its water requirement during manufacturing process of the products of the firm as well as for drinking & sanitation purposes.

Details of Dividend paid during last 3 years till date

Sr. No.	Financial Year	Amount of Dividend and % of FV
1.	FY 2020 – 21	Rs. 0.75/- i.e. 7.50%
2.	FY 2021 – 22	Rs. 0.75/- i.e. 7.50%
3.	FY 2022 – 23	Rs. 0.75/- i.e. 7.50%

Detail of Associate Company, Subsidiaries and Joint Ventures

Sr. No.	Name of Entity	Nature of Relation	% of holding by Pashupati Cotspin Limited
1.	Pashupati Cotyarn LLP	Subsidiary entity	99.00%

HISTORY AND CERTAIN CORPORATE MATTERS

OUR HISTORY AND CORPORATE PROFILE

Pashupati Cotspin Limited (our "Company" or the "Issuer") was incorporated as "Pashupati Cotspin LLP" on January 07, 2013 under the provisions of Limited Liability Partnership Act, 2008 with Registrar of Companies, Gujarat, Dadra and Nagar Havelli vide (LLPIN: AAB-3046) and received a certificate of incorporation from the Registrar of Companies, Gujarat, Dadra and Nagar Havelli on January 07, 2013. Later, "Pashupati Cotspin LLP" was converted from a Limited Liability Partnership into a Private Limited Company under part I Chapter XXI of Section 366 of Companies Act, 2013 with the name of "Pashupati Cotspin Private Limited" and received a fresh certificate of incorporation from the Registrar of Companies Gujarat, Central registration Centre on July 03, 2017. Later, our Company was converted into Public Limited Company and consequently name of company was changed from "Pashupati Cotspin Private Limited" to "Pashupati Cotspin Limited" vide Special resolution passed by the Shareholders at the Extra Ordinary General Meeting held on July 11, 2017 and a fresh certificate of incorporation dated July 18, 2017 issued by the Registrar of Companies Ahmedabad. The Corporate Identification Number of our Company is L17309GJ2017PLC098117.

Pashupati group of companies have carved an admirable reputation in Textiles with diverse verticals enabling the concept of Farm to Fabric. Since its inception in 1997, the business has gradually moved into forward integration, which includes Ginning, Oil mill, Spinning, TFO, and Weaving along with Sizing & Warping.

Our 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 has entered into a forward integration of the Textile industry by manufacturing of cotton yarn to 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.

The manufacturing facility of our Company is situated at Kadi of Mahesana District in Gujarat state which is close to the rich cotton growing areas of Maharashtra and Saurashtra (region) of Gujarat. The company has established a capacity of the spindlage of total *****36960 spindle, and 112 DR ginning units. Our plant is equipped with modern and automatic plant and machinery. The level of advancement determines the productivity of machines and labor, which in turn, determines the production and profitability of our Company. Our technical team in spinning is well equipped with modern spinning technology and processing techniques by virtue of which we are able to ensure quality yarn. Technology is a crucial aspect of the cotton yarn industry.

**** Figuers based on management undertaking.***

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

BOARD OF DIRECTORS

The composition of the Board is governed by the provisions of the Companies Act, 2013, the rules prescribed thereunder, the SEBI Listing Regulations and the Articles of Association. As per the provisions of the Companies Act, 2013, our Company shall not have less than 3 (three) Directors and more than 15 (fifteen) Directors. As of the date of this Preliminary Placement Document, our Company has Five Directors, of which one Non-executive Director and two are Non-Executive Independent Directors & two are Executive Directors.

Pursuant to the provisions of the Companies Act, 2013, at least two-thirds of the total number of Directors, excluding the Independent Directors, are liable to retire by rotation, with one-third of such number retiring at each annual general meeting. Retiring Director is eligible for re-election. Further, pursuant to the Companies Act, 2013, the Independent Directors may be appointed for a maximum of two consecutive terms of up to five consecutive years each and thereafter have a cooling off period of three years prior to re-appointment. Any re-appointment of Independent Directors shall be on the basis of, *inter alia*, the performance evaluation report and approval by the shareholders of our Company, by way of a special resolution.

The following table sets forth details regarding our Board as of the date of this Preliminary Placement Document:

Name, Address, Occupation, Nationality Term and DIN	Age	Designation
Mr. Saurin Jagdish Bhai Parikh ***Date of Birth:*** September 28, 1971 ***Address***: 47, Rajeshwari Society Thol Road Kadi -382715, Gujarat ***Occupation****:* Business ***Nationality****:* Indian ***DIN***: 02136530	52	Chairman & Managing Director
Mr. Trivedi Tushar R ***Date of Birth:*** June 18, 1972 ***Address***: A-11, Someshwar Park Society, Nr. Kadi-Karannagar Road, Kadi Mehsana-382715 Gujarat ***Occupation****:* Business ***Nationality****:* Indian ***DIN***: 06438707	52	Whole-time Director
Mr. Dakshesh Jayantilal Patel ***Date of Birth***: January 06, 1968 ***Address***: C/O, 60, Radhe Homes, Near Shrinath Homes, Kudasan, Gandhinagar -382421, Gujarat ***Occupation****:* Business ***Nationality****:* Indian **DIN:** 07859419	56	Non-Executive Director

Name, Address, Occupation, Nationality Term and DIN	Age	Designation
Mr. Sandip Ashwinbhai Parikh ***Date of Birth*:** August 08, 1963 ***Address*:** 6-B, Valkeshwar Society, Behind C.N. Vidhyalay, Bhudarpura, Ambawadi, Ahmedabad-380009 Gujarat ***Occupation*:** Professional ***Nationality*:** Indian ***DIN*:** 00030990	61	Non-Executive Independent Director
Ms. Sheela Kirtankumar Roy ***Date of Birth:*** October 13, 1969 ***Address***: B-19, Utsav Society, B/H Railway Station Nr. S.V. Campus, Sujaatpura Road, Kadi Mehsana-382715 Gujarat ***Occupation****:* Business ***Nationality****:* Indian ***DIN***: 07891440	54	Non-Executive Independent Director

Mr. Saurin Jagdish Bhai Parikh, Chairman and Managing Director.

Mr. Saurin Jagdish Bhai Parikh is Chairman and Managing Director and also the Promoter of our Company. He holds a degree of Bachelor of Engineering in Mechanical Engineering Branch from the Gujarat University. He is Director of the company since incorporation w.e.f. July 3, 2017 and further designated as the Chairman and Managing Director of the Company on July 18, 2017. He is actively engaged in managing the company since his appointment as Director. He was the designated partner in Pashupati Cotspin LLP since incorporation and was actively involved in the affairs of the LLP prior to the conversion. He has more than two decades of experience in the field of manufacturing and export of cotton trade like raw cotton, yarn and its by-products. He has been instrumental in taking major policy decision of the Company. He is playing vital role in formulating business strategies and effective implementation of the same. He is responsible for the expansion and overall management of the business of our Company. His leadership abilities have been instrumental in leading the core team of our Company.

Mr. Trivedi Tushar R, Whole-time Director.
Mr. Trivedi Tushar R , is the Whole Time Director of our Company. He holds a Diploma (Mechanical Engineering) from Tolani Foundation, Gandhidham polytechnic, Adipur. He was on the Board since incorporation of the company i.e. July 03, 2017 and further designated as the Whole Time Director of the Company on July 18, 2017. He is entrusted with the responsibility to look after the Purchase and Production of our Company. He is a dynamic personality, having more than seven experiences in the field of production planning and operation supervision. He is presently looking into the Purchase and production related matters of the Company.

Mr. Dakshesh Jayantilal Patel, Non-Executive Director
Mr. Dakshesh Jayantilal Patel is Non-Executive Director of our Company and appointed as Non-Executive Director since incorporation of the company i.e. July 03, 2017. He holds a Bachelor degree of Engineering (civil) from Maharaj Sayaji Rao University, Baroda and is having more than two decades of experience in areas related to manufacturing of raw cotton, cotton yarn and related products.

Mr. Sandip Aswinbhai Parikh, IndependentDirector
Mr. Sandip Aswinbhai Parikh is the Independent Director of our Company. He was appointed on July 26, 2017 on the Board and thereafter for the second consecutive term of Five years with effect from July 25, 2022, not liable to retire by rotation He is a qualified Chartered Accountant and member of the Institute of Chartered Accountant of India. He has more than three decades of experience in the field of Accouting & auditing and has a distinguished track record of service to several global organisations providing counsel in addressing tax issues compassing transfer pricing regulations applicable to multinational

corporations.

Mrs. Sheela Kirtankumar Roy, Independent Director

Mrs. Sheela Kirtankumar Roy is the Independent Director of our Company. She was appointed on July 26, 2017 on the Board of the Company and thereafter for the second consecutive term of Five years with effect from July 25, 2022, not liable to retire by rotation. She holds degree of Bachelor of Commerce from the Gujarat University and has an experience of more than 25 years in the field of Teaching.

Borrowing powers of our Board

In accordance with the Articles of Association, our Board of Directors has been empowered to borrow funds in accordance with applicable law. Pursuant to the shareholders' resolution dated Septemebr 17, 2018, our Board of Directors is authorized to borrow, for the purpose of the business of the Company, monies in excess of the aggregate of the paid-up share capital, free reserves and securities premium to the extent that the maximum amount of monies so borrowed and outstanding shall not exceed ₹ 500 Crores, at any time. Our borrowing limits may be changed from time to time, subject to approval of the Board and our shareholders.

Interests of the Directors

All the non-executive directors of the company may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the Board or Committee thereof as well as to the extent of other remuneration and/or reimbursement of expenses payable to them as per the applicable laws.

The directors may be regarded as interested in the shares and dividend payable thereon, if any, held by or that may be subscribed by and allotted/transferred to them or the companies, firms and trust, in which they are interested as directors, members, partners and or trustees. All directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by the issuer company with any company in which they hold directorships or any partnership or proprietorship firm in which they are partners or proprietors as declared in their respective declarations.

Executive Directors are interested to the extent of remuneration paid to them for services rendered to the company.

Except as stated under section titled "***Related Party Transaction***" on page no. 32 of this Preliminary Placement Document, our company has not entered into any contracts, agreements or arrangements during the preceding two years from the date of this Placement Docuemnt in which our directors are interested directly or indirectly.

Shareholding of Directors

As per our Articles of Association, our directors are not required to hold any qualification shares.

Except as disclosed below, none of our directors hold Equity Shares in our Company as of the date of this Preliminary Placement Document

Sr. No.	Name of the Director	Designation	Number of Equity Shares	Percentage (%) shareholding
1.	Saurin Jagdish Bhai Parikh	Chairman & Managing Director	23,33,000	15.26
2.	Tushar Ramesh chandra Trivedi	Whole-time director	3,39,000	2.22
3.	Dakshesh Jayantilal Patel	Non-executive Director	5,25,000	3.43

Prohibition by SEBI or Other Governmental Authorities

Neither our Company, nor our Directors or Promoters are debarred from accessing capital market sunder any order or direction made by SEBI or any other governmental authority.

None of the Directors of the companies with which they are or were associated as promoters, directors or persons in control have been debarred from accessing the capital market under any order or direction passed by SEBI or any other governmental authority.

Key Managerial Personnel

The Key Managerial Personnel are permanent employees of our Company. In addition to the Executive Directors, the details of our other Key Managerial Personnel in terms of the Companies Act, 2013 and the SEBI ICDR Regulations as on the date of this Preliminary Placement Document are set for the below:

Sr.No.	Name	Age	Designation
1.	Mr. Hareshkumar Rameshchandra Shah	47	Chief Financial Officer
2.	Mr. Shah Nisarg Dineshkumar	28	Company Secretary and Compliance Officer

Brief biographies of the Key Managerial Personnel:

Mr. Hareshkumar Rameshchandra Shah is the Chief Financial Officer of our Company aged 47 years & is a post graduate He is working is with Pashupati Group since inception of LLP And later on LLP got converted into Company having experience more than one decades he is being promoted to Chief Finance Officer of the Company, a Key Managerial Personnel. Other than heading the accounts department, he is responsible for managing the company's finances, including financial planning, management of financial risks, record keeping, and financial reporting.

Mr. Shah Nisarg Dineshkumar is the Company Secretary and Compliance Officer of our Company aged 28 years & is a graduate in Commerce and Company Secretary from the Institute of Company Secretaries of India.

Shareholding of Key Managerial Personnel and members of Senior Management

None of our Key Managerial Personnel and members of Senior Management holds any Equity Shares in our Company as of the date of this Preliminary Placement Document.

Relationship with other Key Managerial Personnel, Directors and members of Senior Management

None of our Key Managerial Personnel or members of Senior Management are related to any of our Directors, Key Managerial Personnel or members of Senior Management or inter-se.

Interests of Key Managerial Personnel and members of Senior Management

None of our Key Managerial Personnel and members of Senior Management have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them in the ordinary course of business and to the extent of the Equity Shares held by them directly or indirectly in our Company or stock options granted to them ,if any ,and any dividend payable to them and other distributions in respect of such Equity Shares.

(In ₹ Lakhs)

Name of the Key Managerial Personnel and members of Senior Management	Outstanding amount as on March 31, 2024
Nil	-

Except as provided in ***Financial Information*** "on page132,and except as disclosed in this Preliminary Placement Document , our Company has not entered into any contract, agreement or arrangement during the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022, immediately preceding the date of this Preliminary Placement Document in which any of the Key Managerial Personnel and members of Senior Management other than the Directors are interested, directly or indirectly, and no payments have been made to them in respect of any such contracts, agreements, arrangements which are proposed to be made with them.

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) and (t) 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.

Committees of our Board of Directors

Our Board has constituted statutory committees, which function in accordance with the relevant provisions of the Companies Act, 2013 and the SEBI Listing Regulations.

The statutory committees of our Board are: (i)Audit Committee; (ii) Nomination and Remuneration Committee; (iii)Stakeholders'Relationship Committee (iv) Corporate Social Responsibility Committee.

The following table sets forth details of members of the aforesaid committees, as on the date of this Preliminary Placement Document:

Sr.No.	Committee	Name and Designation of Members
1.	Audit Committee	i. Mr. Sandip A. Parikh, Chairperson ii. Mrs. Sheela K. Roy, Member iii. Mr. Saurin J. Parikh, Member
2.	Nomination and Remuneration Committee	i. Mrs. Sheela K. Roy, Chairperson ii. Mr. Sandip A. Parikh, Member iii. Mr. Dakshesh J. Patel, Member
3.	Stakeholders Relationship Committee	i. Mrs. Sheela K. Roy, Chairperson ii. Mr. Tushar R. Trivedi, Member iii. Mr. Dakshesh J. Patel, Member
4.	Corporate Social Responsibility Committee	i. Mr. Saurin J. Parikh, Chairman ii. Mrs. Sheela K. Roy, Member iii. Mr. Tushar R. Trivedi, Member

Other Confirmations

None of our Directors, Promoters or Key Managerial Personnel or members of Senior Management have any financial or other material interest in the Issue and there is no effect of such interest in so far as it is different from the interests of other persons.

Neither our Company, nor the Directors or Promoters have ever been identified as willful defaulters or fraudulent borrowers by any bank or financial institution or consortium thereof, in accordance with the guidelines on willful defaulters and fraudulent borrowers issued by the RBI.

None of our Promoters or Directors has been declared as fugitive economic offenders under Section 12 of the Fugitive Economic Offenders Act, 2018. None of the Directors, Promoters, Key Managerial Personnel or members of Senior Management of our Company intends to subscribe to he Issue.

No change in control in our Company will occur consequent to the Issue.

Policy on disclosures and internal procedure for prevention of insider trading

SEBI Insider Trading Regulations applies to our Company and our employees and requires our Company to implement a code of practices and procedures for fair disclosure of unpublished price sensitive information and conduct for the prevention of insider trading and to regulate, monitor and report trading by designated persons. Our Company has implemented a code of practices and procedures for fair disclosure of unpublished price sensitive information and for regulating, monitoring and reporting of trades and prevention of insider trading in accordance with the SEBI Insider Trading Regulations, in terms of which, our Company Secretary, acts as the Compliance Officer of our Company under the aforesaid code of conduct for the prevention of insider trading.

Related Party Transactions

For details in relation to the related party transactions entered into by our Company during Fiscals 2022, 2023 and 2024, see "***Financial Information***" on page 132.

ORGANISATIONAL STRUCTURE OF OUR COMPANY

Corporate History

Pashupati Cotspin Limited (our "Company" or the "Issuer") was incorporated as "Pashupati Cotspin LLP" on January 07, 2013 under the provisions of Limited Liability Partnership Act, 2008 with Registrar of Companies, Gujarat, Dadra and Nagar Havelli vide (LLPIN: AAB-3046) and received a certificate of incorporation from the Registrar of Companies, Gujarat, Dadra and Nagar Havelli on January 07, 2013. Later, "Pashupati Cotspin LLP" was thereafter converted from a Limited Liability Partnership into a Private Limited Company under part I Chapter XXI of Section 366 of Companies Act, 2013 with the name of "Pashupati Cotspin Private Limited" and received a fresh certificate of incorporation from the Registrar of Companies Gujarat, Central registration Centre on July 03, 2017.. Later, our Company was converted into Public Limited Company and consequently name of company was changed from "Pashupati Cotspin Private Limited" to "Pashupati Cotspin Limited" vide Special resolution passed by the Shareholders at the Extra Ordinary General Meeting held on July 11, 2017 and a fresh certificate of incorporation dated July 18, 2017 issued by the Registrar of Companies Ahmedabad.

Our Company's CIN is L17309GJ2017PLC098117.

The registered office of our Company is located at Survey No. 404 AT & Post Balasar, Kadi-Detroj Road, Mahesana, Kadi-382715, Gujarat.

Our Equity Shares were listed on the NSE EMERGE Platform on September 08, 2017 Our Company has received in-principle approvals to list the Equity Shares to be issued pursuant to the Issue from NSE on August 08, 2017, under Regulation 28(1) of the SEBI Listing Regulations.

Associate Companies:

As of the date of this Preliminary Placement Document, our Company does not have any associate companies.

Subsidiaries:

As of the date of this Preliminary Placement Document, our Company has Pashupati Cotyarn LLP as Subsidiary.

Joint Ventures:

As of the date of this Preliminary Placement Document, our Company does not have any joint ventures.

SHAREHOLDING PATTERN OF OUR COMPANY

Shareholding pattern of our Company as on March 31, 2024:

The following table sets forth the details regarding the equity shareholding pattern of our Company as on March 31, 2024

Category(I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid- up Equity Shares held(IV)	Number of Partly paid-up Equity Shareheld (V)	Number of shares underlying Depository Receipts (VI)	Total number of shares held(VII) =(IV)+(V)+(VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) Asa % of (A+B+C2)	Number of Voting Rights held in eachclass of securities (IX)				Number of shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares(XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)
								Number of Voting Rights			Total as a % of (A+B+C)			Number(a)	As a % of total Shareheld (b)	Number(a)	As a % oftotal Shares held (b)	
								Class e.g.: Equity Shares	Class e.g.: Others	Total								
(A)	Promoter sand Promoter Group	11	1,11,62,600	-	-	1,11,62,600	73.03	1,11,62,600	-	1,11,62,600	73.03	-	-	-	-	-	-	1,11,62,600
(B)	Public	120	41,21,400	-	-	41,21,400	26.97	41,21,400	-	41,21,400	26.97	-	-	-	-	-	-	41,21,400
(C)	Non-Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying depositoryreceipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by employee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

	trusts																	
	Total	**131**	**1,52,84,000**	**-**	**-**	**1,52,84,000**	**100**	**1,52,84,000**	**-**	**1,52,84,000**	**100**	**-**	-	-	-	-	-	**1,52,84,000**

Statement showing shareholding pattern of our Promoters and Promoter Group as on March 31, 2024:

The following table sets forth the details regarding the equity shareholding pattern of our Promoters and Promoter Group as on March 31, 2024

Category	**Category &Name of shareholder (I)**	**Entitytype (II)**	**Number of Shareholders (III)**	**Number of fully paid-up Equity Shares held(IV)**	**Number of partly paid-up Equity Shares held (V)**	**Number of shares underlying Depository Receipts (VI)**	**Total number of shares held(VII) =(IV)+(V)+(VI)**	**Shareholding as a % of total numberof shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)**	**Number of Voting Rights held in eachclass of securities (IX)**				**Number of Shares Underlying Outstanding convertible securities (including Warrants) (X)**	**Shareholding, asa % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)**	**Number of Lockedin shares (XII)**		**Number of Shares pledged or otherwise encumbered (XIII)**		**Number of Equity Shares heldin dematerialized form (XIV)**
									Number of Voting Rights			**Total as a % of (A+B+C)**			**Number (a)**	**As a % of total Shares held (b)**	**Number (a)**	**As a % of total Shares held (b)**	
									Class e.g.: Equity Shares	**Class e.g.: Others**	**Total**								
(1)	**Indian**																		
(a)	Individuals		10	10082600	-	-	10082600	65.97	10082600	-	10082600	65.97	-	-	-	-	-	-	10082600
	Patel Minaben Daksheshbhai	Promoter	1	266000	-	-	266000	1.74	266000	-	266000	1.74	-	-	-	-	-	-	266000

	Tushar Rameshchandra Trivedi	Promoter	1	339000	-	-	339000	2.22	339000	-	339000	2.22	-	-	-	-	-	-	339000
	Dakshesh Jayantilal Patel	Promoter	1	525000	-	-	525000	3.43	525000	-	525000	3.43	-	-	-	-	-	-	525000
	Bhaveshkumar Jayantilal Patel	Promoter Group	1	791000	-	-	791000	5.18	791000	-	791000	5.18	-	-	-	-	-	-	791000
	Ashish Rameshchandra Trivedi	Promoter Group	1	904000	-	-	904000	5.91	904000	-	904000	5.91	-	-	-	-	-	-	904000
	Hariprabha Aravindbhai Parikh	Promoter Group	1	1583000	-	-	1583000	10.36	1583000	-	1583000	10.36	-	-	-	-	-	-	1583000
	Renukaben Jagdishchandra Parikh	Promoter Group	1	1583000	-	-	1583000	10.36	1583000	-	1583000	10.36	-	-	-	-	-	-	1583000
	Falguni Mitesh Parikh	Promoter Group	1	1733000	-	-	1733000	11.34	1733000	-	1733000	11.34	-	-	-	-	-	-	1733000
	Saurin Jagdish Bhai Parikh	Promoter	1	2333000	-	-	2333000	15.26	2333000	-	2333000	15.26	-	-	-		-	-	2333000
	Nirali Rajendra Desai	Promoter Group	1	25600	-	-	25600	0.17	25600	-	25600	0.17	-	-	-	-	-	-	25600
(b)	Central Government / State		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Government(s)																		
(c)	Financial Institutions /Bank		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Any Other		1	1080000	-	-	1080000	7.07	1080000	-	1080000	7.07	-	-	-	-	-	-	1080000

	(specify)																		
	Sub Total (A)(1)		11	11162600	-	-	11162600	73.03	11162600	-	11162600	73.03	-	-	-	-	-	-	11162600
(2)	**Foreign**		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a)	Individuals (Non-Resident Individuals / Foreign Individuals		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Government		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Institutions		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Portfolio Investor		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Any Other (Specify)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub Total(A)(2)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Shareholding of Promoters and Promoter Group (A)= (A)(1)+(A)(2		11	11162600	-	-	11162600	73.03	11162600	-	11162600	73.03	-	-	-	-	-	-	11162600

Statement showing shareholding pattern of the Public Shareholders as on March 31 2024

The following table sets forth the details regarding the equity shareholding pattern of the Public Shareholders as on March 31 2024

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid-up Equity Shares held (IV)	Number of Partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of shares held (VII) =(IV)+(V)+(VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				Number of shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)
								Number of Voting Rights			Total as a % of (A+B+C)			Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)	
								Class e.g.: Equity Shares	Class e.g.: Others	Total								
1	**Institutions (Domestic)**																	
(a)	Mutual Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

(b)	Venture CapitalFunds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Alternative Investments Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Insurance Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f)	Provident Funds / Pension Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(g)	Asset Reconstructio n Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(h)	Sovereign Wealth Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(i)	NBFCs registered with RBI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(j)	Other Financial Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(k)	Any Other (Specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-Total (B1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	**Institutions (Foreign)**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a)	Foreign Direct Investment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Sovereign Wealth Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Portfolio Investors Category-I	1	65600	-	-	65600	0.43	65600	-	65600	0.43		-	-	-	-	-	65600	
(e)	Foreign Portfolio	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

	Investors Category-II																		
(f)	Overseas Depositories (holding DRs)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(g)	Any Other (Specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-total (B2)	1	65600	-	-	65600	0.43	65600	-	65600	0.43		-	-	-	-	-	65600	
3	**Central Government / State Government (s)**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-total (B3)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	**Non-Institutions**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a)	Subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Directors and their relatives (excluding independent directors and nominee directors)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Key Managerial Personnel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Relatives of promoters (other than 'immediate relatives' of promoters disclosed under 'Promoter and Promoter Group' category)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Trusts where any person belonging to 'Promoter and	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

	Promoter Group' categoryis 'trustee', 'beneficiary', or 'author of the trust'																	
(f)	Investor Education and Protection Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(g)	Resident Individuals holding nominal share capital upto ₹2 lakhs	97	231200	-	-	231200	1.51	231200	-	231200	1.51	-	-	-	-	-	-	231200
(h)	Resident Individuals holding nominalshare capital in excess of ₹ 2 lakhs	8	1670200	-	-	1670200	10.93	1670200	-	1670200	10.93	-	-	-	-	-	-	1670200
	Anuradha Mihir Gandhi	-	211200	-	-	211200	1.38	211200		211200	1.38	-	-	-	-	-	-	211200
	Toralben Urdeep Brahmbhatt	-	339000	-	-	339000	2.22	339000		339000	2.22	-	-	-	-	-	-	339000
	Mukeshkumar Vitthalbhai Patel	-	904000	-	-	904000	5.91	904000		904000	5.91	-	-	-	-	-	-	904000
(i)	Non-Resident Indians	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(j)	Foreign Nationals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(k)	Foreign Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(l)	Bodies Corporate	3	12000	-	-	12000	0.08	12000	-	12000	0.08	-	-	-	-	-	-	12000
(m	Any Other	11	2142400	-	-	2142400	14.0	2142400		2142400	14.02	-	-	-	-	-	-	2142400

)	(Specify)						2												
(i)	Hindu Undivided Family	6	20800	-	-	20800	0.14	20800	-	20800	0.14	-	-	-	-	-	-	20800
(ii)	Limited Liablilty Partnership	5	2121600	-	-	2121600	13.88	2121600	-	2121600	13.88	-	-	-	-	-	-	2121600
	Parak Tradewing LLP	-	283200	-	-	283200	1.85	283200	-	283200	1.85	-	-	-	-	-	-	283200
	Downtown travels llp	-	600000	-	-	600000	3.93	600000	-	600000	3.93	-	-	-	-	-	-	600000
	Sunmed Corporation Llp	-	600000	-	-	600000	3.93	600000	-	600000	3.93	-	-	-	-	-	-	600000
	Gujcot Enterprises Llp	-	636800	-	-	636800	4.17	636800	-	636800	4.17	-	-	-	-	-	-	636800
	Sub-Total (B4)	**119**	**4055800**	-	-	**4055800**	**26.54**	**4055800**		**4055800**	**26.54**	-	-	-	-	-	-	**4055800**
	Total Public Shareholding (B=B1+B2+B3+B4)	**120**	**4121400**	-	-	**4121400**	**26.97**	**4121400**		**4121400**	**26.97**	-	-	-	-	-	-	**4121400**

Statement showing shareholding pattern of Non-Promoter-Non-Public Shareholders as on March 31, 2024

The following table sets forth the details regarding the equity shareholding pattern of Non-Promoter-Non-Public Shareholders as on March 31, 2024:

Category(I)	**Category of shareholder (II)**	**Number of shareholders (III)**	**Number of fully paid up Equity Shares held(IV)**	**Number of Partly paid-up Equit**	**Numberof shares underlying Depository Receipt**	**Total number of shares held(VII) =(IV)+(V)+(VI)**	**Shareholding as a % of total number of shares (calculat**	**Number of Voting Rights held ineach class of securities (IX)**		**Number of shares Underlying Outstanding convertible**	**Shareholding, as a % assuming full conversion of convertible securities**	**Number ofLocked in shares (XII)**		**Number of Shares pledged or otherwise encumbered (XIII)**		**Number of Equity Shares held in dematerializedform (XIV)**
								Number of Voting Rights	**Total**			**Number**	**As a**	**Number**	**As a % of**	

				y Shares held (V)	**s(VI)**		**ed as per SCRR, 1957) (VIII) Asa % of (A+B+C2)**	**Class e.g.: Equity Shares**	**Class e.g.: Others**	**Total**	**as a %of (A+B+C)**	**securities (including Warrants)(X)**	**(as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)**	**(a)**	**% of total Shares held** (b)	**(a)**	**total Shares held (b)**	
1	**Custodian / DR Holder**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	**EmployeeBenefit Trust**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Non-Promoter-Non Public Shareholding (C) =(C)(1) + (C)(2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

ISSUE PROCEDURE

The following is a summary intended to present a general outline of the procedure relating to the application, payment of Application Amount, Allocation and Allotment of the Equity Shares pursuant to the Issue. The procedure followed in the Issue may differ from the one mentioned below, and Bidders are assumed to have apprised themselves of the same from our Company or the BRLM.

Our Company, the BRLM and their respective directors, officers, agents, advisors, shareholders, employees, counsels, affiliates and representatives are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Preliminary Placement Document. Bidders are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Preliminary Placement Document. Further, Bidders are required to satisfy themselves that their Bids would not result in triggering an open offer under the SEBI Takeover Regulations and shall be solely responsible for compliance with all the applicable provisions of the SEBI Takeover Regulations, the SEBI Insider Trading Regulations and other applicable laws.

*Bidders are advised to inform themselves of any restrictions or limitations that may be applicable to them and are required to consult their respective advisers in this regard. Bidders that apply in the Issue will be required to confirm and will be deemed to have represented to our Company, the BRLM and their respective directors, officers, agents, advisors, shareholders, employees, counsels, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the BRLM and their respective directors, officers, agents, advisors, shareholders, employees, counsels, affiliates, and representatives accept no responsibility or liability for advising any Bidder on whether such Bidder is eligible to acquire the Equity Shares. For further details, please see the sections titled "**Selling Restrictions**" and "**Transfer Restrictions and Purchaser Representations**" on pages 106 and 111 respectively.*

Qualified Institutions Placement

THE ISSUE IS MEANT ONLY FOR ELIGIBLE QIBS ON A PRIVATE PLACEMENT BASIS AND IS NOT AN OFFER TO THE PUBLIC OR TO ANY OTHER CLASS OF INVESTORS.

This Preliminary Placement Document has not been, and the Placement Document will not be, registered as a prospectus with the ROC and, no Equity Shares will be offered in India or overseas to the public or any members of the public or any other class of investors, other than Eligible QIBs.

The Issue is being made to Eligible QIBs in accordance with Chapter VI of the SEBI ICDR Regulations, Section 42 and Section 62 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and rules thereunder, to the extent applicable, through the mechanism of a qualified institutions placement. Under Chapter VI of the SEBI ICDR Regulations and Section 42 of the Companies Act, 2013 read with Rule 14 of the PAS Rules, to the extent applicable, our Company, being a listed company in India may issue Equity Shares to Eligible QIBs, provided, inter alia that:

- A special resolution approving the qualified institutions placement has been passed by its shareholders. Such special resolution must specify (i) that the allotment of the securities is proposed to be made pursuant to the qualified institutions placement; and (ii) the relevant date for the qualified institutions placement;

- The explanatory statement to the notice to the shareholders for convening the general meeting must disclose, amongst others, the particulars of the issue including the date of passing the board resolution, the kind of securities being offered, amount which the company intends to raise by way of such securities and the material terms of raising such securities, proposed issue schedule, the purpose or objects of offer, the contribution made by the promoters or directors either as part of the offer or separately in furtherance of the objects, and the basis or justification for the price (including premium, if any) at which the offer or invitation is being made;

- Under Regulation 172(1)(b) of the SEBI ICDR Regulations, the equity shares of the same class of such issuer, which are proposed to be allotted through the qualified institutions placement or pursuant to conversion or exchange of eligible securities, are listed on a recognized stock exchange in India that has nation-wide trading terminals for a period of at least one year prior to the date of issuance of notice to its shareholders for convening the meeting to pass the above-mentioned special resolution, except for Equity Shares allotted during the preceding one year from the date of this Preliminary Placement Document. For details, please see the section titled "***Capital Structure***" on page 47;

- Issuance and allotment of Equity Shares shall be done in dematerialised form only;

- Invitation to apply in the Issue must be made through a private placement offer-cum-application (i.e., this Preliminary Placement Document) and an application form serially numbered and addressed specifically to the Eligible QIBs to

whom the Issue is made either in writing or in electronic mode, within 30 days of recording the name of such person in accordance with applicable law;

- our Company shall not make any subsequent qualified institutions placement until the expiry of two weeks from the date of this Issue;

- our Company shall have completed allotments with respect to any offer or invitation made by our Company or has withdrawn or abandoned any such invitation or offer, however, our Company may, at any time, make more than one issue of securities to such class of identified persons as may be prescribed;

- our Promoters and Directors are not fugitive economic offenders;

- An offer to Eligible QIBs will not be subject to a limit of 200 persons. Prior to circulating the private placement offer-cum- application (i.e., this Preliminary Placement Document), our Company must prepare and record a list of Eligible QIBs to whom the offer will be made. The offer must be made only to such Eligible QIBs whose names are recorded by our Company prior to the invitation to subscribe;

- our Company acknowledges that the offering of securities by issue of public advertisements or utilization of any media, marketing or distribution channels or agents to inform the public about the Issue is prohibited; and

- At least 10% of the Equity Shares offered to Eligible QIBs shall be available for Allocation to Mutual Funds, provided that, if this portion or any part thereof to be allotted to Mutual Funds remains unsubscribed, it may be allotted to other Eligible QIBs.

- The Issuer shall not issue or allot partly-paid up shares.

Bidders are not allowed to withdraw or revise their Bids after downwards after the Issue Closing Date.

Additionally, there is a minimum pricing requirement under the SEBI ICDR Regulations. The Floor Price of the Equity Shares offered under this Issue shall not be less than the average of the weekly high and low of the closing prices of the Equity Shares of the same class quoted on the stock exchanges during the two weeks preceding the Relevant Date as calculated in accordance with Chapter VI of the SEBI ICDR Regulations. The "Relevant Date" referred to above means the date of the meeting in which the Board decides to open the Issue and "stock exchange" means any of the recognized stock exchanges on which the Equity Shares of the same class are listed and on which the highest trading volume in such Equity Shares has been recorded during the two weeks immediately preceding the Relevant Date. Further, in accordance with Regulation 176(1) of the SEBI ICDR Regulations and the resolution of our Board on August 03, 2024, and the shareholders of our Company via postal ballot on September 07, 2024, our Company may offer a discount of not more than 5% on the Floor Price.

In accordance with Regulation 172(1)(a) of the SEBI ICDR Regulations, the Equity Shares will be Allotted within 365 days from the date of the shareholders' resolution via postal ballot approving the Issue, being September 07, 2024, and also within 60 days from the date of receipt of Bid Amount from the relevant Eligible QIBs.

The subscription to the Equity Shares offered pursuant to the Issue must be made by Eligible QIBs on the basis of this Preliminary Placement Document and the Placement Document shall contain all material information required under applicable law including the information specified in Schedule VII of SEBI ICDR Regulations and the requirements prescribed under Form PAS-4. This Preliminary Placement Document and the Placement Document are private documents provided to only select Eligible QIBs through serially numbered copies and are required to be placed on the website of the concerned Stock Exchanges and of our Company with a disclaimer to the effect that it is in connection with an offer to Eligible QIBs and no offer is being made to the public or to any other category of investors. Please note that if you do not receive a serially numbered copy of this Preliminary Placement Document addressed to you, you may not rely on this Preliminary Placement Document or Placement Document uploaded on the website of the Stock Exchanges or our Company for making an application to subscribe to Equity Shares pursuant to the Issue. Even if such documentation were to come into the possession of any person other than the intended recipient, no offer or invitation to offer shall be deemed to have been made to such person and any application that does not comply with this requirement shall be treated as invalid.

This Issue was authorized and approved by our Board of Directors by way of resolution dated August 03, 2024, and by our shareholders through special resolution passed via postal ballot on September 07, 2024.

The minimum number of Allottees for each qualified institutions placement shall not be less than:

- **Two**, where the Issue size is less than or equal to ₹ 25,000 Lakhs; and
- **Five**, where the Issue size is greater than ₹ 25,000 Lakhs.

No single Allottee shall be allotted more than 50% of the Issue Size. Eligible QIBs that belong to the same group or that are under common control shall be deemed to be a single allottee for the purpose of the Issue. For details of what constitutes "same group" or "common control", see "***Bid Process-Application Form***" on page 139.

Equity Shares being allotted pursuant to the Issue shall not be sold for a period of one year from the date of Allotment, except on the floor of a recognised stock exchange. In addition, purchasers of the Equity Shares Allotted pursuant to the Issue shall comply with the resale restrictions set forth in the sections titled, "***Selling Restrictions***" and "***Transfer Restrictions and Purchaser Representations***" on pages 106 and 111, respectively.

We have applied for, and received, the in-principle approvals of the Stock Exchange under Regulation 28(1)(a) of the SEBI Listing Regulations for listing of the Equity Shares on the Stock Exchange on [●]. We have filed a copy of this Preliminary Placement Document and will file a copy of the Placement Document with the Stock Exchange.

We shall also make the requisite filings with the ROC within the stipulated period as required under the Companies Act and the PAS Rules, to the extent applicable.

Allotments made to VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirements. VCFs and AIFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.

The Equity Shares issued pursuant to this Issue have not been and will not be registered, listed or otherwise qualified in any jurisdiction except India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. In particular, the Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in "offshore transactions" as defined in and in reliance on Regulation S and in accordance with the applicable laws of the jurisdictions where those offers and sales are made. For the selling restrictions in certain other jurisdictions, see "*Selling Restrictions*" on page 106. The Equity Shares sold in the Issue are transferable only in accordance with the restrictions set forth under the sections "*Selling Restrictions*" and "*Transfer Restrictions and Purchase Representations*" on pages 106 and 111, respectively

Issue Procedure

1. On the Issue Opening Date, our Company and the BRLM shall circulate serially numbered copies of this Preliminary Placement Document and the serially numbered Application Form, either in electronic or physical form, to identified Eligible QIBs and the Application Form will be specifically addressed to each such Eligible QIB. In terms of Section 42(3) of the Companies Act, 2013, our Company shall maintain complete records of the Eligible QIBs in the form and manner as prescribed under the PAS Rules, to the extent applicable, to whom the Preliminary Placement Document and the serially numbered Application Form will be dispatched. Our Company will make the requisite filings with the ROC within the stipulated time periods as required under the Companies Act, 2013 and the PAS Rules, if and to the extent applicable. The list of Eligible QIBs to whom the Preliminary Placement Document and Application Form is delivered will be determined by our Company in consultation with the BRLM, at their sole discretion.

2. Unless a serially numbered Preliminary Placement Document along with the serially numbered Application Form, which includes the details of the bank account wherein the Bid Amount is to be deposited, is addressed to a particular Eligible QIB, no invitation to make an offer to subscribe shall be deemed to have been made to such Eligible QIB. Even if such documentation were to come into the possession of any person other than the intended recipient, no offer or invitation to offer shall be deemed to have been made to such person and any application that does not comply with this requirement shall be treated as invalid.

3. Eligible QIBs may submit the Application Form, including any revisions thereof along with the Bid Amount transferred to the Escrow Account specified in the Application form and a copy of the PAN card or PAN allotment letter (as applicable) and/or any other documents mentioned in the Application Form, during the Issue Period to the BRLM. The Application Form may be signed physically or digitally, if required under applicable law in the relevant jurisdiction applicable to each Eligible QIB and as permitted under such applicable law. An Eligible QIB may submit an unsigned copy of the Application Form, as long as the Bid Amount is paid along with submission of the Application Form within the Issue Period. Once a duly filled Application Form is submitted by an Eligible QIB, whether signed or not, and the Bid Amount has been transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Issue Closing Date. In case Bids are being made on behalf of the Eligible QIB and this Application Form is unsigned, it shall be assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Bid Amount to the Escrow Account, on behalf of the Eligible QIB is authorised to do so.

4. Bidders will be required to indicate the following in the Application Form:

- full official name of the Eligible QIB to whom Equity Shares are to be Allotted, complete address, e-mail id,PAN details (if applicable), contact number and bank account details;
- number of Equity Shares Bid for;
- price at which they are agreeable to subscribe for the Equity Shares and the aggregate Bid Amount for the number of Equity Shares Bid for;
- details of the depository / beneficiary account maintained by the Depository Participant to which the Equity Shares should be credited;
- Equity Shares held by the Eligible QIBs in our Company prior to the Issue; and
- a representation that it is outside the United States acquiring the Equity Shares in an "offshore transaction", as defined in, and in reliance on Regulations, and it has agreed to certain other representations set forth in the "***Representations by Investors***" on page 3 and "***Transfer Restrictions and Purchaser Representations***" on page 111 and certain other representations made in the Application Form.

Note*: Eligible FPIs are required to indicate the SEBI FPI registration number in the Application Form. The Bids made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Bids are made. In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme for which the Bid has been made. Application by various schemes or funds of a Mutual Fund will be treated as one application from the Mutual Fund. Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable laws.*

5. Eligible QIBs shall be required to make the entire payment of the Bid Amount for the Equity Shares Bid for, along with the Application Form, only through electronic transfer to the Escrow Account opened in the name of "PASHUPATI COTSPIN LIMITED-QIP ESCROW ACCOUNT*"* with the Escrow Agent, within the Issue Period as specified in the Application Form sent to the respective Bidders. Please note that any payment of Bid Amount for the Equity Shares shall be madefrom the bank accounts of the relevant Bidders and our Company shall keep a record of the bank account from where such payment has been received. Bid Amount payable on Equity Shares to be held by joint holders shall be paid fromthe bank account of the person whose name appears first in the Application Form. Pending Allotment, and the filing of return of Allotment by our Company with the ROC, or receipt of final listing and trading approvals from the Stock Exchange, whichever is later, Application Amount received for subscription of the Equity Shares shall be kept by our Company in a separate bank account with a scheduled bank and shall be utilised only for the purposes permitted under the Companies Act, 2013. Notwithstanding the above, in the event (a) any Bidder is not Allocated Equity Shares in the Issue, (b) the number of Equity Shares Allocated to a Bidder is lower than the number of Equity Shares applied forthrough the Application Form and towards which Bid Amount has been paid by such Bidder, (c) the Application Amount was in excess of the amount equivalent to the product of the Equity Shares that have been Allocated to the Bidder and the Issue Price, or the Application Amount has been arrived at using an indicative price higher than the Issue Price, or (d) any Eligible QIB lowers or withdraws their Bid after submission of the Application Form but prior to the Issue Closing Date, the excess Application Amount will be refunded to the same bank account from which it was remitted, in the form and manner set out in "***Issue Procedure – Refunds***" on page 91.

6. Once a duly completed Application Form is submitted by a Bidder and the Bid Amount is transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and the Bid cannot be withdrawn or revised downwards after the Issue Closing Date. In case of an upward revision before the Issue Closing Date, an additional amount shall be required to be deposited towards the Bid Amount in the Escrow Account along with the submission of such revised Bid. The Issue Closing Date shall be notified to the Stock Exchange and the Eligible QIBs shall be deemed to have been given notice of such date after receipt of the Application Form.

7. Upon receipt of the duly completed Application Form and the Bid Amount in the Escrow Account, after the Issue Closing Date, our Company shall, in consultation with the BRLM, determine the final terms, including the Issue Priceof the Equity Shares to be offered pursuant to the Issue and Allocation. Upon such determination, the BRLM will sendthe serially numbered CAN (Confirmation of Allocation Note) to the Eligible QIBs who have been allocated the Equity Shares. The dispatch of a CAN,and the Placement Document (when dispatched) to a Successful Bidder shall be deemed a valid, binding and irrevocable contract for the Successful Bidders to subscribe to the Equity Shares Allocated to such Successful Biddersat an aggregate price equivalent to the product of the Issue Price and Equity Shares Allocated to such Successful Bidders. The CAN shall contain details such as the number of Equity Shares Allocated to the Successful Bidders, IssuePrice and the aggregate amount received towards the Equity Shares Allocated. **Please note that the Allocation will be at the absolute discretion of our Company and will be in consultation with the BRLM.**

8. The Bidder acknowledges that in terms of the requirements of the Companies Act, upon Allocation, our Company will be required to disclose the names of proposed allottees and the percentage of their post-Issue shareholding in the Placement

Document and consents to such disclosure, if any Equity Shares are allocated to it.

9. Upon determination of the Issue Price and the issuance of CAN and before Allotment of Equity Shares to the Successful Bidders, the BRLM, shall, on our behalf, send a serially numbered Placement Document either in electronic form or through physical delivery to each of the Successful Bidders who have been Allocated Equity Shares pursuant to dispatch of a serially numbered CAN.

10. Upon dispatch of the serially numbered Placement Document, our Company shall Allot Equity Shares as per the details in the CANs sent to the Successful Bidders. We will inform the Stock Exchange of the details of the Allotment.

11. After passing the resolution for Allotment, and prior to crediting the Equity Shares into the beneficiary account of the Successful Bidders maintained by the depository participant, as indicated in their respective Application Form, our Company shall submit relevant documents to the Stock Exchange in respect of the Equity Shares Allotted pursuant to the Issue.

12. After receipt of the listing approval of the Stock Exchange, our Company shall credit the Equity Shares Allotted pursuant to this Issue into the beneficiary accounts of the respective Allottees.

13. Our Company shall then apply for the final listing and trading permissions from the Stock Exchange.

14. The Equity Shares that would have been credited to the beneficiary account with the Depository Participant accounts of the Successful Bidders shall be eligible for trading on the Stock Exchange only upon the receipt of final listing and trading approval from the Stock Exchange.

15. As per applicable law, the Stock Exchange will notify the final listing and trading approval, which are ordinarily available on their websites, and our Company may communicate the receipt, the receipt of the listing and trading approval to those Successful Bidders to whom the Equity Shares have been allotted. Our Company, and the BRLM shall not be responsible for any delay or non-receipt of the communication of the final trading and listing permissions from the Stock Exchange or any loss arising from such delay or non-receipt. Investors are advised to apprise themselves of the status of the receipt of the permissions from the Stock Exchange or our Company.

16. A representation that it is outside the United States and is acquiring the Equity Shares in an *"offshore transaction"* as defined in, and in reliance on, Regulation S, is not an affiliate of the Company or the BRLM or a person acting on behalf of such an affiliate and it has agreed to certain other representations set forth in the Application Form.

Eligible Qualified Institutional Buyers

Only Eligible QIBs are eligible to invest in the Equity Shares pursuant to the Issue, provided that with respect to FPIs, only Eligible FPIs applying under Schedule II of the FEMA Rules or a multilateral or bilateral development financial institution eligible to invest in India under applicable law, will be considered as Eligible QIBs. FVCIs are not permitted to participate in the Issue. Currently, QIBs, who are eligible to participate in the Issue and also as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations, are set forth below:

- a mutual fund, venture capital fund, alternative investment fund and foreign venture capital investor registered with SEBI;
- a foreign portfolio investor other than individuals, corporate bodies and family offices;
- public financial institutions;
- scheduled commercial banks;
- multilateral and bilateral development financial institutions;
- state industrial development corporations;
- insurance companies registered with the Insurance Regulatory and Development Authority of India;
- provident funds with minimum corpus of ₹ 2500 lakhs;
- a pension fund with minimum corpus of ₹ 2500 lakhs registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013;
- The National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005, of the Government published in the Gazette of India; and
- insurance funds set up and managed by army, navy or air force of the Union of India;
- insurance funds set up and managed by the Department of Posts, India; and
- Systemically important non-banking financial companies.

Eligible FPIs are permitted to participate under Schedule II of FEMA Rules in this Issue. Eligible FPIs are permitted to participate in the Issue subject to compliance with all applicable laws and such that the shareholding of the FPIs do not exceed specified limits as prescribed under applicable laws in this regard. FVCIs are not permitted to participate in this Issue.

In terms of the SEBI FPI Regulations, the offer of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) is not permitted to exceed 10% of our post-Issue Equity Share capital of our Company. Further, in terms of the FEMA Rules, the total holding by each FPI or investor group shall be below 10% of the total paid-up Equity Share capital of our Company. Hence, Eligible FPIs may invest in such number of Equity Shares in the Issue such that (i) the individual investment of the FPI in our Company does not exceed 10% of the post-Issue paid-up capital of our Company on a fully diluted basis, and (ii) the aggregate investment by FPIs in our Company does not exceed the sectoral cap applicable to our Company on a fully diluted basis. In case the holding of an FPI or investor group increases to 10% or more of the total paid-up equity capital, on a fully diluted basis, the FPI including its investor group is required to divest the excess holding within five trading days from the date of settlement of the trades resulting in the breach. In the event that such divestment of excess holding is not done within the aforementioned prescribed time, the total investment made by such FPI together with its investor group will be re-classified as FDI as per the procedure specified by SEBI, and the FPI and its investor group will be prohibited from making any further portfolio investment in our Company under the SEBI FPI Regulations. However, in accordance with Regulation 22(4) of the SEBI FPI Regulations, the FPIs who are: (i) appropriately regulated public retail funds; (b) public retail funds where the majority is owned by appropriately regulated public retail fund on look through basis; or (c) public retail funds and investment managers of such foreign portfolio investors are appropriately regulated, the aggregation of the investment limits of such FPIs having common control, shall not be applicable.

Two or more subscribers of ODIs having a common beneficial owner shall be considered together as a single subscriber of the ODI. In the event an investor has investments as a FPI and as a subscriber of ODIs, these investment restrictions shall apply on the aggregate of the FPI and ODI investments held in the underlying company. Pursuant to the SEBI Circular dated April 5, 2018 (Circular No: IMD/FPIC/CIR/P/2018/61), our Company has appointed NSDL as the designated depository to monitor the level of FPI/NRI shareholding in our Company on a daily basis and once the aggregate foreign investment of a company reaches a cut-off point, which is 3% below the overall limit a red flag shall be activated. SEBI however, pursuant to its Circular dated May 17, 2018 (Circular No: SEBI/HO/IMD/FPIC/CIR/P/2018/81), directed that this system of monitoring foreign investment limits in Indian listed companies be made operational with effect from June 1, 2018. The depository is then required to inform the Stock Exchanges about the activation of the red flag. The Stock Exchanges are then required to issue the necessary circulars/ public notifications on their respective websites. Once a red flag is activated, the FPIs must trade cautiously, because in the event that there is a breach of the sectoral cap, the FPIs will be under an obligation to disinvest the excess holding within five trading days from the date of settlement of the trades.

As per the circular issued by SEBI on November 5, 2019, these investment restrictions shall also apply to subscribers of P-Notes. Two or more subscribers of P-Notes having a common beneficial owner shall be considered together as a single subscriber of the P-Note. In the event an investor has investments as a FPI and as a subscriber of P-Notes, these investment restrictions shall apply on the aggregate of the FPI and P-Note investments held in the underlying company.

Eligible FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

Restriction on Allotment

Pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations, no Allotment shall be made pursuant to the Issue, either directly or indirectly, to any Eligible QIB being, or any person related to the Promoters. QIBs which have all or any of the following rights shall be deemed to be persons related to the Promoters:

- rights under a shareholders' agreement or voting agreement entered into with our Promoters or members of the Promoter Group;
- veto rights; or
- A right to appoint any nominee director on our Board.

Provided, however, that an Eligible QIB which does not hold any Equity Shares in our Company and which has acquired the afore said rights in the capacity of a lender shall not be deemed to be related to the Promoters.

Our Company and the BRLM and any of its shareholders, employees, counsels, officers, directors, representatives, agents, advisors or affiliates are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Preliminary Placement Document. Eligible QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Eligible QIBs are advised to ensure that any single application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Preliminary Placement

Document. Further, Eligible QIBs are required to satisfy themselves that their Bids would not result in triggering an open offer under the SEBI Takeover Regulations.

A minimum of 10% of the Equity Shares offered in the Issue shall be allotted to Mutual Funds. In case of undersubscription in such portion, such portion or part thereof may be allotted to other Eligible QIBs.

Note: *Affiliates or associates of the BRLM who are QIBs may participate in the Issue in compliance with applicable laws.*

Bid Process

Application Form

Eligible QIBs shall only use the serially numbered Application Forms (which are specifically addressed to them) supplied by our Company and/or the BRLM in either electronic form or by physical delivery for the purpose of making a Bid (including revision of a Bid) in terms of this Preliminary Placement Document and the Placement Document. The Application Form may be signed physically or digitally, if required under applicable law in the relevant jurisdiction applicable to each Eligible QIB and as permitted under such applicable law. An Eligible QIB may submit an unsigned copy of the Application Form, as long as the Application Amount is paid along with submission of the Application Form within the Issue Period, and in such case, it shall be assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Application Amount to the Escrow Account, on behalf of the Eligible QIB is authorised to do so.

By making a Bid (including the revision thereof) for Equity Shares through Application Forms and pursuant to the terms of this Preliminary Placement Document, the Eligible QIB will be deemed to have made the following representations, warranties, acknowledgements and undertakings given or made under "***Notice to Investors***", "***Representations by Investors***", "***Selling Restrictions***" and "***Transfer Restrictions and Purchaser Representations***" on pages 1, 3, 106 and 111, respectively:

1. The Bidder confirms that it is a QIB in terms of Regulation 2(1)(ss) of the SEBI ICDR Regulations and is not excluded under Regulation 179(2)(b) of the SEBI ICDR Regulations, has a valid and existing registration under the applicable laws in India (as applicable) and is eligible to participate in this Issue;

2. The Bidder confirms that it is not a Promoter and is not a person related to the Promoters, either directly or indirectly and its Application Form does not directly or indirectly represent the Promoters or Promoter Group or persons related to the Promoters;

3. The Bidder confirms that it has no rights under a shareholders' agreement or voting agreement with the Promoters or members of the Promoter Group, no veto rights or right to appoint any nominee director on the Board other than those acquired in the capacity of a lender not holding any Equity Shares, which shall not be deemed to be a person related to the Promoters;

4. The Bidder acknowledges that it has no right to withdraw or revise its Bid downwards after the Issue Closing Date;

5. The Bidder confirms that if the Equity Shares are Allotted through the Issue, it shall not, for a period of one year from Allotment, sell such Equity Shares otherwise than on the floor of the Stock Exchange;

6. The Bidder confirms that the QIB is eligible to Bid for and hold the Equity Shares so allotted and together with any Equity Shares held by the QIB prior to the Issue. The Bidder further confirms that the holding of the QIB, does not and shall not, exceed the level permissible as per any regulations applicable to the QIB;

7. The Bidder confirms that the Application would not result in triggering a tender offer under the SEBI Takeover Regulations;

8. The Bidder confirms that in the event it is resident outside India, it is an Eligible FPI, having a valid and existing registration with SEBI under the applicable laws in India or a multilateral or bilateral development financial institution, and is eligible to invest in India under applicable law, including the FEMA Rules, as amended, and any notifications, circulars or clarifications issued thereunder, and has not been prohibited by SEBI or any other regulatory authority, from buying, selling, dealing in securities or otherwise accessing the capital markets and is not an FVCI;

9. The Bidder agrees that it will make payment of its Bid Amount, along with submission of the Application Form within the Issue Period. The Bidder agrees that once a duly filled Application Form is submitted by itself, whether signed or not, and the Bid Amount has been transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Issue Closing Date;

10. The Bidder agrees that although the Bid Amount is required to be paid by it, along with the Application Form within

the Issue Period in terms of provisions of the Companies Act and rules made thereunder, our Company reserves the right to Allocate and Allot Equity Shares pursuant to this Issue on a discretionary basis in consultation with the BRLM. The Bidder further acknowledges and agrees that the payment of Bid Amount does not guarantee Allocation and/or Allotment of Equity Shares Bid for in full or in part;

11. The Bidder acknowledges that in terms of the requirements of the Companies Act, upon Allocation, the Company will be required to disclose their names as "proposed Allottees" and percentage of post-Issue shareholding of the proposed Allottees in the Placement Document and consents of such disclosure, if any Equity Shares are allocated to it. However, the Bidder further acknowledges and agrees, disclosure of such details in relation to the proposed Allottees in the Placement Document will not guarantee Allotment to them, as Allotment in the Issue shall continue to be at the discretion of the Company, in consultation with the BRLM;

12. The Bidder confirms that the number of Equity Shares Allotted to it pursuant to the Issue, together with other Allottees that belong to the same group or are under common control, shall not exceed 50% of the Issue size. For the purposes of this representation:

    a. The expression "belonging to the same group" shall mean entities where (a) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and Independent Directors, amongst an Eligible QIB, its subsidiary(ies) or holding company and any other QIB ; and

    b. 'Control' shall have the same meaning as is assigned to it by Regulation 2(1)(e) of the SEBI Takeover Regulations;

13. The Eligible QIB confirms that:

    a. It is outside the United States and subscribing to the Equity Shares in an "offshore transaction", as defined in, and in reliance on Regulations, and is not our affiliate or a person acting on behalf of such an affiliate; and

    b. It has agreed to the other representations set forth in the sections titled, "***Selling Restrictions***" and "***Transfer Restrictions and Purchaser Representations***" on pages 106 and 111 respectively, and the other representations made in the Application Form.

14. The Bidder acknowledge that no Allotment shall be made to them if the price at which they have Bid for in the Issue is lower than the Issue Price;

15. The Bidder confirms that it shall not undertake any trade in the Equity Shares credited into the beneficiary account maintained with the Depository Participant by the QIBs until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges;

16. The Bidder acknowledges, represents and agrees that in the event its total interest in the paid-up share capital of our Company or voting rights in our Company, whether direct or indirect, beneficial or otherwise (any such interest, your "**Holding**"), when aggregated together with any existing Holding and/or Holding of any of the persons acting in concert, results in Holding of 5% or more of the total paid-up share capital of, or voting rights in, our Company a disclosure of the aggregate shareholding and voting rights will have to be made under the SEBI Takeover Regulations. In case such Eligible QIB is an existing shareholder who, together with persons acting in concert, holds 5% or more of the underlying paid up share capital of, or voting rights in our Company a disclosure will have to be made under the SEBI Takeover Regulations in the event of a change of 2% or more in the existing Holding of the Eligible QIB and persons acting in concert;

17. The Eligible FPI, confirms that it will participate in the Issue only under and in conformity with Schedule II of FEMA Rules. Further, each Eligible FPI acknowledges that Eligible FPIs may invest in such number of Equity Shares such that the individual investment of the Eligible FPI or its investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than fifty per cent or common control) in our Company does not exceed 10% of the post-Issue paid-up capital of our Company on a fully diluted basis. The Bidder confirms that it, individually or together with its investor group, is not restricted from making further investments in our Company through the portfolio investment route, in terms of Regulation 22(3) of the SEBI FPI Regulations; and

18. The Bidder has read and understood, and by making a Bid for the Equity Shares through the Application Forms and pursuant to the terms of this Preliminary Placement Document, will be deemed to have made the representations, warranties and agreements made under "***Notice to Investors***", "***Representations by Investors***", "***Selling Restrictions***" and "***Transfer Restrictions and Purchaser Representations***" on page 1, 3, 106 and 111, respectively.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade, Government of India and the FDI Policy, investments where the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, can only be made through the Government approval route.

ELIGIBLE **QIBS MUST PROVIDE THEIR NAME, COMPLETE ADDRESS, EMAIL ID, PHONE NUMBER, BANK ACCOUNT DETAILS, BENEFICIARY ACCOUNT DETAILS, PAN / PAN ALLOTMENT LETTER (IF APPLICABLE), DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE APPLICATION FORM. ELIGIBLE QIBS MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THEIR DEPOSITORY / BENEFICIARY ACCOUNT IS HELD.**

IF SO, REQUIRED BY THE BRLM, THE ELIGIBLE QIBS SUBMITTING A BID, ALONG WITH THE APPLICATION FORM, WILL ALSO HAVE TO SUBMIT REQUISITE DOCUMENT(S) TO THE BRLM TO EVIDENCE THEIR STATUS AS A "QIB" AS DEFINED HEREINABOVE.

IF SO, REQUIRED BY THE BRLM, THE ESCROW AGENT OR ANY STATUTORY OR REGULATORY AUTHORITY IN THIS REGARD, INCLUDING AFTER ISSUE CLOSING DATE, THE ELIGIBLE QIBS SUBMITTING A BID AND/OR BEING ALLOTTED EQUITY SHARES IN THE ISSUE, WILL ALSO HAVE TO SUBMIT REQUISITE DOCUMENT(S) TO FULFILL THE APPLICABLE KNOW YOUR CUSTOMER (KYC) NOR

Demographic details such as address and bank account will be obtained from the Depositories as per the Depository Participant account details provided in the Application Form. However, for the purposes of refund of all or part of the Bid Amount submitted by the Bidder, the bank details as mentioned in the Application Form from which the Bid Amount shall be remitted for the Equity Shares applied for in the Issue, will be considered.

The submission of an Application Form and payment of the Bid Amount pursuant to the Application Form by a Bidder shall be deemed a valid, binding and irrevocable offer for such Bidder to pay the entire Issue Price for the Equity Shares and becomes a binding contract on a Successful Bidder upon issuance of the CAN and the Placement Document (when dispatched) by our Company or by the BRLM in favour of the Successful Bidder.

Submission of Application Form

All Application Forms must be duly completed with information including the name of the Bidder, the number of Equity Shares applied for along with proof of payment and a copy of the PAN card or PAN allotment letter (if applicable). The Bid Amount shall be deposited in the Escrow Account as is specified in the Application Form and the Application Form shall be submitted to the BRLM either through electronic form or through physical delivery at either of the following addresses:

Name of the BRLM	Address	Contact Person	Email	Contact Number
Narnolia Financial Services Limited	201, 2nd Floor, Marble Arch 236B A.J.C. Bose Road, Kolkata, West Bengal, 700020	Mr. Pankaj Harlalka	narnoliacare@narnolia.com.	6204800291

The BRLM shall not be required to provide any written acknowledgement of the receipt of the Application Form and the Bid Amount.

Bidders bidding in the Issue shall pay the entire Bid Amount along with the submission of the Application Form, within the Issue Period.

Payment of Bid Amount

Our Company has opened the Escrow Account in the name of "PASHUPATI COTSPIN LIMITED-QIP ESCROW ACCOUNT" with the Escrow Agent, in terms of the arrangement among our Company, the BRLM and the Escrow Agent. Each Bidder will be required to deposit the Bid Amount payable for the Equity Shares Bid by it along with the submission of the Application Formand during the Bidding Period. Bidders can make payment of the Bid Amount only through electronic transfer of funds from their own bank account.

Note: Payments are to be made only through electronic fund transfer. Payments made through cash or cheques are liable to be rejected. Further, if the payment is not made favouring the Escrow Account, the Application Form is liable

to be cancelled and rejected.

Pending Allotment, our Company undertakes to utilize the amount deposited in "PASHUPATI COTSPIN LIMITED-QIP ESCROW ACCOUNT" only for the purposes of (i) adjustment against Allotment of Equity Shares in the Issue; or (ii) repayment of Bid Amount if our Company is not able to Allot Equity Shares in the Issue. Notwithstanding the above, in the event a Bidder is not Allocated Equity Shares in the Issue, or the number of Equity Shares Allocated to a Bidder, is lower than the number of EquityShares applied for through the Application Form and towards which Application Amount has been paid by such Bidder, or theApplication Amount was in excess of the amount equivalent to the product of the Equity Shares that have been Allocated to the Bidder and the Issue Price, or the Application Amount has been arrived at using an indicative price higher than the Issue Price,or any Bidder lowers or withdraws their Bid after submission of the Application Form but prior to the Issue Closing Date, the excess Application Amount will be refunded to the same bank account from which Application Amount was remitted, in the form and manner set out in *"**Issue Procedure– Refunds***" on page 91.

Pricing and Allocation

There is a minimum pricing requirement under the SEBI ICDR Regulations. The Floor Price shall not be less than the average of the weekly high and low of the closing prices of the Equity Shares quoted on the stock exchange during the two weeks preceding the Relevant Date. However, a discount of not more than 5% of the Floor Price may be offered by our Company in accordance with the provisions of the SEBI ICDR Regulations.

Our Company, in consultation with the BRLM, shall determine the Issue Price, which shall be at or above the Floor Price.

The "Relevant Date" referred to above, for Allotment, will be the date of the meeting in which our Board decides to open the Issue and "stock exchanges" means any of the recognized stock exchanges in India on which the Equity Shares of the Company of the same class are listed and on which the highest trading volume in such Equity Shares has been recorded during the two weeks immediately preceding the Relevant Date.

Build-up of the Book

The Eligible QIBs shall submit their Bids (including any revision thereof) through the Application Forms within the Issue Period to the BRLM. Such Bids cannot be withdrawn or revised downwards after the Issue Closing Date. The book shall be maintained by the BRLM.

Price Discovery, Terms and Allocation

Our Company, in consultation with the BRLM, shall determine the Issue Price, which shall be at or above the Floor Price and the Allocation on a discretionary basis and in compliance with Chapter VI of the SEBI ICDR Regulations. However, our Company may offer a discount of not more than 5% on the Floor Price in terms of Regulation 176 of the SEBI ICDR Regulations as approved by the Board pursuant to resolution dated August 03, 2024, and by our shareholders through special resolution passed via postal ballot on September 07, 2024.

After finalisation of the Issue Price, our Company shall update this Preliminary Placement Document with the Issue details and file the same with the Stock Exchanges as the Placement Document.

Method of Allocation

Our Company shall determine the Allocation in consultation with the BRLM on a discretionary basis and in compliance with Chapter VI of the SEBI ICDR Regulations.

Bids received from the Eligible QIBs at or above the Issue Price shall be grouped together to determine the total demand. The Allocation to all such Eligible QIBs will be made at the Issue Price. Allocation to Mutual Funds for up to a minimum of 10% of the Issue Size shall be undertaken subject to valid Bids being received at or above the Issue Price.

In case of cancellations or default by the Bidders, our Company, in consultation with the BRLM, have the right to reallocate the Equity Shares at the Issue Price among existing or new Bidders at their sole and absolute discretion subject to the applicable laws.

THE DECISION OF OUR COMPANY, IN CONSULTATION WITH THE BRLM, IN RESPECT OF ALLOCATION SHALL BE FINAL AND BINDING ON ALL BIDDERS. BIDDERS MAY NOTE THAT ALLOCATION OF EQUITY SHARES IS AT THE SOLE AND ABSOLUTE DISCRETION OF OUR COMPANY, IN CONSULTATION WITH THE BRLM, AND ELIGIBLE QIBS MAY NOT RECEIVE ANY ALLOCATION EVEN IF THEY HAVE SUBMITTED VALID APPLICATION FORMS AND PAID THE ENTIRE BID AMOUNT AT OR ABOVE THE ISSUE PRICE. NEITHER OUR COMPANY NOR THE BRLM ARE OBLIGED TO ASSIGN ANY REASON FOR ANY NON-ALLOCATION.

Confirmation of Allocation Note (CAN)

Based on receipt of the serially numbered Application Forms and Bid Amount, our Company, in consultation with the BRLM, in their sole and absolute discretion, shall decide the Successful Bidders to whom the serially numbered CAN shall be dispatched, pursuant to which the details of the Equity Shares Allocated to them, the Issue Price and the Bid Amount for the Equity Shares Allocated to them shall be notified to such Successful Bidders. Additionally, the CAN will include the probable Designated Date, being the date of credit of the Equity Shares to the Bidders' account, as applicable to the respective Bidder.

The Successful Bidders would also be sent a serially numbered Placement Document (which will include the names of the proposed Allottees along with the percentage of their post-Issue Shareholding in the Company) either in electronic form or by physical delivery.

The dispatch of the serially numbered CAN and the Placement Document (when dispatched), to the Eligible QIBs shall be deemed a valid, binding and irrevocable contract for the Eligible QIBs to subscribe to the Equity Shares Allocated to such Successful Bidders. Subsequently, our Board will approve the Allotment of the Equity Shares to the Allottees in consultation with the BRLM.

Successful Bidders are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.

By submitting the Application Form, an Eligible QIB would have deemed to have made the representations and warranties as specified in "***Notice to Investors***" on page 1 and further that such Eligible QIB shall not undertake any trade on the Equity Shares credited to its Depository Participant account pursuant to the Issue until such time as the final listing and trading approval is issued by Stock Exchange.

Designated Date and Allotment of Equity Shares

1. Subject to the satisfaction of the terms and conditions of the Placement Agreement, our Company will ensure that the Allotment of the Equity Shares is completed by the Designated Date provided in the respective CANs.

2. In accordance with the SEBI ICDR Regulations, the Equity Shares will be offered, and Allotment shall be made only in the dematerialized form to the Allottees. The Allottees will have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act. However, no transfer in physical form is permitted as per Regulation 40 of the SEBI Listing Regulations.

3. Our Company, at its sole discretion, reserves the right to cancel the Issue at any time up to Allotment without assigning any reasons whatsoever.

4. Following the Allotment of the Equity Shares pursuant to the Issue, our Company shall submit the necessary documents with the Stock Exchanges in relation to the Issue and post that our Company shall credit the Equity Shares into the beneficiary accounts of the Eligible QIBs.

5. Following the credit of Equity Shares into the Successful Bidders' beneficiary accounts (a) the Successful Bidders will be eligible for trading on the Stock Exchange immediately upon such credit, and (b) the monies lying to the credit of the Escrow Account shall be released until the final listing and trading approvals of the Stock Exchange for the listing and trading of the Equity Shares issued pursuant to this Issue are received by our Company and the Company files the return of Allotment in connection with the Issue with the ROC.

6. After finalization of the Issue Price, our Company shall update this Preliminary Placement Document with the Issue details and file it with the Stock Exchange as the Placement Document, including the details of names of the proposed Allottees and the percentage of their post-Issue shareholding in our Company. Pursuant to a circular dated March 5, 2010 issued by the SEBI, the Stock Exchanges are required to make available on their websites the details of those Allottees in Issue who have been allotted more than 5% of the Equity Shares offered in the Issue, namely, names of the Allottees, and number of Equity Shares Allotted to each of them, pre and post Issue shareholding pattern of our Company along with the Placement Document.

7. In the event that we are unable to issue and Allot the Equity Shares offered in the Issue or if the Issue is cancelled within the timelines prescribed under the applicable laws, our Company shall repay the application monies within the timelines prescribed under the applicable laws, failing which our Company shall repay that monies with interest at such rate and in such manner as prescribed under the Companies Act and SEBI ICDR Regulations. The application monies to be refunded by us shall be refunded to the same bank account from which application monies was remitted by the Bidders, as mentioned in the Application Form.

Refunds

In the event that the number of Equity Shares Allocated to a Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Bid Amount has been paid by such Bidder, or Equity Shares are not Allocated to a Bidder for any reasons, or the Application Amount paid by a Bidder is in excess of the amount equivalent to the product of the Equity Shares that have been Allocated to such Bidder and the Issue Price, or a Bidder lowers or withdraws the Bid prior to the Issue Closing Date, any excess Bid Amount paid by such Bidder will be refunded to the same bank account from which Bid Amount was remitted (as set out in the Application in the form and manner set out in the Refund Intimation Letter. The Refund Amount will be transferred to the relevant Bidders within two Working Days from the issuance of the CAN.

In the event that Equity Shares have been Allocated to Successful Bidders and our Company is unable to issue and Allot the Equity Shares offered in the Issue or on cancellation of the Issue within the timelines prescribed under the applicable laws, our Company shall repay the Bid Amount as per the timelines prescribed under the applicable laws, failing which our Company shall repay that money with interest at such rate and in such manner as prescribed under the Companies Act and SEBI ICDR Regulations.

Release of Funds to our Company

The monies lying to the credit of the Escrow Account shall not be released until the final listing and trading approvals of the Stock Exchanges for the listing and trading of the Equity Shares issued pursuant to the Issue are received by our Company and the Company files the return of Allotment in connection with the Issue with the ROC. In the event of any delay in the Allotment or credit of Equity Shares, or receipt of trading or listing approvals or cancellation of the Issue, no interest or penalty would be payable by us.

Other Instructions

Submission of Documents

A physical copy of the Application Form and relevant documents as required to be provided along with the Application Form shall be submitted as soon as practicable.

Permanent Account Number or PAN

Each Bidder should mention its PAN allotted under the Income Tax Act, 1961 ("**IT Act**"). A copy of PAN card is required to be submitted with the Application Form. However, this requirement may not apply to certain Bidders who are exempted from the requirement of obtaining a PAN under the IT Act. Further, the Application Forms without this information will be considered incomplete and are liable to be rejected. It is to be specifically noted that applicants should not submit the GIR number instead of the PAN as the Application Form is liable to be rejected on this ground.

Bank account details

Each Bidder shall mention the details of the bank account from which the payment of Bid Amount has been made along with confirmation that such payment has been made from such account.

Right to Reject Applications

Our Company, in consultation with the BRLM, may reject Bids, in part or in full, without assigning any reason whatsoever. The decision of our Company in consultation with the BRLM in relation to the rejection of Bids shall be final and binding. In the event the Bid is rejected by our Company, the Bid Amount paid by the Bidder shall be refunded to the same bank account from which the Bid Amount was remitted by such Bidder, as set out in the Application Form. For details see "***Issue Procedure – Refund***" on page 91. Our Company, at its sole discretion, reserves the right to cancel the Issue at any time up to Allotment without assigning any reason whatsoever.

Equity Shares in dematerialised form with the Depositories

The Allotment of the Equity Shares in this Issue shall be only in dematerialised form (i.e., not in physical certificates but be fungible and be represented by the statement issued through the electronic mode). Allottees will have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act, the Depositories Act and other applicable laws. However, no transfer in physical form is permitted as per Regulation 40 of the SEBI Listing Regulations.

The Bidders applying for Equity Shares to be issued pursuant to the Issue must have at least one beneficiary account with a Depository Participant of either of the Depositories prior to making the Bid. Equity Shares Allotted to a Successful Bidder will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Successful Bidder, as indicated in the Application Form.

Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with the Depositories. The Stock Exchanges have electronic connectivity with the Depositories. The trading of the Equity Shares would be in dematerialised form only for all Allottees in the respective demat segment of the Stock Exchanges. Our Company and the BRLM will not be responsible or liable for the delay in the credit of the Equity Shares to be issued pursuant to the Issue due to errors in the Application Form or otherwise on part of the Bidder.

PLACEMENT

No assurance can be given as to the liquidity or sustainability of the trading market for the Equity Shares, the ability of holders of the Equity Shares to sell their Equity Shares or the price at which holders of the Equity Shares will be able to sell their Equity Shares

Placement Agreement

The BRLM has entered into the Placement Agreement dated [●] with our Company, pursuant to which the BRLM has agreed, subject to certain conditions, to manage the Issue and to act as placement agents in connection with the proposed Issue and procure subscription for Equity Shares to be placed with the Eligible QIBs, pursuant to Chapter VI of the SEBI ICDR Regulations, Section 42 of the Companies Act, 2013 read with Rule 14 of the PAS Rules, to the extent applicable, as amended and other applicable provisions of the Companies Act and the rules made thereunder. The Placement Agreement contains customary representations, warranties and indemnities from our Company, and it is subject to satisfaction of certain conditions and subject to termination in accordance with the terms contained therein.

This Preliminary Placement Document and the Placement Document has not been, and will not be, registered as a prospectus with the RoC and, no Equity Shares offered pursuant to the Issue, will be offered in India or overseas to the public or any members of the public or any other class of prospective investors, other than Eligible QIBs.

No assurance can be given as to the liquidity or sustainability of the trading market for such Equity Shares, the ability of holders of the Equity Shares to sell their Equity Shares or the price at which holders of the Equity Shares will be able to sell their Equity Shares.

The Equity Shares offered hereby have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares offered in this Issue are being offered and sold outside the United States in "offshore transactions" as defined in, and in reliance on Regulation S and the applicable laws of the jurisdiction where those offers, and sales are made. For further information, see "***Selling Restrictions***" and "***Transfer Restrictions and Purchase Representations***" on pages 106 and 111, respectively.

Applications shall be made to list the Equity Shares issued pursuant to the Issue and admit them to trading on the Stock Exchange.

In connection with the Issue, the BRLM (or its affiliates) may, for its own account, subscribe to the Equity Shares or enter into asset swaps, credit derivatives or other derivative transactions relating to the Equity Shares to be offered pursuant to the Issue at the same time as the offer and sale of the Equity Shares, or in secondary market transactions. As a result of such transactions, the BRLM may hold long or short positions in such Equity Shares. These transactions may comprise a substantial portion of the Issue and no specific disclosure will be made of such positions. The Affiliates of the BRLM may purchase Equity Shares and be Allotted Equity Shares for proprietary purposes and not with a view to distribute or in connection with the issuance of P-Notes. For further details, see "***Offshore Derivative Instruments***" on page 8.

From time to time, the BRLM, and its affiliates may be engaged in or may in the future engage in transactions with and perform services, including but not limited to investment banking, advisory, banking, trading services for our Company, its group companies, affiliates and the shareholders of our Company, as well as to their respective affiliates, pursuant to which fees and commissions have been paid or will be paid to the BRLM and its affiliates.

Lock-up

Our Company undertakes that it will not for a period of 90 days from the date of Allotment under the Issue, without the prior written consent of the Placement Agent, directly or indirectly, (a) lend, sell, offer, issue, contract to issue, issue or offer any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, any Equity Shares or any securities convertible into or exercisable for Equity Shares (including, without limitation, securities convertible into or exercisable or exchangeable for Equity Shares which may be deemed to be beneficially owned), or file any registration statement under the U.S. Securities Act, with respect to any of the foregoing; or (b) enter into any swap or other agreement or any transaction that transfers, in whole or in part, directly or indirectly, any of the economic consequences associated with the ownership of any of the Equity Shares or any securities convertible into or exercisable or exchangeable for Equity Shares (regardless of whether any of the transactions described in clause (a) or (b) is to be settled by the delivery of Equity Shares or such other securities, in cash or otherwise), or (c) deposit Equity Shares with any other depositary in connection with a depositary receipt facility, (d) enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of an issue, offer, sale or deposit of the Equity Shares in any depository receipt facility, or (e) publicly announce any intention to enter into any transaction falling within (a) to (d) above or enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of an issue or offer or

deposit of Equity Shares in any depositary receipt facility or publicly announce any intention to enter into any transaction falling within (a) to (d) above. Provided that, the foregoing restriction shall not apply to an issuance of Equity Shares or options pursuant to any employee stock option scheme formulated by our Company;

Our Company acknowledges that our Promoter, has undertaken on behalf of themselves and the members of the Promoter Group that it will not from the date of Preliminary Placement Document and ending on 90 days from the date of Allotment under the Issue, without the prior written consent of the Placement Agent, directly or indirectly: (a) sell, lend, contract to sell any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any Equity Shares, or any securities convertible into or exercisable or exchangeable for Equity Shares or publicly announce an intention with respect to any of the foregoing; (b) enter into any swap or other agreement that transfers, directly or indirectly, in whole or in part, any of the economic consequences of ownership of Equity Shares or any securities convertible into or exercisable or exchangeable for Equity Shares; (c) sell, lend, contract to sell any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any shares or interest in an entity which holds any Equity Shares; or (d) publicly announce any intention to enter into any transaction whether any such transaction described in (a), (b) or (c) above is to be settled by delivery of Equity Shares, or such other securities, in cash or otherwise, or enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of an issue or offer or deposit of Equity Shares in any depositary receipt facility or publicly announce any intention to enter into any transaction falling within (a) to (c) above.

SELLING RESTRICTIONS

The distribution of this Preliminary Placement Document or any offering material and the offering, sale or delivery of Equity Shares in this Issue is restricted by law in certain jurisdictions. Therefore, persons who may come into possession of this Preliminary Placement Document or any offering material are advised to consult with their own legal advisors as to what restrictions may be applicable to them and to observe such restriction. This Preliminary Placement Document may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorised.

General

No action has been taken or will be taken that would permit a public offering of the Equity Shares to occur in any jurisdiction other than India, or the possession, circulation or distribution of this Preliminary Placement Document or any other material relating to our Company or the Equity Shares in any jurisdiction where action for such purpose is required. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither this Preliminary Placement Document nor any offering materials or advertisements in connection with the Equity Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. The Issue will be made in compliance with the applicable SEBI ICDR Regulations, Section 42 of the Companies Act read with Rule 14 of the PAS Rules and other applicable provisions of the Companies Act and the rules made thereunder. Each purchaser of the Equity Shares in the Issue will be deemed to have made acknowledgments and agreements as described under "***Transfer Restrictions And Purchaser Representations***" on page 111.

Republic of India

The Issue will be made in compliance with the SEBI ICDR Regulations, Section 42 of the Companies Act, 2013 read with Rule 14 of the PAS Rules and other applicable provisions of the Companies Act and the rules made thereunder.

This Preliminary Placement Document may not be distributed directly or indirectly in India or to residents of India and any Equity Shares may not be offered or sold directly or indirectly in India to, or for the account or benefit of, any resident of India except as permitted by applicable Indian laws and regulations, under which an offer is strictly on a private and confidential basis and is limited to Eligible QIBs and is not an offer to the public or any other class of investors other than Eligible QIBs. This Preliminary Placement Document has not been and will not be filed as a prospectus with the RoC, or an advertisement and will not be circulated or distributed to the public in India or any other jurisdiction and will not constitute a public offer in India or any other jurisdiction.

Australia

This Preliminary Placement Document does not constitute a prospectus or other disclosure document under the Corporations Act 2001 (Cth) ("**Australian Corporations Act**") and does not purport to include the information required of a disclosure document under the Australian Corporations Act. This Preliminary Placement Document has not been lodged with the Australian Securities and Investments Commission ("**ASIC**") and no steps have been taken to lodge it as such with ASIC. Any offer in Australia of the Equity Shares under this Preliminary Placement Document may only be made to persons who are "sophisticated investors" (within the meaning of section 708(8) of the Australian Corporations Act), to "professional investors" (within the meaning of section 708(11) of the Australian Corporations Act) or otherwise pursuant to one or more exemptions under section 708 of the Australian Corporations Act so that it is lawful to offer the Equity Shares in Australia without disclosure to investors under Part 6D.2 of the Australian Corporations Act.

Any offer of the Equity Shares for on-sale that is received in Australia within 12 months after their issue by our Company, or within 12 months after their sale by a selling security holder (or a Book Running Lead Manager) under the Issue, as applicable, is likely to need prospectus disclosure to investors under Part 6D.2 of the Australian Corporations Act, unless such offer for on-sale in Australia is conducted in reliance on a prospectus disclosure exemption under section 708 of the Australian Corporations Act or otherwise. Any persons acquiring the Equity Shares should observe such Australian on-sale restrictions.

Bahrain

All applications for investment should be received, and any allotments should be made, in each case from outside Bahrain. This Preliminary Placement Document has been prepared for private information purposes of intended investors only who will be high net worth individuals and institutions. Our Company has not made and will not make any invitation to the public in the Kingdom of Bahrain and this Preliminary Placement Document will not be issued, passed to, or made available to the public generally. The Bahrain Monetary Agency ("**BMA**") has not reviewed, nor has it approved, the Preliminary Placement Document or the marketing of Equity Shares in the Kingdom of Bahrain. Accordingly, Equity Shares may not be offered or sold in Bahrain or to residents thereof except as permitted by Bahrain law.

British Virgin Islands

The Equity Shares are not being, and may not be offered to the public or to any person in the British Virgin Islands for purchase or subscription by or on our behalf. The Equity Shares may be offered to companies incorporated under the BVI Business Companies Act, 2004 (British Virgin Islands) (each a "**BVI Company**"), but only where the offer will be made to, and received by, the relevant BVI Company entirely outside of the British Virgin Islands.

This Preliminary Placement Document has not been, and will not be, registered with the Financial Services Commission of the British Virgin Islands. No registered document has been or will be prepared in respect of the Equity Shares for the purposes of the Securities and Investment Business Act, 2010 or the Public Issuers Code of the British Virgin Islands.

Cayman Islands

This Preliminary Placement Document does not constitute a public offer of the Equity Shares, whether by way of sale or subscription, in the Cayman Islands. Each Book Running Lead Manager has represented and agreed that it has not offered or sold, and will not offer or sell, directly or indirectly, any Equity Shares to any member of the public in the Cayman Islands.

European Economic Area

In relation to each Member State of the European Economic Area (each a "**Relevant State**"), no Equity Shares have been offered or will be offered pursuant to the Issue to the public in that Relevant State prior to the publication of a prospectus in relation to the Equity Shares which has been approved by the competent authority in that Relevant State or, where appropriate, approved in another Relevant State and notified to the competent authority in that Relevant State, all in accordance with the Prospectus Regulation, except that it may make an offer to the public in that Relevant State of any Equity Shares at any time:

a) to any legal entity which is a qualified investor as defined under Article 2 of the Prospectus Regulation;
b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the Prospectus Regulation), subject to obtaining the prior consent of the placement agent for any such offer; or
c) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

Provided that no such offer of the Equity Shares shall require the Company or placement agent to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation. For the purposes of this provision, the expression an "offer to the public" in relation to the Equity Shares in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and any Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Equity Shares, and the expression "Prospectus Regulation" means Regulation (EU) 2017/1129.

Hong Kong

The Equity Shares have not been offered or sold and will not be offered or sold in Hong Kong, by means of any document other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "**SFO**") and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "**CWUMPO**") or which do not constitute an offer to the public within the meaning of the CWUMPO.

No advertisement, invitation or document relating to the Equity Shares has been or will be issued for the purposes of the issue, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong), other than with respect to Equity Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

Japan

The Equity Shares have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Law. No. 25 of 1948 as amended) (the "**FIEA**") and disclosure under the FIEA has not been and will not be made with respect to the Equity Shares. No Equity Shares have, directly or indirectly, been offered or sold, and may not, directly or indirectly, be offered or sold in Japan or to, or for the benefit of, any resident of Japan as defined in the first sentence of Article 6, Paragraph 1, Item 5 of the Foreign Exchange and Foreign Trade Law of Japan ("**Japanese Resident**") or to others for re-offering or re-sale, directly or indirectly in Japan or to, or for the benefit of, any Japanese Resident except (i) pursuant to an exemption from the registration requirements of the FIEA and (ii) in compliance with any other relevant laws, regulations and governmental guidelines of Japan.

If an offeree is not a "qualified institutional investor" (*tekikaku kikan toshika*), as defined in Article 10, Paragraph 1 of the Cabinet Office Ordinance Concerning Definition Provided in Article 2 of the Financial Instruments and Exchange Act (the "**Qualified Institutional Investor**"), the Equity Shares will be offered in Japan by a private placement to small number of investors (*shoninzu muke kanyu*), as provided under Article 23- 13, Paragraph 4 of the FIEA, and accordingly, the filing of a securities registration statement for a public offering pursuant to Article 4, Paragraph 1 of the FIEA will not be made.

If an offeree is a Qualified Institutional Investor, the Equity Shares will be offered in Japan by a private placement to the Qualified Institutional Investors (*tekikaku kikan toshikamuke kanyu*), as provided under Article 23-13, Paragraph 1 of the FIEA, and accordingly, the filing of a securities registration statement for a public offering pursuant to Article 4, Paragraph 1 of the FIEA will not be made. To subscribe to the Equity Shares (the "**QII Equity Shares**") such offeree will be required to agree that it will be prohibited from selling, assigning, pledging or otherwise transferring the QII Equity Shares other than to another Qualified Institutional Investor.

Kuwait

The Equity Shares have not been authorised or licensed for offering, marketing or sale in the State of Kuwait. The distribution of the Preliminary Placement Document and the offering and sale of the Equity Shares in the State of Kuwait is restricted by law unless a license is obtained from the Kuwaiti Ministry of Commerce and Industry in accordance with Law 31 of 1990.

Malaysia

No prospectus or other offering material or document in connection with the offer and sale of the Equity Shares has been or will be registered with the Securities Commission of Malaysia ("**Commission**") for the Commission's approval pursuant to the Capital Markets and Services Act 2007. Accordingly, this Preliminary Placement Document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Equity Shares may not be circulated or distributed, nor may the Equity Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Malaysia other than (i) a closed end fund approved by the Commission; (ii) a holder of a Capital Markets Services Licence; (iii) a person who acquires the Equity Shares, as principal, if the offer is on terms that the Equity Shares may only be acquired at a consideration of not less than RM250,000 (or its equivalent in foreign currencies) for each transaction; (iv) an individual whose total net personal assets or total net joint assets with his or her spouse exceeds RM3 million (or its equivalent in foreign currencies), excluding the value of the primary residence of the individual; (v) an individual who has a gross annual income exceeding RM300,000 (or its equivalent in foreign currencies) per annum in the preceding twelve months; (vi) an individual who, jointly with his or her spouse, has a gross annual income of RM400,000 (or its equivalent in foreign currencies), per annum in the preceding twelve months; (vii) a corporation with total net assets exceeding RM10 million (or its equivalent in a foreign currencies) based on the last audited accounts; (viii) a partnership with total net assets exceeding RM10 million (or its equivalent in foreign currencies); (ix) a bank licensee or insurance licensee as defined in the Labuan Financial Services and Securities Act 2010; (x) an Islamic bank licensee or takaful licensee as defined in the Labuan Financial Services and Securities Act 2010; and (xi) any other person as may be specified by the Commission; provided that, in the each of the preceding categories (i) to (xi), the distribution of the Equity Shares is made by a holder of a Capital Markets Services Licence who carries on the business of dealing in securities. The distribution in Malaysia of this Preliminary Placement Document is subject to Malaysian laws. This Preliminary Placement Document does not constitute and may not be used for the purpose of public offering or an issue, offer for subscription or purchase, invitation to subscribe for or purchase any securities requiring the registration of a prospectus with the Commission under the Capital Markets and Services Act 2007.

Mauritius

The Equity Shares may not be offered or sold, directly or indirectly, to the public in Mauritius. Neither this Preliminary Placement Document nor any offering material or information contained herein relating to the offer of Equity Shares may be released or issued to the public in Mauritius or used in connection with any such offer. This Preliminary Placement Document does not constitute an offer to sell Equity Shares to the public in Mauritius and is not a prospectus as defined under the Companies Act 2001.

Sultanate of Oman

This Preliminary Placement Document and the Equity Shares to which it relates may not be advertised, marketed, distributed or otherwise made available to any person in Oman without the prior consent of the Capital Market Authority ("**CMA**") and then only in accordance with any terms and conditions of such consent. In connection with the offering of Equity Shares, no prospectus has been filed with the CMA. The offering and sale of Equity Shares described in the Preliminary Placement Document will not take place inside Oman. The Preliminary Placement Document is strictly private and confidential and is being issued to a limited number of sophisticated investors, and may neither be reproduced, used for any other purpose, nor provided to any other person than the intended recipient hereof.

Qatar (excluding the Qatar Financial Centre)

The Equity Shares have not been offered, sold or delivered, and will not be offered, sold or delivered at any time, directly or indirectly, in the State of Qatar in a manner that would constitute a public offering. This Preliminary Placement Document has not been reviewed or registered with Qatari Government Authorities, whether under Law No. 25 (2002) concerning investment funds, Central Bank resolution No. 15 (1997), as amended, or any associated regulations. Therefore, this Preliminary Placement Document is strictly private and confidential, and is being issued to a limited number of sophisticated investors and may not be reproduced or used for any other purposes, nor provided to any person other than the recipient thereof.

The Capital Market Authority does not make any representation as to the accuracy or completeness of this Preliminary Placement Document, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon,

any part of this Preliminary Placement Document. Prospective purchasers of the Equity Shares offered hereby should conduct their own due diligence on the accuracy of the information relating to the Equity Shares. If you do not understand the contents of this Preliminary Placement Document, you should consult an authorized financial adviser.

Qatar Financial Centre
This Preliminary Placement Document does not, and is not intended to, constitute an invitation or offer of securities from or within the Qatar Financial Center ("**QFC**"), and accordingly should not be construed as such. This Preliminary Placement Document has not been reviewed or approved by or registered with the Qatar Financial Centre Authority, the Qatar Financial Centre Regulatory Authority or any other competent legal body in the QFC. This Preliminary Placement Document is strictly private and confidential and may not be reproduced or used for any other purpose, nor provided to any person other than the recipient thereof. Our Company has not been approved or licensed by or registered with any licensing authorities within the QFC.

Singapore
This Preliminary Placement Document has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Preliminary Placement Document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of any Equity Shares, may not be circulated or distributed, whether directly or indirectly, to persons in Singapore other than (a) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001, of Singapore as modified and amended from time to time (the "**SFA**")) or (b) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA.

Switzerland
The Equity Shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange ("**SIX**") or on any other stock exchange or regulated trading facility in Switzerland. This Preliminary Placement Document does not constitute a prospectus within the meaning of, and has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the Equity Shares or the offering may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this Preliminary Placement Document nor any other offering or marketing material relating to the offering, our Company or the Equity Shares have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of Equity Shares will not be supervised by, the Swiss Financial Market Supervisory Authority and the offer of Equity Shares has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes ("**CISA**"). The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of Equity Shares.

United Arab Emirates (excluding the Dubai International Financial Centre)
This document does not constitute or contain an offer of securities to the general public in the UAE. No offering, marketing, promotion, advertising or distribution (together, "**Promotion**") of this document or the Equity Shares may be made to the general public in the United Arab Emirates (the "**UAE**") unless: (a) such Promotion has been approved by the UAE Securities and Commodities Authority (the "**SCA**") and is made in accordance with the laws and regulations of the UAE, including SCABoard of Directors' Chairman Decision no. (3/R.M.) of 2017 (the "**Promotion and Introduction Regulations**"), and is madeby an entity duly licensed to conduct such Promotion activities in the UAE; or (b) such Promotion is conducted by way of private placement made: (i) only to "Qualified Investors" (excluding "**High Net Worth Individuals**") (as such terms are defined in the Promotion and Introduction Regulations); or (ii) otherwise in accordance with the laws and regulations of the UAE; or (c) such Promotion is carried out by way of reverse solicitation only upon an initiative made in writing by an investor in the UAE. None of the SCA, the UAE Central Bank, the UAE Ministry of Economy or any other regulatory authority in the UAE has reviewed or approved the contents of this document nor does any such entity accept any liability for the contents of this document.

Dubai International Financial Centre
This Preliminary Placement Document relates to an Exempt Offer in accordance with the Markets Rules 2012 of the Dubai Financial Services Authority ("**DFSA**"). This Preliminary Placement Document is intended for distribution only to persons of a type specified in the Markets Rules 2012 of the DFSA. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this prospectus supplement nor taken steps to verify the information set forth herein and has no responsibility for this Preliminary Placement Document. The securities to which this Preliminary Placement Document relates may be illiquid and/ or subject to restrictions on their resale. Prospective purchasers of the securities offered should conduct their own due diligence on the securities. If you do not understand the contents of this Preliminary Placement Document you should consult an authorized financial advisor. In relation to its use in the DIFC, this Preliminary Placement Document is strictly private and confidential and is being distributed to a limited number of investors and must not be provided to any person other than the original recipient, and may not be reproduced or used for any other purpose. The interests in the securities may not be offered or sold directly or indirectly to the public in the DIFC.

United Kingdom

No Equity Shares have been offered or will be offered pursuant to the Issue to the public in the United Kingdom prior to the publication of a prospectus in relation to the Equity Shares, except that the Equity Shares may be offered to the public in the United Kingdom at any time:

a) to any legal entity which is a qualified investor as defined under Article 2 of the UK Prospectus Regulation;
b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation), subject to obtaining the prior consent of the BRLMs for any such offer; or
c) in any other circumstances falling within Section 86 of the FSMA provided that no such offer of the Equity Shares shall require the Issuer or any placement agent to publish a prospectus pursuant to Section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision, the expression an "offer to the public" in relation to the Equity Shares in the United Kingdommeans the communication in any form and by any means of sufficient information on the terms of the offer and any Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Equity Shares and the expression "UK Prospectus Regulation" means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

Other Jurisdictions

The distribution of this Preliminary Placement Document and the offer and sale of the Equity Shares may be restricted by law in certain jurisdictions. Persons into whose possession this Preliminary Placement Document comes are required to inform themselves about, and to observe, any such restrictions to the extent applicable.

TRANSFER RESTRICTIONS AND PURCHASER REPRESENTATIONS

Due to the following restrictions, investors are advised to consult legal counsel prior to purchasing Equity Shares or making any resale, pledge or transfer of Equity Shares.

Purchasers are not permitted to sell the Equity Shares Allotted pursuant to the Issue, for a period of one year from the date of Allotment, except on the Stock Exchange. Allotments made to Eligible QIBs in the Issue (including to FPIs) are subject to the rules and regulations that are applicable to them, including in relation to lock-in requirements. Additional transfer restrictions applicable to the Equity Shares are listed below.

U.S. TRANSFER RESTRICTIONS

The Equity Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws.

Each purchaser of the Equity Shares in the United States is deemed to have represented, agreed and acknowledged as follows:

- It (A) is a "qualified institutional buyer" (as defined in Rule 144A) and (B) is aware that the sale of the Equity Shares to it is being made in reliance on an exemption under the Securities Act.

- It is acquiring the Equity Shares for its own account or for the account of one or more eligible U.S. investors (i.e., "qualified institutional buyers", as defined above), each of which is acquiring beneficial interests in the Equity Shares for its own account.

- It understands that the Equity Shares are being offered in a transaction not involving any public offering in the United States within the meaning of the Securities Act, that the Equity Shares have not been and will not be registered under the Securities Act and that if in the future it decides to offer, resell, pledge or otherwise transfer any of the Equity Shares, such Equity Shares may be offered, resold, pledged or otherwise transferred in compliance with the Securities Act and other applicable securities laws only outside the United States in a transaction complying with the provisions of Rule 903 or Rule 904 of Regulation S or in a transaction otherwise exempt from the registration requirements of the Securities Act.

- It will notify any transferee to whom it subsequently offers, sells, pledges or otherwise transfers and the executing broker and any other agent involved in any resale of the Equity Shares of the foregoing restrictions applicable to the Equity Shares and instruct such transferee, broker or agent to abide by such restrictions.

- It acknowledges that if at any time its representations cease to be true, it agrees to resell the Equity Shares at the Bank's request.

- It is a sophisticated investor and has such knowledge and experience in financial, business and investments as to be capable of evaluating the merits and risks of the investment in the Equity Shares. It is experienced in investing in private placement transactions of securities of companies in a similar stage of development and in similar jurisdictions. It and any accounts for which it is subscribing to the Equity Shares (i) are each able to bear the economic risk of the investment in the Equity Shares, (ii) will not look to the Bank or any of the Managers for all or part of any such loss or losses that may be suffered, (iii) are able to sustain a complete loss on the investment in the Equity Shares, (iv) have no need for liquidity with respect to the investment in the Equity Shares, and (v) have no reason to anticipate any change in its or their circumstances, financial or otherwise, which may cause or require any sale or distribution by it or them of all or any part of the Equity Shares. It acknowledges that an investment in the Equity Shares involves a high degree of risk and that the Equity Shares are, therefore, a speculative investment. It is seeking to subscribe to the Equity Shares in this Issue for its own investment and not with a view to distribution.

- It has been provided access to the Preliminary Placement Document and the Placement Document which it has read in its entirety.

- It agrees to indemnify and hold the Bank and each of the Managers harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of these representations and warranties. It will not hold any of the Bank or the Managers liable with respect to its investment in the Equity Shares. It agrees that the indemnity set forth in this paragraph shall survive the resale of the Equity Shares.

- Where it is subscribing to the Equity Shares for one or more managed accounts, it represents and warrants that it is authorised in writing, by each such managed account to subscribe to the Equity Shares for each managed account and to make (and it hereby makes) the acknowledgements and agreements herein for and on behalf of each such account,

reading the reference to "it" to include such accounts.

- It acknowledges that the Bank and the Managers and their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations or agreements is no longer accurate, it will promptly notify the Bank and the Managers.

Each purchaser of the Equity Shares outside the United States is deemed to have represented, agreed and Acknowledged as follows:

- It is authorised to consummate the purchase of the Equity Shares in compliance with all applicable laws and regulations.

- It acknowledges (or if it is a broker-dealer acting on behalf of a customer, its customer has confirmed to it that such customer acknowledges) that the Equity Shares are being issued in reliance upon Regulation S and such Equity Shares have not been and will not be registered under the U.S. Securities Act.

  It certifies that either (A) it is, or at the time the Equity Shares are purchased will be, the beneficial owner of the Equity Shares, is located outside the United States (within the meaning of Regulation S), and it has not purchased the Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of the Equity Shares or an economic interest therein to any person in the United States, or (B) it is a broker-dealer acting on behalf of its customer and its customer has confirmed to it that (i) such customer is, or at the time the Equity Shares are purchased will be, the beneficial owner of the Equity Shares, and (ii) such customer is located outside the United States (within the meaning of Regulation S), and such customer has not purchased the Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of the Equity Shares or an economic interest therein to any person in the United States.

- It is aware of the restrictions of the offer, sale and resale of the Equity Shares pursuant to Regulation S

- It agrees (or it is a broker-deal acting on behalf of a customer that has confirmed to it that such customer agrees) that neither it, nor any of its affiliates, nor any person acting on its behalf, will make any "directed selling efforts" as defined in Regulation S. It acknowledges and agrees that it is not purchasing any Equity Shares as a result of any "directed selling efforts" as defined in Regulation S.

- It agrees (or it is a broker-deal acting on behalf of a customer that has confirmed to it that such customer agrees) that the Equity Shares are being offered in a transaction not involving any public offering in the United States within the meaning of the U.S. Securities Act, that the Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be reoffered, resold, pledged or otherwise transferred except in an "offshore transaction" in compliance with Rule 903 or Rule 904 of Regulation S, as applicable and in each case, in accordance with all applicable securities laws of the states of the United States and any other jurisdiction.

- It is a sophisticated investor and has such knowledge and experience in financial, business and investments as to be capable of evaluating the merits and risks of the investment in the Equity Shares. It is experienced in investing in private placement transactions of securities of companies in a similar stage of development and in similar jurisdictions.It and any accounts for which it is subscribing to the Equity Shares (i) are each able to bear the economic risk of the investment in the Equity Shares, (ii) will not look to the Company or the BRLM for all or part of any such loss or losses that may be suffered, (iii) are able to sustain a complete loss on the investment in the Equity Shares, (iv) is seeking to subscribe to the Equity Shares in this Issue for investment purposes and not with a view to resell or distribute them and it has no reason to anticipate any change in its circumstances, financial or otherwise, which may cause or require any sale or distribution by it of all or any part of the Equity Shares, (v) have no need for liquidity with respect to the investment in the Equity Shares, and (vi) have no reason to anticipate any change in its or their circumstances, financial or otherwise, which may cause or require any sale or distribution by it or them of all or any part of the Equity Shares. It acknowledges that an investment in the Equity Shares involves a high degree of risk and that the Equity Shares are, therefore, a speculative investment.

- It has been provided access to this Preliminary Placement Document and will be provided access to the Placement Document which it has read in its entirety.

- It agrees to indemnify and hold the Company and the BRLM harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of these representations and warranties. It will not hold any of the Company or the BRLM liable with respect to its investment in the Equity Shares. It agrees that the indemnity set forth in this paragraph shall survive the resale of the Equity Shares.

- Where it is subscribing to the Equity Shares for one or more managed accounts, it represents and warrants that it is authorised in writing, by each such managed account to subscribe to the Equity Shares for each managed account and to make (and it hereby makes) the acknowledgements and agreements herein for and on behalf of each such account, reading the reference to "it" to include such accounts.

- It agrees that any resale or other transfer, or attempted resale or other transfer, of the Equity Shares made other than in compliance with the above-stated restrictions shall not be recognised by the Company.

It acknowledges that the Company and the BRLM and their affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations or agreements is no longer accurate, it will promptly notify the Company and the BRLM. It agrees that the terms and provisions of the foregoing acknowledgements, representations and agreements shall inure to the benefit of and any document incorporating such acknowledgements, representations and agreements shall be enforceable by the Company, its successors and its permitted assigns, and the terms and provisions hereof shall be binding on its permitted successors in title, permitted assigns and permitted transferees. It understands that these acknowledgments, representations and undertakings are required in connection with United States securities laws and irrevocably authorizes the Company to produce these acknowledgments, representations and undertakings (or any document incorporating them) to any interested party in any administrative or legal proceedings or official enquiry with respect to the matters covered herein.

THE SECURITIES MARKET OF INDIA

The information in this section has been extracted from documents available on the respective websites of SEBI and the Stock Exchanges and has not been prepared or independently verified by our Company or the BRLM or any of its respective affiliates or advisors.

The Indian Securities Market

India has a long history of organized securities trading. In 1875, the first stock exchange was established in Mumbai. BSE and NSE are the significant stock exchanges in India in terms of the number of listed companies, market capitalisation and trading activity.

Indian Stock Exchanges

Indian stock exchanges are regulated primarily by SEBI, as well as by the Government acting through the Ministry of Finance, Capital Markets Division, under the SCRA and the SCRR. On October 9, 2018, SEBI, in exercise of its powers under the SCRA and the SEBI Act, notified the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 (the "**SCR (SECC) Regulations**"), which regulate *inter alia* the recognition, ownership and governance of stock exchanges and clearing corporations in India together with providing for minimum net-worth requirements for stock exchanges. The SCRA, the SCRR and the SCR (SECC) Regulations along with various rules, bye-laws and regulations of the respective stock exchanges, regulate the recognition of stock exchanges, the qualifications for membership thereof and the manner, in which contracts are entered into, settled and enforced between members of the stock exchanges.

The SEBI Act empowers SEBI to regulate the Indian securities markets, including stock exchanges and intermediaries in the capital markets, promote and monitor self-regulatory organisations and prohibit fraudulent and unfair trade practices. Regulations and guidelines concerning minimum disclosure requirements by listed companies, rules and regulations concerning investor protection, insider trading, substantial acquisitions of shares and takeover of companies, buy-backs of securities, employee stock option schemes, stockbrokers, merchant bankers, underwriters, mutual funds, foreign portfolio investors, credit rating agencies and other capital market participants have been notified by the relevant regulatory authority.

BSE

Established in 1875, it is the oldest stock exchange in India. In 1956, it became the first stock exchange in India to obtain permanent recognition from the Government under the SCRA. Pursuant to the BSE (Corporatization and Demutualization) Scheme 2005 of SEBI, with effect from August 19, 2005, BSE was incorporated as a company under the Companies Act, 1956. BSE was listed on NSE with effect from February 3, 2017.

NSE

NSE was established by financial institutions and banks to provide nationwide online, satellite-linked, screen-based trading facilities with market-makers and electronic clearing and settlement for securities including government securities, debentures, public sector bonds and units. NSE was recognised as a stock exchange under the SCRA in April 1993 and commenced operations in the wholesale debt market segment in June 1994. The capital market (equities) segment commenced operations in November 1994 and operations in the derivatives segment commenced in June 2000.

Listing and delisting of Securities

The listing of securities on a recognised Indian stock exchange is regulated by the applicable Indian laws including the Companies Act, 2013 the SCRA, the SCRR, the SEBI Act and various guidelines and regulations issued by SEBI including the SEBI ICDR Regulations and the SEBI Listing Regulations, as well as pursuant to the listing agreements entered into by our Company with the Stock Exchanges. The SCRA empowers the governing body of each recognised stock exchange to suspend trading of or withdraw admission to dealings in a listed security for breach of or non-compliance with any conditions or breach of company's obligations under the SEBI Listing Regulations or for any reason, subject to the issuer receiving prior written notice of the intent of the exchange and upon granting of a hearing in the matter. SEBI also has the power to amend the SEBI Listing Regulations and bye-laws of the stock exchanges in India, to overrule a stock exchange's governing body and withdraw recognition of a recognized stock exchange.

Delisting of equity shares from the stock exchanges, whether by way of a compulsory or a voluntary delisting, is governed by the provisions of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, as amended (the "**Delisting Regulations**"). Following a compulsory delisting of equity shares, a company, its whole-time directors, its promoters, person(s) responsible for ensuring compliance with the securities laws and the companies promoted by any of them cannot directly or indirectly access the securities market or seek listing of any equity shares for a period of 10 years from the date of such delisting. In addition, certain amendments to the SCRR have also been notified in relation to delisting.

Minimum Level of Public Shareholding

All listed companies (except exempted public sector undertakings) are required to maintain a minimum public shareholding of 25%. Where the public shareholding in a listed company falls below 25% at any time, such company shall bring the public shareholding to 25% within a maximum period of 12 months from the date of such the public shareholding having fallen below the 25% threshold. Consequently, a listed company may be delisted from the Stock Exchanges for not complying with the above-mentioned requirements. Our Company is in compliance with this minimum public shareholding requirement.

Disclosures under the Companies Act and securities regulations

Under the Companies Act, a public offering of securities in India must be made by means of a prospectus, which must contain information specified in the Companies Act, 2013, the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the SEBI ICDR Regulations. The prospectus must be filed with the relevant registrar of companies having jurisdiction over the place where a company's registered office is situated. A company's directors and promoters shall be subject to civil and criminal liability for misrepresentation in a prospectus. The Companies Act also sets forth procedures for the acceptance of subscriptions and payment of commission rates for the sale of securities. Pursuant to the provisions of the SEBI Act, SEBI has issued detailed guidelines concerning disclosures by public companies and to further investor protection. The SEBI ICDR Regulations permit companies to price their domestic issues of securities in consultation with the lead merchant banker or through the book building process.

Public limited companies are required under the Companies Act, and other applicable guidelines to prepare, file with the ROC and circulate to their shareholders audited annual accounts which comply with the Companies Act's disclosure requirements and regulations governing their manner of presentation and which include sections pertaining to corporate governance, related party transactions and the management's discussion and analysis as required under the SEBI Listing Regulations. In addition, a listed company is subject to continuing disclosure requirements pursuant to the terms of the SEBI Listing Regulations. Accordingly, companies are required to publish unaudited financial statements (subject to a limited review by the company's auditors) on a quarterly basis and are required to inform stock exchanges immediately regarding any unpublished price sensitive information.

Insider Trading Regulations

The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended (the "**Insider Trading Regulations**") have been notified by SEBI to amongst other things, prohibit and penalize insider trading in India and prohibit dealing in the securities of a listed company when in possession of unpublished price sensitive information ("**UPSI**").

The Insider Trading Regulations also impose certain restrictions on the communication of UPSI relating to a company or securities listed or proposed to be listed. In terms of the Insider Trading Regulations, (i) no insider shall communicate, provide or allow access to any UPSI relating to such companies and securities to any person including other insiders; and (ii) no person shall procure or cause the communication by any insider of UPSI relating to such companies and securities, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations. It also provides disclosure obligations for promoters, employees and directors, with regard to their shareholding in the company, and the changes therein. However, UPSI may be communicated, provided or allowed access to or procured, under certain circumstances specified in the Insider Trading Regulations.

The Insider Trading Regulations define the term "unpublished price sensitive information" to mean any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of its securities and ordinarily includes but not restricted to information relating to the following: (a) financial results; (b) dividends; (c) change in capital structure; (d) mergers, de-mergers, acquisitions, de-listings, disposals and expansion of business and such other transactions; and (e) changes in key managerial personnel. Further, in terms of the Insider Trading Regulations, "generally available information" is defined as information that is accessible to the public on a non-discriminatory basis. An "insider" means any person who is i) a connected person; or ii) in possession of or having access to unpublished price sensitive information. The term "connected person" means any person who is or has during the six months prior to the concerned act been associated with a company, directly or indirectly, in any capacity, including by reason of frequent communication with its officers or by being in any contractual, fiduciary or employment relationship or by being a director, officer or an employee of the company or holding any position, including a professional or business relationship between himself and the company, whether temporary or permanent, that allows such person, directly or indirectly, to have access to unpublished price sensitive information or is reasonably expected to allow such access.

The Insider Trading Regulations make it compulsory for listed companies and certain other entities (including fiduciaries and intermediaries) that are required to handle UPSI in the course of business operations to establish (i) an internal code of practices and procedures for fair disclosure of UPSI; (ii) an internal code to regulate, monitor and report trading by designated persons and immediate relatives of designated persons; and (iii) a policy for procedures to be adopted by a company in case of any leak of UPSI. There are also initial and continuing shareholding disclosure obligations under the Insider Trading Regulations.

Index-Based Market-Wide Circuit Breaker System

In order to restrict abnormal price volatility in any particular stock, SEBI has instructed stock exchanges to apply daily circuit breakers which do not allow transactions beyond a certain level of price volatility. The index-based market-wide circuit breaker system (equity and equity derivatives) applies at three stages of the index movement, at 10%, 15% and 20%. These circuit breakers, when triggered, bring about a coordinated trading halt in all equity and equity derivative markets nationwide. The market-wide circuit breakers are triggered by movement of either the SENSEX of BSE or the NIFTY 50 of NSE, whichever is breached earlier.

In addition to the market-wide index-based circuit breakers, there are currently in place individual scrip-wise price bands of 20% movements either up or down, for all scripts in the compulsory rolling settlement. However, no price bands are applicableon scripts on which derivative products are available or scripts included in indices on which derivative products are available.

The stock exchanges in India can also exercise the power to suspend trading during periods of market volatility. Margin requirements are imposed by stock exchanges that are required to be paid by the stockbrokers.

Settlement

The stock exchanges in India operate on a trading day plus two, or T+1 rolling settlement system. At the end of the T+1 period, obligations are settled with buyers of securities paying for and receiving securities, while sellers transfer and receive payment for securities. For example, trades executed on a Monday would typically be settled on a Tuesday.

Trading Hours

Trading on both BSE and NSE normally occurs from Monday through Friday between 9:15 a.m. IST and 3:30 p.m. IST (excluding the 15 minutes pre-open session from 9.00 a.m. IST to 9.15 a.m. IST that has been introduced). BSE and NSE are closed on public holidays.

Internet-Based Securities Trading and Security Trading using Wireless Technology Services

Internet trading takes place through order routing systems, which route client orders to exchange trading systems for execution. This permits clients throughout the country to trade using brokers' internet trading syste Stock brokers interested in providing this service are required to apply for permission to the relevant stock exchange and also have to comply with certain minimum conditions stipulated under applicable law. NSE became the first exchange to grant approval to its members for providing internet-based trading services. Internet trading is possible on both the "equities" as well as the "derivatives" segments of NSE.

Trading Procedure

In order to facilitate smooth transactions, BSE replaced its open outcry system with BSE online trading facility in 1995. This 100% automated screen-based trading in securities was put into practice nationwide. This has enhanced transparency in dealings and has assisted considerably in smoothening settlement cycles and improving efficiency in back-office work. In the year 2014, BSE introduced its new generation trading platform BOLT Plus. NSE has a fully automated trading system called NEAT+, which operates on strict time/price priority besides enabling efficient trade.

Depositories

The Depositories Act, 1996 provides a legal framework for the establishment of depositories to record ownership details and effect transfers in electronic book-entry form. Further, SEBI has framed the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 in relation to, among other things, the formation and registration of such depositories, the registration of participants as well as the rights and obligations of the depositories, participants, companies and beneficial owners.

Takeover Regulations

Disclosure and mandatory bid obligations for listed Indian companies under Indian law are governed by the specific regulations in relation to substantial acquisition of shares and takeover. After listing on the stock exchanges, the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (the "**Takeover Regulations**") will apply to our Company, which provide specific regulations in relation to substantial acquisition of shares and takeovers. Once the equity shares of a company are listed on a stock exchange in India, the provisions of the Takeover Regulations will apply to any acquisition of the company's shares/voting rights/control. The Takeover Regulations prescribes certain thresholds or trigger points in the shareholding that a person or entity (along with persons acting in concert with such person or entity) has in the listed Indian company, which give rise to certain obligations on the part of the acquirer. Acquisition of shares or voting rights up to a certain threshold prescribed under the Takeover Regulations mandate specific disclosure

requirements, while acquisitions (direct or indirect, along with persons acting in concert with such acquirer) crossing particular thresholds may result in the acquirer having to make an open offer for the shares of the target company.

Buy-back

A company may buy-back its shares subject to compliance with the requirements of Section 68 of the Companies Act, 2013, as amended and the SEBI (Buy-back of Securities) Regulations 2018, as amended. Under Section 68 of the Companies Act, 2013, as amended, a company may buy-back its shares out of its free reserves or securities premium account or the proceeds of the issue of any shares or other specified securities, other than proceeds of an earlier issue of the same kind of shares or same kind of other specified securities.

Derivatives (Futures and Options)

Trading in derivatives is governed by the SCRA, the SCRR and the SEBI Act. The SCRA was amended in February 2000 and derivatives contracts were included within the term "securities", as defined by the SCRA. Trading in derivatives in India takes place either on separate and independent derivatives exchanges or on a separate segment of an existing stock exchange. The derivatives exchange or derivatives segment of a stock exchange functions as a self-regulatory organisation under the supervision of the SEBI.

DESCRIPTION OF THE EQUITY SHARES

The following is the information relating to the Equity Shares including a brief summary of the Memorandum of Association and Articles of Association and the Companies Act. The prospective investors are urged to read the Memorandum of Association and Articles of Association carefully, and consult with their advisers, as the Memorandum of Association and Articles of Association and applicable Indian law, and not this summary, govern the rights attached to the Equity Shares.

Share Capital

The authorised share capital of the Company is ₹ 16, 00, 00,000 comprising of 1, 60, 00,000 Equity Shares (of face value of ₹10 each). As on the date of this Preliminary Placement Document, the issued, subscribed and paid-up capital of the Company is ₹ 15,28,40,000 comprising of 1,52,84,000 Equity Shares of face value of ₹10 each. The Equity Shares are listed on NSE.

Main objects of our Company

1. To carry on the business of cotton spinners and doublers, flax, hemp and jute spinners, worsted spinners, woollen spinners and to prepare, spin, dye and deal in cotton flax, hemp, jute, wool, cotton silk and other fibrous substances and to weave and otherwise manufacture, buy, sell, deal in linen cloth and other goods and fabrics whether textile fitted, netted or looped.
2. To deal in and work as ginners, ginning factories, balers and pressers of cotton, kapas, yarn, cotton waste, yarn waste, hemp, jute and other fibrous material.
3. To carry on the business of buyers, sellers, dealers, importers, exporters of cotton, yarn, cotton in process, raw cotton, jute, silk, rayon, hemp and other fibrous materials and to undertake dyeing, bleaching or printing of yarn cloth cotton in process, raw cotton, jute, silk, rayon, hemp and other fibrous materials.
4. To carry on in India or elsewhere the business to plant, grow, cultivate, produce, raise, process, store, grind, clean, mix, import, export, buy, sell, warehouse, and to act as agent, broker, stockist, indenter, consignor, merchant, adatia, farmer, or otherwise to deal in all types of seeds, grains, vegetables, foods, cereals, herbals, flowers, fruits, edibles, non-edibles, commercial, non-commercial crops and to act as orchardists, grazers, nursery men, seed breeders, farm house farmers, horticulturists, floriculturists, tissue culturists, timbre-growers, forest owns and for the purpose to purchase acquire, take on lease or license any Private or Government land and to do all incidental acts.
5. To carry on the business of builders, contractors, developers of all types of buildings and structures including houses, flats, apartments, affordable homes, Industrial parks, offices, godowns, warehouses, shops, factories, sheds, hospitals, hotels, holiday resorts shopping cum residential complex.

Dividends

Under Indian law, a company pays dividends upon a recommendation by its board of directors and approval by a majority of its shareholders at the annual general meeting of its shareholders. The shareholders have the right to decrease but not increase the dividend amount recommended by the board of directors. Dividends are generally declared as a percentage of par values (on per share basis) and distributed and paid to shareholders. The Companies Act, 2013 provides that shares of the same class of acompany must receive equal dividend treatment.

These distributions and payments are required to be paid to or claimed by shareholders within 30 days of the date of declaration of dividend. The Companies Act, 2013 states that any dividends that remain unpaid or unclaimed after that period are to be transferred to a special bank account within seven days from the date of expiry of the period of 30 days. Any dividend amount that remains unclaimed for seven years from the date of such transfer is to be transferred by our Company to a fund, called the Investor Education and Protection Fund, created by the Government of India.

The Articles authorize the Board to pay to the members such interim dividends as in their judgement the position of our Company justifies. Under the Companies Act, 2013 dividends payable can be paid only in cash to the registered shareholder at a record date fixed prior to the relevant AGM, to his order or to the order of his banker. However, any dividend payable in cash may be paid by cheque or warrant or in any electronic mode to the shareholder entitled to the payment of the dividend.

No dividend shall be payable except out of the profits of the year or any other undistributed profits of our Company, or otherwise than in accordance with the provisions of the Act and no dividend shall carry interest as against our Company.

Pre-Emptive Rights and Offer of Additional Shares

The Companies Act gives shareholders the right to subscribe for new shares in proportion to their existing shareholdings unless otherwise determined by a resolution passed members who, being entitled so to do, vote in person or by proxy or by postal ballot, are required to be not less than three times the number of the votes, if any, cast against the resolution by members so entitled and voting. Under the Companies Act and the Articles, in the event of an issuance of securities, subject to the limitations set forth above, our Company must first offer the new Equity Shares to the holders of Equity Shares at the date of offer. The offer shall be made by notice specifying the number of Equity Shares offered and the date (being not less than 15 days and not

exceeding 30 days from the date of the offer) within which the offer, if not accepted, will be deemed to have been declined. The offer, required to be made by notice, shall include a statement that the right exercisable by the Shareholders to renounce the Equity Shares offered in favour of any other person.

Our Board is permitted to distribute Equity Shares not accepted by existing shareholders in the manner it deems beneficial for us in accordance with the Articles.

Issuance of Preference Shares

Subject to Section 55 of the Companies Act, 2013, and in accordance with the Articles, any new shares may be issued as redeemable preference shares which are liable to be redeemed in any manner permissible under the Companies Act, 2013.

General meetings of shareholders

There are two types of general meetings of shareholders: (i) AGM; and (ii) EGM. Our Company must hold its AGM within six months after the expiry of each Fiscal provided that not more than 15 months shall elapse between the AGM and next one, unless extended by the ROC at its request for any special reason for a period not exceeding three months. Our Board may convene an EGM when necessary or at the request of Shareholders in accordance with the Companies Act. Written notice or notice via electronic mode means setting out the business to be transacted at the meeting must be given at least 21 days prior to the date set for the general meeting to the Shareholders.

Shorter notice is permitted if consent is received from 95% of the Shareholders entitled to vote at such meeting. Five Shareholders or such other number of Shareholders as required under the Companies Act or applicable law personally present shall constitute quorum for a general meeting.

Voting rights

A shareholder has one vote for each Equity Share and voting may be on a poll or through electronic means or postal ballot.

Ordinary resolutions may be passed by simple majority if the votes cast in favour exceeds the votes cast against the resolution. Special resolutions require that the votes cast in favour of the resolution must be at least three times the votes cast against the resolution.

A shareholder may exercise his voting rights by proxy to be given in the form required by the Companies Act, 2013 read with the rules issued thereunder. The instrument appointing a proxy is required to be lodged with our Company at least 48 hours before the time of the meeting.

Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 deal with the exercise of right to vote by members by electronic means

Transfer and transmission of shares

Shares held through depositories are transferred in the form of book entries or in electronic form in accordance with the regulations laid down by SEBI. These regulations provide the regime for the functioning of the depositories and the participants and set out the manner in which the records are to be kept and maintained and the safeguards to be followed in this system. Transfers of beneficial ownership of shares held through a depository are subject to securities transaction tax (levied on and collected by the stock exchanges on which such equity shares are sold), however, are exempt from stamp duty. Our Company has entered into an agreement for such depository services with the Depositories. SEBI requires that the shares for trading and settlement purposes be in book-entry form for all investors, except for transactions that are not made on a stock exchange and transactions that are not required to be reported to the stock exchange. Our Company shall keep a book in which every transfer or transmission of shares will be entered.

Pursuant to the SEBI Listing Regulations, except in case of transmission or transposition of Equity Shares, requests for effecting transfer of Equity Shares shall not be processed unless the Equity Shares are held in dematerialized form with a depository.

The Equity Shares shall be freely transferable, subject to applicable laws.

Winding up

In compliance with our Articles of Association provide that on winding up, the Companies Act, and the Insolvency and Bankruptcy Code, 2016, each as amended, shall be applicable.

TAXATION

Qualified Institutions Placement of equity shares of face value Rs.10 each ("Equity Shares") (such placement, the "Issue") by Pashupati Cotspin Limited (the "Company")

1. We**, Mahendra N. Shah & Co, Chartered Accountants**, (Firm Registration Number -105775W), statutory auditors of the Company: **PASHUPATI COTSPIN LIMITED** having registered office at, Survey No.404, Kadi Balasar Road, Kadi, Gujarat, hereby confirm that the enclosed **Annexure I and Annexure II** states the possible tax benefits available to the Company and to its shareholders (the "**Statement**"), under direct and indirect taxes (together, the "**Tax Laws**") presently in force in India**,** as on the date of this certificate and as amended by the Finance Act, 2024, i.e. applicable for the Financial Year 2024-25 relevant to the assessment year 2025-26. These possible special tax benefits are dependent on the Company and its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company and its shareholders to derive these possible tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company may face in the future and accordingly, the Company and its shareholders may or may not choose to fulfil such conditions.

2. The benefits discussed in the enclosed **Annexure I and Annexure II** are not exhaustive and cover the possible special tax benefits available to the Company and its shareholders and do not cover any general tax benefits available to them. The Statement is only intended to provide general information to investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her or its own tax consultant with respect to the specific tax implications arising out of their participation in the proposed Issue, particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the possible special tax benefits, which an investor can avail. Neither do we suggest nor do we advise the investors to invest money based on this Statement.

3. We do not express any opinion or provide any assurance as to whether:

   i) the Company and its shareholders will continue to obtain these possible special tax benefitsin future; or

   ii) the conditions prescribed for availing the possible special tax benefits where applicable, have been/would be met with, or

   iii) the revenue authorities will concur with the views expressed herein.

4. The contents of the enclosed **Annexure I and Annexure II** are based on the information, explanation and representations obtained from the Company, and on the basis of our understanding of the business activities and operations of the Company.

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

6. We confirm that the information in this certificate is true, accurate, complete and not misleading and there is no untrue statement or omission which would render the contents of this certificate misleading in its form or context.

7. Capitalized terms used herein, unless otherwise specifically defined, shall have the same meaning as ascribed to them in the preliminary placement document and placement document of the Company prepared in connection with the Issue to be filed with the stock exchanges on which the Equity Shares of the Company are listed (the "**Stock Exchanges**") and any other authority (together the "**Placement Documents**").

8. We consent to the inclusion of the above information in the Placement Documents to be filed by the Company with the Stock Exchanges and any other authority and such other documents as may be prepared in connection with the Issue.

9. **Restriction on use:** This certificate and the aforesaid information herein has been provided at the request of the Company and may be relied upon by the Company, the BRLM and the legal counsel appointed pursuant to the Issue, solely for the purposes of this Issue, and may be submitted to the Securities and Exchange Board of India ("**SEBI**"), Stock Exchanges and any other regulatory or statutory authority in respect of the Issue and/or for the purpose of conducting due diligence and maintaining records by the BRLM in connection with the Issue and for any defense, the BRLM may advance in any claim or proceeding or any other matter in connection with the contents of the Placement Documents. Except for the foregoing, this certificate should not be used by any other person or for any other purpose. Accordingly, except as otherwise stated in this paragraph, we do not accept or assume any liability or any duty of care

for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

10. We undertake to immediately inform the BRLM and legal counsel in case of any changes to the above until the date when the Equity Shares pursuant to the Issue commence trading on the Stock Exchanges. In the absence of any such communication, you may assume that there is no change in respect of the matters covered in this certificate.

For and on behalf of
M/s Mahendra N. Shah & Co.
Chartered Accountants
Firm Registration Number: 105775W

SD/-
Chirag M. Shah
Partner
Memb. No. 045706
UDIN: 24045706BKAKHY1961

Date: October 16 2204
Place: Ahmedabad

ANNEXURE I

ANNEXURE TO THE STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE DIRECT TAX LAWS IN INDIA

Taxation aspects relating to eligible securities

A. Key taxation aspects applicable to the Company

Corporate rate of tax

The tax rate structure has been divided into 2 regimes for corporate taxpayers — while the old regime remains as it is, wherein corporate income is taxed at 30%/25% respectively; the new regime provides for a lower tax rate of 22% as discussed in the later paragraphs.

The surcharge on Income tax is 7%, if the total income exceeds Rs.1 Crore and, 12% if the total income exceeds Rs.10 crores under the old tax regime. The said surcharge is levied at 10% if the Company has opted for the new tax regime. Health & Education cess (H&EC) is 4% on tax and surcharge, both under the old and new tax regime.

Minimum Alternate Tax ("MAT") is imposed at 15% (plus the surcharge and H&EC) on the adjusted book profits of Companies whose tax liability under normal provisions of Act is less than 15% of their book profits. Corporate taxpayers who have opted for the new tax regime with reduced tax rate have been exempted from provisions of MAT.

Dividend Income

Any income by way of dividends referred to in Section 115-O (3) of the Act (i.e. dividends declared, distributed or paid by domestic companies on or after April 1, 2020) received on the investment made by Investor/ Shareholders in the Company is taxable in the hands of Investors/ Shareholders and the Company is not required to pay dividend distribution tax on the same. However, such dividend payments by the Company would be subject to withholding tax provisions as per the Act.

Domestic Companies to pay tax on Dividends received

Domestic Companies to pay tax on Dividends received from Domestic Companies, LLPs, Trusts, etc. to pay tax on dividends received under Income from other sources as per the tax rate applicable to such entities

- However, if the recipient domestic company distributes dividend to another person on or before 1 month prior to the due date of furnishing the return of income, then such original recipient will get deduction to the extent of dividend so distributed as per section 80M of the Act .
- Only interest expense is allowed as a deduction up to 20% of the dividend income.

B. Taxation aspects relating to eligible securities applicable to Shareholders

1. Resident Shareholders

Dividend Income

Dividend income earned by the shareholders would be taxable in their hands at the applicable rates. However, in case of domestic corporate shareholders, deduction under Section 80M of the Act would be available on fulfilling the conditions (as discussed above). Further, in case of shareholders who are individuals, Hindu Undivided Family, Association of Persons, Body of Individuals, whether incorporated or not and every artificial juridical person, surcharge on such tax would be restricted to 15%, irrespective of the amount of total income.

Taxability of gain/ loss arising from sale of shares

Long-term capital gain

Under section 10(38) of the Act, LTCG up to 31 March 2018 arising to a shareholder on transfer of equity shares would be exempt from tax where the sale transaction has been entered into on a recognised stock exchange of India and is chargeable to STT.

The Finance Act, 2018 has terminated the exemption granted under section 10(38) of the Act to LTCG arising on transfer of listed equity shares or units of equity oriented mutual funds or units of business trusts by introduction of section 112A in the Act and provided that long-term capital gains arising from transfer of long-term capital asset referred to in section 112A of the Act will be liable to tax at the rate of 12.50% on such capital gain exceeding Rs. 1.25 lakh for transfers taking place on or after

23rd Day of July, 2024.

As per section 112A of the Act, the concessional rate of 12.50% (plus applicable surcharge and health and education cess) shall be available only if STT has been paid on both acquisition and transfer of equity shares and STT has been paid on transfer in case of units of equity-oriented mutual funds or units of business trust. As per section 112A(4) of the Act, the Central Government by notification in the official gazette shall specify the modes of acquisition of equity shares which shall be exempt from the condition of payment of STT. The CBDT came out with the final notification, dated 01 October 2018, identical to draft notification, barring few additions. The final notification has specified that the requirement to pay STT will not apply to (1) share acquisitions undertaken prior to October 1, 2004, (2) share acquisitions undertaken on or after October 1, 2004, subject to certain exceptions.

LTCG arising from transfer of capital assets on which STT is not paid and other than those covered by section 112A, will be taxable at 12.50%. For individuals, Hindu Undivided Family (HUF), AOP and BOI, the rate of surcharge is capped at 15%.

Short-term capital gain

As per section 111A of the Act, STCG arising on transfer of equity share or units of an equity-oriented fund or units of a business trust would be taxable at a rate of 20% (plus applicable surcharge and health and education cess) where such transaction of sale is entered on a recognised stock exchange in India and is chargeable to STT. Further, as per second proviso to section 111A of the Act, the requirement of a transfer being chargeable to STT is not applicable to:

- Transactions undertaken on a recognized stock exchange located in International Financial Services Centre; and
- The consideration for such transactions is payable in foreign currency.

STCG arising from transfer of capital assets, other than those covered by section 111A of the Act, would be subject to tax as calculated under the normal provisions of the Act. STCG arising from transfer of capital assets, other than those covered by section 111A of the Act and on which STT is not paid at the time of transfer, would be subject to tax as calculated under the normal provisions of the Act. No deduction under Chapter VIA of the Act shall be allowed from such STCG. For individuals, HUF, AOP and BOI, the rate of surcharge is capped at 15%.

Notes:

1. Eligible securities refer to issue of equity shares.

2. The above Statement sets out the provisions of Taxation laws in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.

3. This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.

4. In respect of non-residents, the tax rates and the consequent taxation mentioned above shall be further subject to any benefits available under the Double Taxation Avoidance Agreement, if any, between India and the country/specified territory (outside India) in which the non-resident has fiscal domicile and in view of the individual nature of tax consequence, each investor is advised to consult his/ her own tax adviser with respect to specific tax consequences of his/ her participation in the scheme.

5. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

ANNEXURE II

ANNEXURE TO THE STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE INDIRECT TAX LAWS IN INDIA

Benefits available to the company and the Shareholders of the Company under the Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, Goods and Services Tax (Compensation to States) Act, 2017, Custom Act, 1962, customs Tariff Act, 1975 as amended, including the relevant rules, notifications and circulars issued there under, the Foreign Trade (Development and Regulation) Act, 1992 (read with Foreign Trade Policy 2015-20) are as under (collectively referred to as "Indirect Tax Regulations").

1. Special tax benefits available to the Company under the Indirect Tax Laws

There are no special indirect tax benefits available to the Company.

2. Special Tax Benefits available to the Shareholders of the Company under the Indirect Tax Laws

The shareholders of the Company are not required to discharge any GST on transaction in securities of the Company. Securities are excluded from the definition of Goods as defined u/s 2(52) of the Central Goods and Services Tax Act, 2017 as well from the definition of Services as defined u/s 2(102) of the Central Goods and Services Tax Act, 2017.

Apart from above, the shareholders of the Company are not eligible to special tax benefits under the provisions of the Customs Tariff Act, 1975 and/or Central Goods Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, respective Union Territory Goods and Services Tax Act, 2017 respective State Goods and Services Tax Act, 2017, Goods and Services Tax (Compensation to States) Act, 2017 including the relevant rules, notifications and circulars issued there under as well as the Foreign Trade (Development and Regulation) Act, 1992 (read with Foreign Trade Policy 2015-20).

NOTE:

1. These special tax benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Indirect Tax Regulations. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company or its shareholders may or may not choose to fulfil.

2. The special tax benefits discussed in the Statement are not exhaustive and is only intended to provide general information to the investors and hence, is neither designed nor intended to be a substitute for a professional tax advice. In view of the individual nature of the tax consequences aid the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue.

3. The Statement has been prepared on the basis that the shares of the Company are listed on a recognized stock exchange in India and the Company will be issuing shares.

4. The Statement is prepared on the basis of information available with the Management of the Company and there is no assurance that:

i. The Company or its shareholders will continue to obtain these benefits in future;
ii. The conditions prescribed for availing the benefits have been/ would be met with; and
iii. The revenue authorities/courts will concur with the view expressed herein.

5. The above views are basis the existing provisions of law and its interpretation, which are subject to change from time to time.

LEGAL PROCEEDINGS

We are involved in various legal proceedings from time to time, mostly arising in the ordinary course of business. These legal proceedings are primarily in the nature of tax disputes, criminal proceedings, civil proceedings or regulatory proceedings, which are pending before various adjudicating forums.

As on date of this Preliminary Placement Document, except as disclosed below, there are no outstanding: (i) criminal proceedings involving our Company, Promoters and Directors; (ii) actions by statutory or regulatory authorities involving our Company, Promoters and Directors; (iii) claims related to direct and indirect taxes involving our Company, Promoters and Directors; (iv) civil litigation proceedings involving our Company, Promoters and Directors, determined as material in accordance with our Company's 'Policy for determination of material events or information' framed in accordance with Regulation 30 of the SEBI Listing Regulations ("Materiality Policy"); and (v) other civil proceedings involving our Company, Promoters and Directors wherein a monetary liability is not determinable or quantifiable, or which does not exceed the threshold as specified in (iv) above, which if results in an adverse outcome would have a material adverse effect on the business, operations, performance, prospects, financial position or reputation of the Company. In accordance with the Materiality Policy, all outstanding legal proceedings involving our Company, , Promoters and/or Directors, where the amount involved exceeds 2% of the turnover as per the last audited financial statements of the company or 2 of the net worth as per the last audited financial statements of the company, except in case the arithmetic value of net worth is negativeor 5% of the average of absolute value of profit or loss after tax, as per the last three audited financial statements of the Company (Whichever is lower) is disclosed in this section. It is clarified that any outstanding litigation, which has been disclosed to the Stock Exchanges, has been disclosed in this Preliminary Placement Document, irrespective of whether the amount involved meets the Materiality Threshold.

Further, as on date of this Preliminary Placement Document, except as disclosed in this section: (i) there is no litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against our Promoters during the last three years immediately preceding the year of issue of this Preliminary Placement Document and no directions have been issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action; (ii) there have been no inquiries, inspections or investigations initiated or conducted against our Company and, under the Companies Act, 2013 or the Companies Act, 1956 in the last three years immediately preceding the year of issue of this Preliminary Placement Document, nor have there been any prosecutions filed (whether pending or not), fines imposed, compounding of offences in the last three years immediately preceding the year of this Preliminary Placement Document involving our Company ; (iii) our Company has no defaults in repayment of (a) statutory dues, (b) debentures and interest thereon, (c) deposits and interest thereon and (d) loans from any bank or financial institution and interest thereon (except where there is dispute under litigation); (iv) our Company has not made any default in annual filings of our Company under the Companies Act, 2013 or the rules made thereunder; (v) there are no significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of our Company and its future operations; (vi) there have been no acts of material fraud committed against our Company in the last three years preceding the issue of this Preliminary Placement Document; and (vii) there are no reservations, qualifications or adverse remarks of auditors in their respective reports on our audited standalone financial statements for the last five Fiscals preceding the year of the issue of this Preliminary Placement Document.

Except as stated in "Management's Discussion And Analysis Of Financial Condition And Results of Operations – Auditor's Observations" on page 51*, there are no reservations, qualifications or adverse remarks of auditors for the last five Fiscals immediately preceding the year of the issue of this Preliminary Placement Document.*

OUTSTANDING MATTERS INVOLVING OUR COMPANY, DIRECTORS AND PROMOTER:

PART 1: LITIGATION RELATING TO OUR COMPANY

A. FILED AGAINST OUR COMPANY

1) **Litigation involving Criminal Laws:** NIL
2) **Litigation Involving Actions by Statutory/Regulatory Authorities:** NIL
3) **Disciplinary Actions by Authorities:** NIL
4) **Litigation involving Tax Liability**

Indirect Tax:
PASHUPATI COTSPIN LIMITED (GSTN: 24AAJCP2950N1Z2)

Sr. No	Entity and GSTIN	Notice /Demand Order Id & Period	Notice /Order Description	Amount in Dispute (₹)	Current Status
1.	Pashupati Cotspin Limited	An order bearing Document Identification number 20240564WU0000555FDA	Demand order of Tax being payable and	i) Demand: Rs. 1,54,09,292/- for year 2017-	The assessee has filed n appeal with the office of

Sr. No	Entity and GSTIN	Notice /Demand Order Id & Period	Notice /Order Description	Amount in Dispute (₹)	Current Status
	(GSTN: 24AAJCP2950N1Z2)	(File no. GEXCOM/ADJN/GST/JC/211/2023-ADJN-O/o COMMR-CGST-GANDHINAAGAR dated May 21, 2024 Passed by Joint Commissioner, CGST, Gandhinagar Period: September 25, 2017 till March 31, 2020 Order passed on the basis of an audit report no. GST-113/2022-23 dated May 17, 2022	Penalty, both recoverable in terms of Section 74 of the Act and interest to be recovered u/s. 50(1) of the CGST Act,	18. ii) Equivalent penalty of Rs. 1,54,09,292/- ii) Interest to be applied on aforementioned tax demand i) Tax demand: Rs. 4,12,37,519 (against wrongly credited ITC -02 on August 30, 2018. ii) Equivalent penalty of Rs. 4,12,37,519/- ii) Interest to be applied on aforementioned tax demand	Commissioner (Appeals), central GST vide letter dated August 16, 2024 and the same is pending.

M/S. PASHUPATI COTYARN LLP (LLP in which Company has invested 99% of the Capital)

1. M/s. Pashupati Cotyarn LLP (GSTN: 24AAQFP1881N1ZL)

As per intelligence information received in the Directorate General of GST Intelligence, Headquarters (here-in-after referred to as DGGI or DGGI Hqrs.) indicating evasion of GST in Haryana state by Cotton Ginners, Traders, Cotton Spinning Mills in Punjab, wherein the Complainant has alleged that the Cotton industry in Haryana and Punjab are involved in evasion GST of 5% and market fees of 2.8% by operating from fake firms on fake address and names. After conduct of enquiry into the affairs of three entities, which were allegedly involved into the purchase and sales of goods through fake invoices, M/s. **Pashupati Cotyarn LLP (**hereinafter referred to as the assessee) was allegedly discovered to have been involved in fake purchase of goods from one M/s AB & Co. (one of the three entities) for value of Rs. 1,04,47,908/- thus allegedly claiming fake input GST of Rs. 5,22,396/-. Accordingly the assessee herein was issued a Show Cause Notice No. ZD240824024049H dated August 05, 2024, requiring the Company to show cause as to why demand for an amount of Rs. 5,22,396/- not be made for fraudulently availing /utilizing ITC for the amount and Penalties under section 122(3)(a) & (b) and Section 122(1)(x) of the CGST Act, 2017 and corresponding provision of State GST Act, 2017 read with section 20 of IGST Act, 2017 and the Rules made thereunder should not be imposed.

Further the partners of the assessee have been required to show cause as to why penalty under section 122(3)(a) & (b) and Section 125 of the CGST Act, 2017 and corresponding provision of State GST Act, 2017 read with section 20 of IGST Act, 2017 read with Section 137 of CGST Act, 2017 and the Rules made thereunder should not be imposed on them for aiding and abetting availment/ utilization of fraudulent input tax credit.

The assessee herein has sought for adjournment of the matter for 2 months and the same is pending.

Direct Tax:

1. PASHUPATI COTSPIN LIMITED (Company)

a. Pending Liability in TDS:

As per details available on the TRACES an aggregate outstanding amount of Rs. 7,18,879/- is determined to be paid for Previous years till 2024-25 against **M/s. Pashupati Cotspin Limited** (hereinafter referred to as the "Assessee") as default on account of short payment and short deduction of taxes and interest thereon on payment defaults and late filing fees u/s 201, 234E and interest us. 201 of the Income Tax Act. Although no action in respect of recovery of same has been taken by the department till date, except for issue of communication notices, the department may at any time issue recovery notices in which event the same shall become payable.

b. A.Y. 2023-24:

M/s. **Pashupati Cotspin Limited (**hereinafter referred to as the "Assessee") have been issued with an intimation bearing no. ITBA/AST/S/61/2024-25/1065762810(1) dated June 19, 2024 for the A.Y. 2023-24, intimating the assessee of its selection for the purpose of faceless assessment/re-assessment in accordance with the procedure laid down in section 144B of the Income Tax Act,1961 and have subsequently been issued with a notice u/s. 143(2) of the Act requiring the assessee to submit certain documents including financial statements, bank statements audit reports and like for the period and the assessment is pending.

2. PASHUPATI TEXSPIN EXPORT LLP: (LLP in which Company has invested 10% of the Capital)

a. Pending Liability in TDS:

As per details available on the TRACES an aggregate outstanding amount of Rs. 1,25,321/- is determined to be paid for Previous years till 2023-24 against **M/s. Pashupati Texspin Export LLP** (hereinafter referred to as the "Assessee") as default on account of short payment and short deduction of taxes and interest thereon on payment defaults and late filing fees u/s 201, 234E and interest u/s. 201 of the Income Tax Act. Although no action in respect of recovery of same has been taken by the department till date, except for issue of communication notices, the department may at any time issue recovery notices in which event the same shall become payable.

3. **PASHUPATI COTYARN LLP** (**LLP in which Company has invested 10% of the Capital)**

a. Pending Liability in TDS:

As per details available on the TRACES an aggregate outstanding amount of Rs. 7,271/- is determined to be paid for Previous years till 2020-21 against **M/s. Pashupati Cotyarn LLP** (hereinafter referred to as the "Assessee") as default on account of short payment and short deduction of taxes and interest thereon on payment defaults and late filing fees u/s 201, 234E and interest u/s. 201 of the Income Tax Act. Although no action in respect of recovery of same has been taken by the department till date, except for issue of communication notices, the department may at any time issue recovery notices in which event the same shall become payable.

5) Other Pending Litigation based on Materiality Policy of our Company

1. **PASHUPATI COTYARN LLP** (**LLP in which Company has invested 10% of the Capital)**

M/s. Pashupati Cotyarn LLP V/s. Executive Engineer , Uttar Gujarat Vij Company Limited, Division Office, Kadi

Case No. 33/2021, Gujarat Electricity Regulatory Commission, Before the Electricity Ombudsman, Gujarat State

The Appellant herein claims to be an HT consumer bearing connection No.17689 having contract demand of 675 KVA and states to have opted seasonal tariff in HTP-I tariff category during the calendar year 2019. He further submitted that as per the GERC tariff order, seasonal consumer taking HT supply should be billed for minimum charges on annual basis, it means during the month of seasonal period, demand charges should be levied for actual demand. As contended by the Appellant, from the period 2015 to February 2019, Respondent was levying demand charge on actual demand even when actual demand was less than 85% of contract demand. From March 2019, Respondent has started to bill minimum billing demand on monthly basis when actual demand was less than 85% of contract demand in a month thus alleging the . Respondent of having recovered Rs. 8,79,196/- in excess than that recoverable as per GERC tariff order. The appellant claims to have raised the matter before the Respondent on November 23, 2020 with a request to refund the said amount along with the interest as per section 62 (6) of Electricity Act, 2003 and to start billing as per the GERC tariff order that is by deriving billing demand on annual basis only.

Aggrieved by this, the Appellant herein registered a complaint with the Consumer Redressal Forum, UGVCL, Mehsana, established under Indian Electricity Act and Gujarat Electricity Regulatory Commission, which however did not grant the prayer of the Appellant herein.

Aggrieved by this, the respondent herein filed an appeal before the Gujarat Electricity Ombudsman, Gujarat State which vide its order dated November 12, 2021 directing the respondent to revise the energy bills for the months of March 2019 till December 2019 as per prevailing practice and to adjust the excess amount by way of giving credit in the next bills.

Aggrieved by this the Uttar Gujarat Vij Company Limited has preferred an appeal before the High Court of Gujarat vide special civil application no. 3642/2022 dated February 14, 2022 and the same is pending.

B. CASES FILED BY OUR COMPANY

1) Litigation involving Criminal Laws: NIL
2) Litigation Involving Actions by Statutory/Regulatory Authorities:NIL
3) Disciplinary Actions by Authorities: NIL
4) Litigation involving Tax Liability:
Indirect Tax: NIL
Direct Tax: NIL
5) Other Pending Litigation based on Materiality Policy of our Company:NIL

PART 2: LITIGATION RELATING TO OUR DIRECTORS AND PROMOTER OF THE COMPANY

A. LITIGATION AGAINST OUR DIRECTORS AND PROMOTER

1) **Litigation involving Criminal Laws:**NIL
2) **Litigation Involving Actions by Statutory/Regulatory Authorities:**NIL
3) **Disciplinary Actions by Authorities:**NIL
4) **Litigation involving Tax Liability:**

Indirect Tax: NIL

Direct Tax:

1. MR. DAKSHESH JAYANTILAL PATEL (Promoter cum Director)

a. A.Y. 2017-18

Mr. **Dakshesh Jayantilal Patel** (herein after referred to as the Assessee) have been issued with a notice bearing no. ITBA/AIM/S/142(1)/2017-18/1008013672(1) dated December 20, 2017 **u/s.** 142(1)(i), requiring the assessee to file a return of income in connection with A.Y. 2017-18 and the same is pending.

2. SAURIN JAGDISH BHAI PARIKH (Promoter cum Managing Director)

a. A.Y. 2009-10

As per details available on the income Mr. **Saurin Jagdish Bhai Parikh**(herein after referred to as the Assessee) have been issued with a demand notice bearing reference no. 2010200951089734874T dated December 30, 2010, raising a demand of Rs. 2,15,431/- and as per details available on the income Tax website, the same is pending along with interest of Rs. 4,37,640/- and the same has been disputed by the assessee.

b. A.Y. 2008-09:

As per details available on the income Mr. **Saurin Jagdish Bhai Parikh**(herein after referred to as the Assessee) have been issued with a demand notice bearing reference no. 2010200851054045414T dated March 10, 2010 raising a demand of Rs. 2,63,807/- and as per details available on the income Tax website, the same is pending along with interest of Rs. 4,09,520/- and the same has been disputed by the assessee.

c. A.Y. 2018-19

As per details available on the income Mr. **Saurin Jagdish Bhai Parikh** (herein after referred to as the Assessee) have been issued with a demand notice bearing reference no. 201820185370963954907 dated February 18, 2019 raising a demand of Rs. 370/- and as per details available on the income Tax website, the same is pending along with interest of Rs. 171/- and the same is pending.

d. A.Y. 2006-07:

As per details available on the income Mr. **Saurin Jagdish Bhai Parikh** (herein after referred to as the Assessee) have been issued with a demand notice bearing reference no. 2010200651089520201T dated December 29, 2010 raising a demand of Rs. 1,85,026/- and as per details available on the income Tax website, the same is pending along with interest of Rs. 21,06,991/- and the same has been disputed by the assessee and is pending.

3. M/s. PASHUPATI COTTON INDUSTRIES (Partnership firm of promoters)

a. Pending Liability in TDS:

As per details available on the TRACES an aggregate outstanding amount of Rs. 3,21,197/- is determined to be paid for Previous years till 2024-25 against **M/s. Pashupati Cotton Industries**(hereinafter referred to as the "Assessee") as default on account of short payment and short deduction of taxes and interest thereon on payment defaults and late filing fees u/s 201, 234E and interest u/s. 201 of the Income Tax Act. Although no action in respect of recovery of same has been taken by the department till date, except for issue of communication notices, the department may at any time issue recovery notices in which event the same shall become payable.

b. A.Y. 2023-24:

M/s. **Pashupati Cotton Industries (**hereinafter referred to as the "Assessee") have been issued with an intimation bearing no. ITBA/AST/S/61/2024-25/1065738379(1) dated June 19, 2024 for the A.Y. 2023-24, intimating the assessee of its selection for the purpose of faceless assessment/re-assessment in accordance with the procedure laid down in section 144B of the Income Tax Act,1961 and have subsequently been issued with a notice u/s. 143(2) of the Act requiring the assessee to submit certain documents including financial statements, bank statements audit reports and like for the period and the assessment is pending.

c. A.Y. 2013-14:

M/s. **Pashupati Cotton Industries (**hereinafter referred to as the "Assessee") have been issued with an assessment order bearing no, 114/31/15-16 dated March 08, 2016 issued u/s. 143(3) of the income Tax Act, by the Assistant Commissioner of Income Tax, Mehsana for A.Y. 2013-14, raising a demand of Rs. 64,22,760/- and have further been ordered to issued

with a penalty notice u/s. 271(1)(c) in addition to charging of interest u/s. 234A, 234B, 234C & 234D of the Act.

Aggrieved by the aforementioned order, the assessee herein has preferred appeal before the National Faceless Appeal Centre vide appeal no. CIT (A), Gandhinagar/11121/2016-17 and the same is pending under hearing.

4. M/s. JANKI OIL INDUSTRIES (Partnership firm of Promoters)

a. Pending Liability in TDS:

As per details available on the TRACES an aggregate outstanding amount of Rs. 1,43,086/- is determined to be paid for Previous years till 2024-25 against **M/s. Janki Oil Industries** (hereinafter referred to as the "Assessee") as default on account of short payment and short deduction of taxes and interest thereon on payment defaults and late filing fees u/s 201, 234E and interest u/s. 201 of the Income Tax Act. Although no action in respect of recovery of same has been taken by the department till date, except for issue of communication notices, the department may at any time issue recovery notices in which event the same shall become payable.

5. MADHAV OIL INDUSTRIES (Partnership firm of Promoters)

a. Pending Liability in TDS:

As per details available on the TRACES an aggregate outstanding amount of Rs. 73,670/- is determined to be paid for Previous years against **M/s. Madhav Oil Industries** (hereinafter referred to as the "Assessee") as default on account of short payment and short deduction of taxes and interest thereon on payment defaults and late filing fees u/s 201, 234E and interest u/s. 201 of the Income Tax Act. Although no action in respect of recovery of same has been taken by the department till date, except for issue of communication notices, the department may at any time issue recovery notices in which event the same shall become payable.

6. SHREENATH CHARITABLE TRUST (Trust of Promoter)

a. A.Y. 2016-17:

As per details available on the income M/s. Shreenath Charitable Trust(herein after referred to as the Assessee) have been issued with a demand notice bearing reference no. 2017201637057033244T dated October 19, 2017 raising a demand of Rs. 16,630/- for A.Y. 2016-17 and the same has been disputed by the assessee and is pending.

b. A.Y. 2017-18:

As per details available on the income M/s. Shreenath Charitable Trust(herein after referred to as the Assessee) have been issued with a demand notice bearing reference no. 20182017371036680 43T dated March 01, 2019raising a demand of Rs. 5,350/- for A.Y. 2017-18and the same has been disputed by the assessee and is pending.

5) Other Pending Litigation based on Materiality Policy of our Company:NIL

B. LITIGATION FILED BY OUR DIRECTORS AND PROMOTER

1) **Litigation involving Criminal Laws:** NIL
2) **Litigation Involving Actions by Statutory/Regulatory Authorities:** NIL
3) **Disciplinary Actions by Authorities:** NIL
4) **Litigation involving Tax Liability:**
   Indirect Tax: NIL
   Direct Tax: NIL
5) **Other Pending Litigation based on Materiality Policy of our Company:** ***NIL***

Inquiries, inspections, or investigations initiated or conducted under the Companies Act, 2013 in the last three years preceding the year of the Issue Documents, involving our Company and any prosecutions filed (whether pending or not), fines imposed, or offences compounded in the last three years immediately preceding the year of the Issue Documents, involving our Company:

As on the date of this Preliminary Placement Document, there have neither been any inquiries, inspections or investigations initiated or conducted (for which notices have been issued) under the Companies Act, 2013, against our Company, nor any prosecutions filed, fines imposed, or offences compounded in the last three years immediately preceding the year of issue of this Preliminary Placement Document except as under:

Litigation or legal actions, pending or taken, by any ministry or department of the government or a statutory authority against the Promoters of our Company during the last three years immediately preceding the year of the Issue Documents, and any direction issued by such ministry or department or statutory authority upon conclusion of such litigation or legal action, if any Except as disclosed under:

"- Regulatory matters involving our Promoters",

There are no litigations or legal actions pending or taken by any Ministry or Department of the Government or any statutory authority and there are no directions issued by such Ministry or Department of the Government or statutory authority upon conclusion of such litigation or legal action against our Promoters during the last three years immediately preceding the year of the issue of this Preliminary Placement Document.

Details of acts of material frauds committed against our Company in the last three years, if any, and if so, the action taken by our Company:

There have been no material frauds committed against the Company in the last three years preceding the date of this Preliminary Placement Document.

Details of default, if any, including the amount involved, duration of default and present status, in repayment of statutory dues; debentures and interests thereon; deposits and interest thereon; and loan from any bank or financial institution and interest thereon:

The Company has no outstanding defaults in repayment of statutory dues, dues payable to holders of any debentures and interest thereon, deposits and interest thereon and loans and interest thereon from any bank or financial institution.

Details of defaults in annual filing of the Company under the Companies Act, 2013 and the rules made thereunder:

As on the date of this Preliminary Placement Document, the Company has not made any default in their respective annual filings under the Companies Act, 2013 and the rules made thereunder.

Details of significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of the Company and its future operations:

As on the date of this Preliminary Placement Document, there are no significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of the Company and its future operations.

STATUTORY AUDITORS

Our Company's current Statutory Auditors, M/s Mahendra N. Shah & Co., Chartered Accountants, are independent auditors with respect to our Company as required by the Companies Act, 2013 and in accordance with the guidelines prescribed by the ICAI and have been reappointed as the statutory auditors of our Company, pursuant to the approval of the shareholders of our Company at the Annual general meeting held on September 30, 2023 for a period of five years till Fiscal 2028.

Fiscal 2022 Audited Indian GAAP Consolidated and Standalone Financial Statements, Fiscal 2023 Audited Indian GAAP Consolidated and Standalone Financial Statements, and Fiscal 2024 Audited Indian GAAP Consolidated and Standalone Financial Statements together with the respective reports issued thereon by our current Statutory Auditors, M/s Mahendra N. Shah & Co, Chartered Accountants, have been included in this Preliminary Placement Document.

The peer review certificate of our current Statutory Auditor, M/s Mahendra N. Shah & Co, Chartered Accountants is valid till May 31, 2027.

FINANCIAL INFORMATION

Financials in PDF to be added

Financial Statements	Page Nos.
Fiscal 2024 Standalone Audited lndian GAAP Financial Statements	F1 to F35
Fiscal 2024 Consolidated Audited lndian GAAP Financial Statements	F36 to F66
Fiscal 2023 Standalone Audited lndian GAAP Financial Statements	F67 to F100
Fiscal 2023 Consolidated Audited lndian GAAP Financial Statements	F101 to F130
Fiscal 2022 Audited lndian GAAP Financial Statements	F131 to F163

PASHUPATI®
COTSPIN LTD

INDEPENDENT AUDITORS REPORT

To
The Membersof
PASHUPATI COTSPIN LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of **Pashupati Cotspin Limited** (the 'Company') which comprise the Balance Sheet as at March 31, 2024, and the statement of Profit and Loss and Statement of cash flows for the year then ended, and notes to the Standalone financial statements, including a summary of significant accounting policies and other explanatory information (herein after referred as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone financial statements give the information required by the Companies Act,2013 (the "Act") in the manner so required and give a true and fair view in conformity with the 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 31,2024 , its profit, and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with 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 Standalone Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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): ➢ 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 Standalone Financial Statements, and our auditor's reports thereon).

Our opinion on the Standalone Financial Statements does not cover the Other Information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the Standalone 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 Standalone 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 Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 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 polices 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 Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of theCompanies 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 andexplanations 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 Companyso 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 Standalone 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, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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 Standalone 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 Standalone 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: 24045706BKAJVP9429

Place: Ahmedabad
Date: 25/05/2024

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 Standalone Financial Statements of the Company for the year ended March 31,2024 :

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 Standalone 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 31,2024 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'23	3867.5	7,421	5,171.08	7,408.56	(1303.14)	12.59
September'23	4,261.37	4,940.38	4,261.37	4,868.34	-	72.04
December'23	7193.80	6955.68	6368.46	7,416.58	825.34	(460.90)
March'24	4,271.85	6,204.08	4,271.85	6,204.08	-	-

* These differences are mainly due to following reasons:-

a) Provision of expenses being not considered in statements submitted to bank,

b) Amounts of trade payables and trade receivables are shown net off advances to suppliers and advances from customers respectively in statements submitted to bank.

c) Inventory and Trade Receivables:- Mainly due to change in the basis of valuation of inventories, effects of exchange rate fluctuations, etc. during the course of audit.

3. The Company has made investments in Limited Liability Partnerships during the year. The Company given below 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	Corporate Guarantee
(A) Aggregate amount granted / provided during the year:		
- Subsidiaries	16.00	-
- Associate Firm	4,235.95	19,579
- Others (employees including KMP)	-	-
(B) Balance outstanding as at balance sheet date in respect of above cases:		
- Subsidiaries	418.24	-
- Associate Firm	3,905.73	19,579
- Others (employees including KMP)	-	-

(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) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular.

(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 provided below guarantee or security jointly and severally 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.

(Amount in lakhs)

Particulars	Corporate Guarantee
(A) Aggregate amount Corporate Guarantee/ provided during the year:	
- Associate Firm (Pashupati Texspin Export LLP)	19,579

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. 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.

7. 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,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, 2024 for a period of more than six months from the date they became payable except provident fund of ₹.14,742.

   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 Standalone Financial Statements of the Company, the company has not utilised short-term funds for long term purposes.

(e) The Company has not taken any fund from any entity or person on account of or to meet the obligation of subsidiaries, and hence, reporting under clause 3 (ix)(e) of the Order is not applicable

(f) The Company did not raised loan during the year on pledge of securites, held in its 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) As represented to us by the management, there are no whistle blower complaints received by the company during the year.

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 Standalone 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. Accordingly, para 3(18) of the Order is not applicable to the company.

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 Standalone Financial Statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

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 Standalone 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 Standalone Financial Statements.

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

CA. Chirag M. Shah
Partner
Membership No.-045706
UDIN: 24045706BKAJVP9429

Place: Ahmedabad
Date:25/05/2024

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, 2024 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 Standalone 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 Standalone 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 Standalone 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 Standalone 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 of 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, 2024, 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

CA. Chirag M. Shah
Partner
Membership No.-045706
UDIN: 24045706BKAJVP9429

Place: Ahmedabad
Date:25/05/2024

PASHUPATI®
COTSPIN LTD

BALANCE SHEET

AS AT 31st March, 2024

(₹ in Lakhs)

PARTICULARS	Note No.	As at 31.03.2024	As at 31.03.2023
A EQUITY & LIABILITIES			
1 SHARE HOLDERS FUND			
(a) Share Capital	2(a)	1,528.40	1,528.40
(b) Reserves & Surplus	2(b)	10,327.01	9,611.26
(c) Money Received Against Share Warrants	2(c)	-	-
2 NON CURRENT LIABILITIES			
(a) Long Term Borrowings	3	4,583.80	5,116.11
(b) Deferred Tax Liabilty	4	879.89	616.13
(c) Other Long Term Liabilities	5	15.02	15.77
(d) Long Term Provisions	6	134.54	107.82
3 CURRENT LIABILITIES			
(a) Short Term Borrowings	7	10,475.50	12,212.61
(b) Trade Payables	8		
(i) Total Outstanding dues to Micro, Small & Medium Enterprise		8.10	0.51
(ii) Total Outstanding dues to other than Micro, Small & Medium Enterprise		2677.16	773.67
(c) Other Current Liabilities	9	276.69	696.91
(d) Short Term Provisions	10	105.82	68.18
Total		**31,011.93**	**30,747.37**
B ASSETS			
1 NON CURRENT ASSETS			
(a) Property Plant & Equipment			
(i) Tangible Assets	11	13,509.97	11,165.90
(ii) Capital Work-In-Progress		0.00	2,636.17
(b) Non Current Investments	12	122.85	110.35
(c) Long Term Loans and Advances	13	650.55	850.34
2 CURRENT ASSETS			
(a) Inventories	14	4,138.37	3,526.45
(b) Current Investment	15	4,216.55	3,303.24
(c) Trade Receivables	16	6,204.10	6,205.71
(d) Cash and Cash Equivalents	17	199.18	249.88
(e) Short Term Loans and Advances	18	1,218.44	1,998.01
(f) Other Current Assets	19	751.92	701.31
Total		**31,011.93**	**30,747.37**
Significant Accounting Policies and Notes to Accounts	1		

As per our attached report of even date

For Mahendra N. Shah & Co.
Chartered Accountants
FRN: 105775W

Chirag M. Shah
Partner
Membership No. F 045706

Place: Ahmedabad
Date: 25/05/2024

For Pashupati Cotspin Limited

Saurinbhai J. Parikh
Managing Director
(DIN: 02136530)

Tushar R. Trivedi
Whole Time Director
(DIN: 06438707)

Hareshkumar Shah
Chief Financial Officer

Place: Ahmedabad
Date: 25/05/2024

Nisarg Shah
Company Secretary

Place: Ahmedabad
Date: 25/05/2024

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31st March, 2024

(₹ in Lakhs)

Particulars	Note No.	For the Period from 01.04.2023 to 31.03.2024	For the Period from 01.04.2022 to 31.03.2023
INCOME			
1 Revenue from Operations (Gross)	20	65,837.68	44,273.28
Less: Excise Duty		-	-
Revenue from Operations (Net)		**65,837.68**	**44,273.28**
2 Other Income	21	923.54	753.39
3 Total Revenue		**66,761.22**	**45,026.68**
4 EXPENDITURE			
(a) Cost of Materials Consumed	22.a	56,052.67	37,458.56
(b) Purchase of stock-in-trade		2,266.63	0.00
(c) Changes in Inventories of Finished Goods	22.b	(576.28)	575.67
(d) Employee Benefits Expense	23	1,558.97	1,213.94
(e) Finance Costs	24	1,702.19	980.81
(f) Depreciation	11	1,133.02	867.64
(g) Other Expenses	25	3,506.85	3,316.03
Total Expenses		**65,644.05**	**44,412.66**
5 Profit/(Loss) Before Tax & Exceptional Item		**1,117.17**	**614.02**
Exceptional Item		-	-
6 Profit/ (Loss) Before Tax		**1,117.17**	**614.02**
Tax Expense:			
(a) Current Tax		23.02	0.00
Less: MAT Credit Receivable		0.00	0.00
(b) Deferred Tax Asset/(Reversal)		263.76	162.79
(c) Short/(Excess) Provision Of Tax		0.00	40.47
7 Profit\(Loss) After Tax		**830.39**	**410.77**
Earnings per equity share:			
(1) Basic		5.43	2.69
(2) Diluted		5.43	2.69
Significant Accounting Policies and Notes to Accounts	1		

As per our attached report of even date

For Mahendra N. Shah & Co.
Chartered Accountants
FRN: 105775W

Chirag M. Shah
Partner
Membership No. F 045706

Place: Ahmedabad
Date: 25/05/2024

For Pashupati Cotspin Limited

Saurinbhai J. Parikh
Managing Director
(DIN: 02136530)

Hareshkumar Shah
Chief Financial Officer

Place: Ahmedabad
Date: 25/05/2024

Tushar R. Trivedi
Whole Time Director
(DIN: 06438707)

Nisarg Shah
Company Secretary

Place: Ahmedabad
Date: 25/05/2024

PASHUPATI®
COTSPIN LTD

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31st March, 2024

Particulars		2023-24		2022-23	
		Rupees	Rupees	Rupees	Rupees
A)	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Net Profit before tax as per Profit & Loss A/c		1,117.17		614.02
	Adjustments:				
	Depreciation and amortization	1,133.02		867.64	
	Profit from Partnership Firm	36.26		(25.70)	
	Bad Debts & Sundry balance written off	-		-	
	(Profit) / Loss on sale of Fixed Assets	-		-	
	Foreign Exchange Loss	-		-	
	Foreign Exchange Gain	-		-	
	Interest Income	(652.56)		(550.44)	
	Finance Cost	1,702.19	3,336.05	980.81	1,298.01
	Operating Profit before working capital		**3,336.05**		**1,912.03**
	Adjusted for :				
	i) Trade Receivables, Loans & Advances	936.78		2,101.64	
	ii) Stock	(611.91)		2,634.63	
	iii) Trade Payable & Liabilities	1,554.46	5,215.38	405.22	5,141.50
	Cash generated from operations		**5,215.38**		**7,053.53**
	Extraordinary Income				
	Direct Tax Paid		(29.40)		(512.94)
	Net Cash from Operating Activities (a)		**5,185.98**		**6,540.59**
B)	**Cash Flow from Investing Activities :**				
	Purchase of Fixed Assets	(840.94)		(6,081.09)	
	Sale of Fixed Assets	-		-	
	Loans Given	-		-	
	Investment In Corporate Entities	(962.04)		491.66	
	Interest Received	**652.56**		**550.44**	
	Net Cash used in Investing Activities (b)		**(1,150.42)**		**(5,038.99)**
C)	**Cash Flow from Financing Activities**				
	Proceeds from/(Repayment) of Long Term Loans Borrowings (Net)	(2,269.42)		(416.75)	
	Proceeds from Issuance of Shares/Warrants	-		-	
	Interest Paid	(1,702.19)		(980.81)	
	Dividend paid including distribution tax	(114.63)		(114.63)	
	Net Cash from financing Activities		**(4,086.23)**		**(1,512.19)**
	Net Increase in cash & cash equivalents (a+b+c)		**(50.67)**		**2,625.59**
	Opening Balance of Cash & Cash equivalents		249.88		286.15
	Closing Balance of Cash & Cash equivalents		199.21		249.88
	Net Increase/(Decrease) in cash & cash equivalents		**(50.67)**		**(36.28)**

As per our attached report of even date

For Mahendra N. Shah & Co.
Chartered Accountants
FRN: 105775W

Chirag M. Shah
Partner
Membership No. F 045706

Place: Ahmedabad
Date: 25/05/2024

For Pashupati Cotspin Limited

Saurinbhai J. Parikh
Managing Director
(DIN: 02136530)

Hareshkumar Shah
Chief Financial Officer

Place: Ahmedabad
Date: 25/05/2024

Tushar R. Trivedi
Whole Time Director
(DIN: 06438707)

Nisarg Shah
Company Secretary

Place: Ahmedabad
Date: 25/05/2024

Notes forming part of the Financial Statements

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

A) MATERIAL ACCOUNTING POLICIES

I. Information:

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

II. 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.

III. 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.

IV. Property Plant &Equipments:

Property Plant & Equipment 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 & Equipment.

V. Depreciation:

i. Depreciation on Property Plant &Equipment 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 & Equipment 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.

VI. 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

VII. 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.

VIII. 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.

IX. 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

Notes forming part of the Financial Statements

ready for its intended use. All other borrowing costs are charged to revenue.

X. 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.

XI. 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.

XII. Investments:

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

XIII. 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.

XIV. 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.

XV. 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.

Notes forming part of the Financial Statements

B) NOTES ON ACCOUNTS:

Note No. 2(a) Share Capital

	As at 31 March, 2024		As at 31 March 2023	
	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, 2024		As at 31 March 2023	
	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	-	-	-	-
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, 2024		As at 31 March 2023	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Ashishbhai Rameshchandra Trivedi	904000	5.91	904000	5.91
Bhaveshbhai Jayantibhai Patel	791000	5.18	791000	5.18
Hariprabhaben Arvindbhai Parikh	1583000	10.36	1583000	10.36
Mukeshkumar Vitthalbhai Patel	904000	5.91	904000	5.91
Renukaben Jagdishbhai Parikh	1583000	10.36	1583000	10.36
Saurinbhai Jagdishbhai Parikh	2333000	15.26	2333000	15.26
Falguniben Miteshbhai Parikh	1733000	11.34	1733000	11.34
PashupatiTexspin Export LLP	1080000	7.07	1080000	7.07

Notes forming part of the Financial Statements

Note No. 2.3

Shareholding of Promoters & Promoter Group as at March 31, 2024.

Promoter name	No. of Shares	% of total shares	% Change during the year
DakseshJayantilal 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	1080000	7.07	-
NiraliRajendra Desai	25600	0.17	-
Total	**11163000**	**73.03**	

Note No. 2.4

Shareholding of Promoters & Promoter Group as at March 31, 2023.

Promoter name	No. of Shares	% of total shares	% Change during the year
DakseshJayantilal Patel	525000	3.43	-
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	1080000	7.07	-
Nirali Rajendra Desai	25600	0.17	-
Total	**11163000**	**73.03**	

Note No. 2.5

There are no unpaid calls from Directors or officers.

Notes forming part of the Financial Statements

Note No. 2(b)

(₹ in Lakhs)

Reserves & Surplus	As at 31 March, 2024	As at 31 March, 2023
(i) Share Securities Premium		
As per Last Balance Sheet	4,259.60	4,259.60
(+) Additions during the year	-	-
(-) 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	5351.66	5055.53
(+) Net Profit For the current year	830.39	410.77
(-) Dividend Paid	(114.63)	(114.63)
Closing Balance (b)	**6,067.41**	**5,351.66**
Total (a)+(b)	**10,327.01**	**9,611.26**

NOTE 3: LONG TERM BORROWINGS

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Term Loans (Secured)*		
a) From Banks	6,905.70	7,756.17
Less:Current Maturities of long term debt	(2,321.90)	(2,640.06)
Total	**4,583.80**	**5,116.11**

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

NOTE 4: DEFERRED TAX LIABILITY

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Deferred Tax Liability	616.13	453.34
Add/Less: Deferred Tax Obligation	263.76	162.79
Total	**879.89**	**616.13**

NOTE 5: OTHER LONG TERM LIABILITIES

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Staff Deposit	15.02	15.77
Total	**15.02**	**15.77**

NOTE 6: LONG TERM PROVISIONS

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Provision- From Employment Benefit		
Gratuity	134.54	107.82
Total	**134.54**	**145.97**

Notes forming part of the Financial Statements

NOTE 7: SHORT TERM BORROWINGS

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Secured		
Current Maturities of Long Term Borrowings	2,321.89	2,640.06
Working Capital Loan From Bank (Secured)	8,153.61	9,572.54
Total	**10,475.50**	**12,212.61**

*Note: Refer note no. 38 of Notes To Accounts for information regarding terms of repayment and security.

NOTE 8: TRADE PAYABLES

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
(i) Total Outstanding dues to Micro, Small & Medium Enterprise	8.10	0.51
(ii) Total Outstanding dues to other than Micro, Small & Medium Enterprise	2677.16	773.67
Total	**2,685.26**	**774.18**

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, 2024

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	8.10	-	-	-	8.10
(ii) Others	2,647.34	29.82	-	-	2,677.16
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
TOTAL BILLED AND DUE (A)	**2,655.44**	**29.82**	**-**	**-**	**2,685.26**
UNBILLED DUES (B)	-	-	-	-	-
TOTAL TRADE PAYABLES (A + B)	**2,655.44**	**29.82**	**-**	**-**	**2,685.26**

Note 8.2 : Trade Payables ageing schedule for the year ended March 31, 2023

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	0.51	-	-	-	0.51
(ii) Others	744.02	29.61	0.03	-	773.67
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
TOTAL BILLED AND DUE (A)	**744.53**	**29.61**	**0.03**	**-**	**774.18**
UNBILLED DUES (B)	-	-	-	-	-
TOTAL TRADE PAYABLES (A + B)	**744.53**	**29.61**	**0.03**	**-**	**774.18**

NOTE 9: OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Statutory Remittances	112.71	321.51
Other Payables	121.26	146.33
Advance from Customer	42.72	229.06
Total	**276.69**	**696.91**

Notes forming part of the Financial Statements

NOTE 10: SHORT TERM PROVISIONS

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Provision for Employee Benefits		
Gratuity	43.55	20.55
Bonus	62.27	47.63
Total	**105.82**	**68.18**

NOTE - 11 : Property Plant & Equipment :

(₹ in Lakhs)

	Particulars	Gross Block At Cost				Depreciaiton				Net Block	
		Opening Balance As on 1-Apr-2023	Additions During the Year	Adjustment \ Deductions\ Reclassifications During the year	Closing Balance as on 31-Mar-2024	Opening Balance As on 1-Apr-2023	Depreciation for the period up to 31-Mar-2024	Adjustment \Deductions During the year	Closing Balance as on 31-Mar-2024	Closing Balance as on 31-Mar-2024	Closing Balance as on 31-Mar-2023
1	Freehold Land	318.41	32.22	-	350.64	-	-	-	0.00	350.64	318.41
2	Factory Building	3,400.25	0	0	3,400.25	722.51	106.88	-	829.39	2,570.86	2,677.74
3	Plant & Machinery	16,660.38	3,387.33	-	20,047.71	8,644.22	973.82	-	9,618.05	10,429.66	8,016.16
4	Office Equipments	55.62	4.18	-	59.81	23.89	9.93	-	33.82	25.98	31.73
5	Computer	22.91	9.03	-	31.94	15.06	5.63	-	20.69	11.25	7.86
6	Furniture	14.76	33.83	-	48.59	1.83	3.83	-	5.67	42.93	12.93
7	Electrical Installation	289.44	-		422.40	257.06	18.94	-	276.00	146.40	165.34
8	Vehicle	164.42	10.52	-	174.94	124.33	12.94	-	137.27	37.67	40.09
9	Bridges, culverts, bunders, etc.	9.79	-	-	9.79	2.83	0.31	-	3.14	6.64	6.95
10	Tubewell	6.31	-	-	6.31	5.99	-	-	5.99	0.32	0.32
11	Computer software	7.56	-	-	7.56	6.19	0.73	-	6.92	0.64	1.36
Total		**20,949.86**	**3,477.11**	**-**	**24,426.97**	**9,783.98**	**1,133.02**	**-**	**10,917.00**	**13,509.97**	**11,165.88**

NOTE 12 : Non Current Investment

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Other Investment		
Investment in Corporate Entities#	110.35	110.35
Investment in Shares	12.50	
Total	**122.85**	**110.35**

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

(₹ in Lakhs)

Name of the Company	As at 31 March, 2024	As at 31 March, 2023
PashupatiTexspin Export LLP	80.00	80.00
Sarjak Infra LLP	0.45	0.45
Global Park Developers LLP	20.00	20.00
PashupatiCotyarn LLP	9.90	9.90

Notes forming part of the Financial Statements

NOTE 13: Long Term Loans & Advances

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Unsecured, Considered Good		
Deposits others	0.55	0.34
Capital Advances	650.00	850.00
Total	**650.55**	**850.34**

NOTE 14: INVENTORIES

(At Lower of Cost or Net Realisable Value)

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Raw Materials	622.00	586.37
Finished Goods	2,481.78	2,165.80
WIP	540.46	369.39
Stores , Spares & Packing Material	494.13	404.89
Total	**4,138.37**	**3,526.45**

NOTE 15 : CURRENT INVESTMENT

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Other Investment		
Investment in Corporate Entities	4,216.55	3,303.24
Total	**3,303.24**	**3,303.24**

** It includes Share of profit for the current year

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

(₹ in Lakhs)

Name of the Company	As at 31 March, 2024	As at 31 March, 2023
Pashupati Texspin Export LLP	1,839.48	806.53
Sarjak Infra LLP	256.44	141.40
Global Park Developers LLP	1,712.19	1,662.86
Pashupati Cotyarn LLP	408.44	692.45

NOTE 16: TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Unsecured, Considered Good		
Trade receivables outstanding for a period less than six months from the date they are due for payment	6,127.30	6,161.77
Trade receivables outstanding for a period exceeding six months from the date they are due for payment	77.77	44.92
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	-	-
Less :- Provision for Expected Credit Loss	(0.98)	(0.98)
Total	**6,204.10**	**6,205.71**

Notes forming part of the Financial Statements

Note 16.1: Trade Receivables ageing schedule for the year ended as on March 31, 2024.

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	6,127.29	61.83	14.97	-	0.98	6,205.07
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
TOTAL BILLED AND DUE (A)	**6,127.29**	**61.83**	**14.97**	**-**	**0.98**	**6,205.07**
UNBILLED DUES (B)	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL TRADE RECEIVABLES (A + B)	**6,127.29**	**61.83**	**14.97**	**-**	**0.98**	**6,205.07**
Less: Provision for Expected Credit Loss	-	-	-	-	-0.98	-0.98
TOTAL NET TRADE RECEIVABLES	**6,127.29**	**61.83**	**14.97**	**-**	**-**	**6,204.10**

Note 16.2: Trade Receivables ageing schedule for the year ended as on March 31, 2023.

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	6,160.79	41.35	3.55	0.07	0.98	6,206.69
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
TOTAL BILLED AND DUE (A)	**6,160.79**	**41.35**	**3.55**	**0.07**	**0.98**	**6,206.69**
UNBILLED DUES (B)	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL TRADE RECEIVABLES (A + B)	**6,160.79**	**41.35**	**3.55**	**0.07**	**0.98**	**6,206.69**
Less: Provision for Expected Credit Loss	**-**	**-**	**-**	**-**	**-0.98**	**-0.98**
TOTAL NET TRADE RECEIVABLES	**6,160.79**	**41.35**	**3.55**	**0.02**	**-**	**6,205.71**

NOTE 17: CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Balances with Banks		
In Current Accounts	1.39	1.39
Cash on Hand	0.47	0.38
Fixed Deposits Under Lien#		
Against Borrowings	0.00	25.29
Against Guarantees	197.32	222.82
Total	**199.18**	**249.88**

Fixed Deposit with Maturity of more than 12 Month.

NOTE 18: SHORT TERM LOANS AND ADVANCES

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Unsecured, Considered Good		
Advance Tax (Net of Provision for Income Tax)	91.44	85.05
Advances to Suppliers	270.16	811.84
Advance to Staff	18.28	21.00
Prepaid Expenses	33.36	34.07
Balances with Government Authorities	805.20	1046.06
Total	**1,218.44**	**1,998.01**

Notes forming part of the Financial Statements

NOTE 19: OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Textile Benefit Receivable	751.92	701.31
Total	**751.92**	**701.31**

NOTE 20: REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	For the year 2023-24	For the year 2022-23
Sale of Goods		
1. Yarn Sales	26,448.27	22,626.67
2. Cotton Sales	32,725.36	14,455.59
3 Sale of by Products	6,161.51	5,771.86
Total	**65,335.14**	**42,854.11**
Less : Rebate & Goods Returned	-273.77	-229.83
	65,061.37	**42,624.28**
Sale of Services		
Other Operating Revenues	776.31	1,649.00
Total	**65,837.68**	**44,273.28**

NOTE 21: OTHER INCOME

(₹ in Lakhs)

Particulars	For the year 2023-24	For the year 2022-23
Interest Income	652.56	550.44
Other Income	270.98	177.25
Share of profit from firm	-	25.70
Total	**923.54**	**753.39**

NOTE 22.a: COST OF MATERIALS CONSUMED

(₹ in Lakhs)

Particulars	For the year 2023-24	For the year 2022-23
Opening Stock	586.37	2,645.33
Add: Purchases	56,088.30	35,399.60
Less: Closing Stock	-622.00	-586.37
Total	**56,052.67**	**37,458.56**

Notes forming part of the Financial Statements

NOTE 22.b: CHANGES IN INVENTORIES OF FINISHED GOODS

(₹ in Lakhs)

Particulars	For the year 2023-24	For the year 2022-23
Inventories at the End of the Year:		
Finished Goods	2,481.78	2,165.80
Stores, Spares & Packing Material	494.13	404.89
Work in process	540.46	369.39
	3,516.36	**2,940.08**
Inventories at the Beginning of the Year:		
Finished Goods	2,165.80	2,829.40
Stores, Spares & Packing Material	404.89	290.84
Work in process	369.39	395.51
	2,940.08	**3,515.75**
Total	**-576.28**	**575.67**

NOTE 23: EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

Particulars	For the year 2023-24	For the year 2022-23
Salaries and Wages	1,506.65	1,198.56
Contributions to Provident and Other Funds	12.07	-32.69
Staff Welfare Expenses	40.25	48.07
Total	**1,558.97**	**1,213.94**

NOTE 24: FINANCE COST

(₹ in Lakhs)

Particulars	For the year 2023-24	For the year 2022-23
Interest Expense	1,624.03	949.21
Other Borrowing Cost	78.16	31.60
Total	**1702.19**	**980.81**

Notes forming part of the Financial Statements

NOTE 25: OTHER EXPENSES

(₹ in Lakhs)

Particulars	For the year 2023-24	For the year 2022-23
Transportation Expenses	98.48	37.81
Brokerage & Commission Expenses	81.23	125.95
Legal & Consultancy Charges	48.48	48.60
Power and Fuel	1,811.79	1,892.70
Donation	13.54	18.87
Foreign Exchange Rate Difference	-	0.95
Loss on Sale of Property, Plant & Equipment	-	-
Bad Debts Written Off	-	-
Repairing & Maintenance:-		
Machinery (including spares)	938.32	754.61
Building Repairing & Maintenance	92.04	73.92
Others	9.29	27.42
CSR/donation Expenses (Refer Note No:- 28)	22.00	32.77
Insurance	52.37	37.65
Travelling Expenses	2.63	57.82
Testing expenses	14.48	2.09
Loading & Unloading Expenses	2.17	1.95
Rent,Rates& Taxes	90.28	81.89
Expected Credit Loss	-	-
Auditors Remuneration (Refer Note Below)	3.00	3.00
Stationery, Printing, Postage & Telephone	15.60	11.81
Profit and Loss for Partnership Firm	36.23	-
General Expenses	174.97	104.22
Total	**3,506.85**	**3,316.03**

Note: 25.1: Auditors Remuneration

(₹ in Lakhs)

Particulars	For the year 2023-24	For the year 2022-23
Payments to the Auditors comprises :		
As Auditors - Statutory Audit	3.00	3.00
Taxation Matters	-	-
Out of pocket expenses	-	-
Total	**3.00**	**3.00**

26. Contingent Liabilities:

- Bank guarantees amounting to ₹ 23.51 Lakhs(P.Y.₹144.82 Lakhs) in favour of DGFT & Customs, . 444.53 Lakhs (P.Y.₹.444.53 Lakhs) in favour of Uttar Gujarat Vij Company Limited.
- The company has imported capital spares under the EPCG Scheme at concessional rate of custom duty by undertaking obligation to export. Future outstanding export obligation under the scheme is ₹. 382.72 Lakhs (previous year ₹. 382.72 Lakhs) which is equivalent to 6 times of duty saved ₹. 63.79 Lakhs (Previous year ₹. 63.79 Lakhs). The export obligation must be completed by 2021-22 to 2027-28.
- In respect of Goods and Service Tax Liability of ₹. 566.47 Lakhs(F.Y 17-18 & F.Y 18-19 Related to case for Income difference between income shown on portal and income disclose in books of accounts & wrongly availed Input Tax Credit.)• In respect of Goods and Service Tax Liability of ₹ 598.47 Lakhs.
- Corporate guarantees amounting to ₹. 19,579 Lakhs favour of Pashupati Texspin Export LLP (Relation: Associate)

Notes forming part of the Financial Statements

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.

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

As per the provisions of the Section 135 of the Companies Act, 2013 the Net Profit of the Company in FY 2022-23 was below the threshold limits therefore the Company was not under any statutory obligation to incur the CSR expenditure in FY 2023-24.

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, 2024	As at March 31, 2023
The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each period:		
Principal	8.10/-	0.51/-
Interest	0.00/-	0.00/-
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	0.00/-	0.00/-
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	0.00/-	0.00/-
The amount of interest accrued and remaining unpaid at the end of the period.	0.00/-	0.00/-
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	0.00/-	0.00/-

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, 2024. 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:

(Amountin Lakhs except for EPS)

Particular	2023-24	2022-23
Net profit attributable to Shareholders	830.39	410.77
Weighted average number of equity shares	1,52,84,000	1,52,84,000
Basic earnings per share of ₹.10/- each (in Rs)	5.43	2.69

31. Related Party Disclosure:

- The names of the related parties and nature of the relationships where control exists are disclosed irrespective of whether or not there have been transactions between the related parties. For others, the names and the nature of relationships is disclosed only when the transactions are entered into by the Company with the related parties during the existence of the related party relationship.

Notes forming part of the Financial Statements

LIST OF RELATED PARTIES AND RELATIONSHIPWITH WHOM TRANSACTIONS HAVE TAKEN PLACE:

KEY MANAGERIAL PERSONNEL

Saurin JagdishBhai Parikh	Chairman & Managing Director
Tushar Rameshchandra Trivedi	Whole time Director
Hareshkumar Rameshchandra Shah	Chief Financial Officer (CFO)
Nisarg Shah	Company Secretary & Compliance Officer
Bhaveshbhai Jayantibhai Patel	Relative of Partner
Dakeshbhai Jayntibhai Patel	Relative of Director

Subsidiary & Associate entities.

Pashupati Cotyarn LLP	Subsidiary Firm
Sarjak Infra LLP	Associate Firm
Pashupati Healthcare Foundation	Associate Firm
Global Park Developers LLP	Associate Firm
S Raja Export Private Limited	Associate Firm
Uniza Lifecare Private Limited	Associate Firm
Pashupati Texspin Export LLP	Associate Firm
R V Enterprises	Associate Firm
Pashupati Cotton Industries	Associate Firm

The details of material transactions and balances with related parties are given below:

Transactions during the year	Relation	For the year ended March 31, 2024	For the year ended March 31, 2023
Purchase of goods:			
Pashupati Cotyarn LLP	Subsidiary Firm	-	71.88
Pashupati Texspin Export LLP	Associate Firm	2,701.15	119.70
R V Enterprises	Associate Firm	25,344.55	15,287.62
Pashupati Cotton Industries	Associate Firm	1,654.68	1,709.08
Total		**29,700.38**	**27,172.73**
Sale of goods:			
PashupatiCotyarn LLP	Subsidiary Firm	-	-
PashupatiCotyarn LLP (Reimbursement of expense)	Subsidiary Firm	195.79	-
PashupatiTexspin Export LLP	Associate Firm	17,891.82	7,380.81
S Raja Export Pvt Ltd (For brokerage Income)	Associate Firm	-	261.37
R V Enterprises	Associate Firm	4,028.48	3,121
Pashupati Cotton Industries	Associate Firm	4,439.08	2,005.96
Total		**26,551.17**	**12,508.16**
For various expenses			
Pashupati Cotyarn LLP (Rent Expenses)	Associate Firm	72.00	81.14
Bhaveshbhai Jayanti bhai Patel	Relative of Director	-	10.00
Daksheshbhai Jayanti bhai Patel	KMP	-	8.00
Total		**72.14**	**99.14**
For Rent Income			
Uniza Lifecare Private Limited	Associate Firm	3.33	4.85
Total		**4.85**	**-**
Interest Income			
Pashupati Cotyarn LLP	Subsidiary Firm	79.89	141.45

Notes forming part of the Financial Statements

Transactions during the year	Relation	For the year ended March 31, 2024	For the year ended March 31, 2023
Pashupati Texspin Export LLP	Associate Firm	3.37	204.68
Sarjak Infra LLP	Associate Firm	21.29	13.43
Global Park Developers LLP	Associate Firm	195.49	179.99
Total		**300.04**	**539.55**
Remuneration:			
Tushar bhai Ramesh chandra Trivedi	KMP	2.40	2.23
Hareshkumar Rameshchandra Shah	KMP	6.00	6.00
Nisarg Dineshkumar Shah	KMP	3.00	4.54
Total		**11.40**	**12.77**
Donation Expenditure			
Pashupati Healthcare Foundation	Associate Firm	3.72	1.65
Investment- Current Capital			
Pashupati Cotyarn LLP	Subsidiary Firm	(363.89)	(755.71)
Sarjak Infra LLP	Associate Firm	93.75	16.50
PashupatiTexspin Export LLP	Associate Firm	979.17	(292.00)
Global Park Developers LLP	Associate Firm	(146.17)	-
Total		**562.86**	**(1,031.21)**
Investment:			
Pashupat iCotyarn LLP	Subsidiary Firm	418.34	702.35
Global Park Developers LLP	Associate Firm	1732.18	1682.86
Sarjak Infra LLP	Associate Firm	256.89	141.85
PashupatiTexspin Export LLP	Associate Firm	1869.07	886.53
Total		**4,276.48**	**3,413.59**
Trade Receivables:			
S Raja Export Pvt Ltd	Associate Firm	-	27.44
Pashupati Cotton Industries	Associate Firm	46.17	-
PashupatiTexspin Export LLP	Associate Firm	2095.70	2,432.29
R V Enterprises	Associate Firm	152.68	-
Total		**2,294.55**	**2,459.73**
Advance from Debtors:			
R V Enterprises	Associate Firm	-	152.56
Total		**-**	152.56
Advance to Creditors:			
R V Enterprises	Associate Firm	-	674.00
Total		**-**	**674.00**
Trade Payables			
R V Enterprises	Associate Firm	382.16	-
Pashupati Cotton Industries	Associate Firm	413.69	-
Pashupati Cotyarn LLP	Subsidiary Firm	6.96	-
Total		**802.81**	**-**

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

Notes forming part of the Financial Statements

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

a. 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 :

b. The Amount (in Lakh ₹.) as certified by the Approved Value is as under:

Period	From: 01/04/2023 To: 31/03/2024	From: 01/04/2022 To: 31/03/2023
Present value of the obligation at the beginning of the period	128.37	169.96
Interest cost	9.63	9.77
Current service cost	32.77	26.04
Past Service Cost	-	0
Benefits paid (if any)	-	0
Actuarial (gain)/loss	7.31	(77.41)
Present value of the obligation at the end of the period	178.09	128.37

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

Period	As on: 31/03/2024	As on: 31/03/2023
Present value of the obligation at the end of the period	178.09	128.37
Fair value of plan assets at end of period	-	-
Net liability/(asset) recognized in Balance Sheet and related analysis	178.09	128.37
Funded Status	(178.09)	(128.37)

Expense recognized in the statement of Profit and Loss: (₹ in Lakhs)

Period	From: 01/04/2023 To: 31/03/2024	From: 01/04/2022 To: 31/03/2023
Interest cost	9.62	9.77
Current service cost	32.77	26.04
Past Service Cost	-	0
Expected return on plan asset	(-)	(0)
Net actuarial (gain)/loss recognized in the period	7.32	(77.41)
Expenses to be recognized in P&L	49.72	(41.59)

Experience adjustment: (₹ in Lakhs)

Period	From: 01/04/2023 To: 31/03/2024	From: 01/04/2022 To: 31/03/2023
Experience Adjustment (Gain) / loss for Plan liabilities	6.29	(72.01)
Experience Adjustment Gain / (loss) for Plan assets	-	-

Summary:

Period	As on: 31-03-2024	As on: 31-03-2023
Number of employees	342	398
Total monthly salary	85.99	78.51
Average Past Service(Years)	5.1	4.1
Average Future Service (yrs)	22.4	23.7
Average Age(Years)	37.6	36.3
Weighted average duration (based on discounted cash flows) in years	25	26
Average monthly salary	0.25	0.20

Notes forming part of the Financial Statements

The assumptions employed for the calculations are tabulated:

Period	From: 01/04/2023 To: 31/03/2024	From: 01/04/2022 To: 31/03/2023
Discount rate	7.50 % per annum	5.75 % 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: 01/04/2023 To: 31/03/2024	From: 01/04/2022 To: 31/03/2023
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	2000000.00	2000000.00

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

Period	As on: 31/03/2024	As on: 31/03/2023
Current Liability (Short Term)*	43.55	20.55
Non Current Liability (Long Term)	134.54	107.82
Total Liability	**178.09**	**128.37**

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: 31/03/2024
Defined Benefit Obligation (Base)	1,78,09,205 @ Salary Increase Rate : 5%, and discount rate :7.25%
Liability with x% increase in Discount Rate	1,73,13,637; x=1.00% [Change (3)%]
Liability with x% decrease in Discount Rate	1,83,34,358; x=1.00% [Change 3%]
Liability with x% increase in Salary Growth Rate	1,83,40,524; x=1.00% [Change 3%]
Liability with x% decrease in Salary Growth Rate	1,72,98,471; x=1.00% [Change (3)%]
Liability with x% increase in withdrawal Rate	1,77,74,135; x=1.00% [Change 0%]
Liability with x% decrease in withdrawal Rate	1,78,42,999; x=1.00% [Change 0%]

Reconciliation of liability in balance sheet (₹ in Lakhs)

Period	From: 01/04/2022 To: 31/03/2024	From: 01/04/2021 To: 31/03/2023
Opening gross defined benefit liability/ (asset)	128.37	169.97
Expenses to be recognized in P&L	49.72	(41.60)
Benefits paid (if any)	-	-
Closing gross defined benefit liability/ (asset)	**178.09**	**128.37**

Notes forming part of the Financial Statements

33. AUDITORS' REMUNERATION:-

(₹ in Lakhs)

	2023-24	2022-23
1. Audit Fees	3.00	3.00
2. Tax Audit	0.00	0.00
3 Traveling expenses	-	-
TOTAL	**3.00**	**3.00**

34. Details of Goods Imported:-

(₹ in Lakhs)

	2023-24	2022-23
1. CIF value of goods imported:		
(a) Cotton	-	-
(b) Stores and Spares	57.71	50.37
(c) Plant and Machinery	-	-
TOTAL	**57.71**	**50.37**
2. Consumption:-		
(a.) Raw Materials:		
(i) Imported goods	-	-
(ii) Indigenous goods:		
Cotton	56052.67	37458.56
Cotton yarn	-	-
TOTAL	**56052.67**	**55515.06**
Imported	0%	0%
Indigenous	100%	100%
(b.) Stores and Spares:		
(i) Imported goods	68.75	50.37
(ii) Indigenous goods	20.48	63.38
TOTAL	**89.23**	**114.05**
Imported	77.05%	44.17%
Indigenous	22.95%	55.82%

35. Export Sales :

(₹ in Lakhs)

	2023-24	2022-23
Exports: Direct (FOB Value)	645.40	-
Through Merchant Exporters	13.05	-
TOTAL	**658.45**	**-**

36. Expenditure in Foreign Currency:

(₹ in Lakhs)

	2023-24	2022-23
Purchase of Plant and Machinery Stores Spares	68.75	50.37
Freight	4.74	1.21
TOTAL	**73.49**	**51.59**

37. Remittances of Dividend in Foreign Currency

Remittances of Dividend in Foreign Currency	-	-

Notes forming part of the Financial Statements

38. Brownings:.

Sr. no.	Bank	Nature of facility	Sanction Amount (Rs in Lakhs)	Security	Tenure	Rate of Interest
1	HDFC Bank Ltd	Dropline OD	1,800	Exclusive charge by way of Equitbale mortgage on immovable collateral security (1) Industrial Godown, Survey No. 919/1, Kadi Detroj road, Kadi (Old Survey 404/1) in the name of Pashupati Cotspin Limited and (2) Industrial Godown, Survey No. 435, Kadi Detroj Road, Kadi Developed by Pashupati Cotspin Limited Guarantee given by Promoter group.	60 months	8.30% p.a.
2	Punjab National Bank	Cash Credit	4,686	**PrimarySecurity:** 1st Pari Pashu 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.	-	8.30% p.a.
3	State Bank of India	Cash Credit	4,686			
		GECL 1.00	2214	2nd charge on existing primary security & collateral security including all cash flows of the Company.	60 months	8.30% p.a.
		GECL 2.00	1097	The facility covered under Guarantee coverage from NCGTC.		
		NFB facility		For BG: Counter Indemnity of the Company. The BG facility shall also covered on pasri passu 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. Guarantee given by Promoter group.	-	-

Notes forming part of the Financial Statements

Sr. no.	Bank	Nature of facility	Sanction Amount (Rs in Lakhs)	Security	Tenure	Rate of Interest
4	State Bank of India	Cash Credit	4,500	**Pimary Securrity:** 1. Pari passu charge 1st charge with PNB by way of hypothecation of Stock, re ceivables and entire current assets of the unit. Hypothecation of Stock & Recei vables. 2. Pari passu charge 2nd charge on S No: 404/p1, situated at Industrial Property admeasuring Hect-Are-Sq Mtrs 2-50-00 land of consolidated S No: 404P1 and its New S No: 919/1 is situated at in the sim of village Balasar Ta. Kadi District Mehsana. 3. Pari passu charge 2nd charge S No: 404/p2 , situated at Industrial Property admeasuring Hect-Are-Sq Mtrs 2-50-00 land of consolidated S No: 404/p1 and its New S No: 919/1 is situated in the sim of village Balasar Ta Kadi Dist. Mehsana. 4. Hypothecation (Sole Charge) over Plant & Machinery purchased out of (Hybrid Project). Bank Finance **Collateral Security:** 1. Pari passu charge 1st charge with PNB on Residential property Plot No: A-1of Someshwar Park Co-op Housing Society bearing Revenue S No: 320/1 of Town Kadi, District: Mehsana. 2. Pari passu charge 1st charge with PNB on Residential Property Plot No: 4 with construction of one Bunglow of Shurbhi Society bearing No: 1389 of Town Kadi, Ta. Kadi District Mehsana. 3. Pari passu charge 1st charge with PNB on Residential Property Plot No: 33 of Royal View Co-op Housing Society bearing S No: 342/1 of Town KAdi, Ta. Kadi,Dist: Mehsana. 4. Pari passu charge 1st charge with PNB on Industrial Land admeasuring Hect-Are-Sq Mtrs 2-05-78 land of S No: 36 and its old S No: 93 situated in the simvillage hansalpur Ta. Mandal District Ahmedabad. 5. Pari passu charge 1st charge with PNB on Residential property of land of PlotNo: 4 of Royal View Co-op Housing Society with construction of one Bunaglow bearing Revenue S No: 342/1 is situated in Ta. Kadi Dist. Mehsana. Guarantee given by Promoter group.	-	10.80% p.a.

Notes forming part of the Financial Statements

Sr. no.	Bank	Nature of facility	Sanction Amount (Rs in Lakhs)	Security	Tenure	Rate of Interest
5	HDFC Bank Ltd	Term Loan	2,020	Exclusive charge by way of Equitbale mortgage on immovable collateral security (1) Industrial Godown, Survey No. 919/1, Kadi Detroj road, Kadi (Old Survey 404/1) in the name of Pashupati Cotspin Limited. (2) Industrial Godown, Survey No. 435, Kadi Detroj Road, Kadi Developed by Pashupati Cotspin 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.	72 months	9.38% p.a.
				Exclusive charge by way of Hypothecation on Solar Assets acquired by the Company out of mentioned term loan.		
				Guarantee given by Promoter group.		
6	Punjab Nationl Bank State Bank of India	Term Lo	4732	EM of factory land & building (Spinning unit) at S. No. 404/2 adm. 52500 sq. Mt at Balasar, Ta-Kadi, Distt. Mehsana	60 months	8.30% p.a.
				EM of factory land & building (Ginning unit) at S. No. 404/1 adm. 25000 Sq. Mt at Balasar, Ta-Kadi, Distt. Mehsana	60 months	8.30% p.a.
				Collateral Security:		
				Hypothecation/Mortgage of Block Assets Residential House property of Directors and other guarantors		
				Guarantee given by Promoter group.		
7	State Bank of India	Term Loan	2,458	1. Pari passu charge 1st charge with PNB by way of hypothecation of Stock, re ceivables and entire current assets of the unit. Hypothecation of Stock & Recei vables 2. Pari passu charge 2nd charge on S No: 404/p1, situated at Industrial Property admeasuring Hect-Are-Sq Mtrs 2-50-00 land of consolidated S No: 404P1 and its New S No: 919/1 is situated at in the sim of village Balasar Ta. Kadi District Mehsana. 3. Pari passu charge 2nd charge S No: 404/p2 , situated at Industrial Property admeasuring Hect-Are-Sq Mtrs 2-50-00 land of consolidated S No: 404/p1 and its New S No: 919/1 is situated in the sim of village Balasar Ta Kadi Dist. Meh sana. 4. Hypothecation (Sole Charge) over Plant & Machinery purchased out of Bank Finance (Hybrid Project). \Guarantee given by Promoter group. Guarantee given by Promoter group.	84 Months [28 Quarter]	10.80% p.a.

Notes forming part of the Financial Statements

Sr. no.	Bank	Nature of facility	Sanction Amount (Rs in Lakhs)	Security	Tenure	Rate of Interest
8.	Shree Kadi Nagarik Sahakari Bank Ltd.	Term Loan	500	1. Pari passu charge 1st Khata no 328 of Block No 28,(0ld Block No.97 Paiki1) Near Fuji Hotel, Nr.Crystal Complex, Viramgam Becharaji Road, Hansalpur, Ta-Mandal, Dist Ahmedabad-382120. Gujarat. (15220.00 Sq Yards) 2. Pari passu charge 2nd Khata no 327 of Block No 60, (0ld Block No.87) Near Fuji Hotel, Nr.Crystal Complex, Viramgam Becharaji Road, - Hansalpur, Ta Mandal,DistAhmedabad. 382120Gujarat. (15049.00 Sq Yards) 3 .Pari passu charge 3rd Khata no 1126 of Block No 683, (0ld Block No.649) Near Fuji Hotel, Nr.Crystal Complex, ViramgamBecharaji Road, Sitapur, Ta-Mandal, Dist Ahmedabad, Gujarat. (23111.00 Sq Yards) 4. Pari passu charge 4th Khata no 326 of Block No.38,(0ld Block No.91) Near Fuji Hotel, Nr.Crystal Complex, Viramgam Becharaji Road, Hansalpur, Ta-Mandal, Dist - Ahmedabad, Gujarat (25130.00 Sq Yards) Guarantee given by Promoter group.		

39. The Board of Directors has recommended final dividend for the financial year 2023-24 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 Group do not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

The Group do not have any transactions with companies struck off.

The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.

The Group 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 Group (Ultimate Beneficiaries), or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

The Group 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 Group shall:

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.

The Group 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

Notes forming part of the Financial Statements

41. Key Ratios

Sr. No	Ratio	Amount as on 31st March 2024	Ratio as on 31st March 2023	Ratio as on 31st March 2023	% Deviation	Reason for variance
1	Current Ratio					
	Current Assets	16,728.56	1.24	1.16	6.27	-
	Current Liabilities	13,543.27				
2	Debt-to-equity Ratio					
	Total Outside Liabilities	15,059.30	1.27	1.56	-18.34%	
	Shareholder's Equity	11,855.41				
3	Debt Service Coverage Ratio					
	Earnings Available for Debt Servicing	3,665.59	0.91	0.62	45.99%	Due to increases interest expenses earlier it was capitalized now it is charged to Profit & Loss A/C
	Interest and Lease Payment Installments	4,024.08				
4	Return on Equity Ratio					
	Net Profit After Tax	830.38	7.22%	3.73%	93.46%	Increase in net profits due to better operating margins in line with revenue growth.
	Average Shareholder's Equity	11,497.54				
5	Inventory Turnover Ratio					
	Sale of Products	59,447.40	15.51	7.61	103.88	Increase in ginning unit sales compare to previous year.
	Average Inventory	3,832.41				
6	Receivables Turnover Ratio					
	Net Sales	59,447.40	9.58	6.56	46.10%	Increase in ginning unit sales compare to previous year.
	Average Accounts Receivable	6,204.91				
7	Payables Turnover Ratio					
	Net Credit Purchases	56,088.30	32.43	53.03	-38.86%	There is increase in Trade Payable Turnover Ratio on account of increase in purchases in line with increase inoperation.
	Average Trade Payables	1,729.72				
8	Net Capital Turnover Ratio					
	Net Sales	59,447.40	18.66	16.51	13.07%	
	Working Capital	3,185.29				
9	Net Profit Ratio					
	Proift After Tax	830.38	1.040	1.11%	25.90	Increase in net profits due to better operating margins in line with revenue growth.
	Net Sales	59,447.40				
10	Return on Capital employed Ratio					
	EBIT	2,819.35	10.14%	5.48%	84.98%	Increase in net profits due to better operating margins in line with revenue growth.
11	Return on investment Ratio					
	Fixed Income Investments (FD and other investments)					
	Interest Income	0	N.A.	N.A.	N.A.	
	Average investment in Fixed Income investments	0				

Notes forming part of the Financial Statements

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'23	Punjab National Bank	3867.95	7421.18	5,171.08	7408.59	(1303.14)	12.59
September'23		4,261.37	4,940.38	4,261.37	4,868.34	-	72.04
December'23		7193.80	6955.68	6368.46	7,416.58	825.34	(460.90)
March'24		4,271.85	6,204.08	4,271.85	6,204.08	-	-

* These differences are mainly due to following reasons:-

(a) Provision of expenses being not considered in statements submitted to bank,

(b) Amounts of trade payables and trade receivables are shown net off advances to suppliers and advances from customers respectively in statements submitted to bank.

(c) Inventory and Trade Receivables:- Mainly due to change in the basis of valuation of inventories, effects of exchange rate fluctuations, etc. during the course of audit.

As per our attached report of even date
For Mahendra N. Shah & Co.
Chartered Accountants
FRN: 105775W

Chirag M. Shah
Partner
Membership No. F 045706

Place: Ahmedabad
Date: 25/05/2024

For Pashupati Cotspin Limited

Saurinbhai J. Parikh
Managing Director
(DIN: 02136530)

Hareshkumar Shah
Chief Financial Officer

Place: Ahmedabad
Date: 25/05/2024

Tushar R. Trivedi
Whole Time Director
(DIN: 06438707)

Nisarg Shah
Company Secretary

Place: Ahmedabad
Date: 25/05/2024

INDEPENDENT AUDITORS REPORT

To the Members of
Pashupati Cotspin Limited

Report on the Audit of Consolidated Financial Statements

Opinion:

We have audited the accompanying Consolidated financial statements of **Pashupati Cotspin Limited** (the 'Company') and its subsidiary firm Pashupati Cotyarn LLP (hereinafter reffered to as "subsidiary firm" and together referred to as the " Group ") which comprise the Balance Sheet as at March 31, 2024, and the statement of Profit and Loss and Statement of cash flows for the year then ended, and notes to the Consolidated financial statements, including a summary of Material accounting policies and other explanatory information (herein after referred as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by the Companies Act,2013 (the "Act") in the manner so required and give a true and fair view in conformity with the 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 31,2024 , its profit, and its cash flows for the year ended on that date.

Basis for Opinion:

We conducted our audit of the Consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the 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 Consolidated Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with 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 Consolidated Financial Statements.

Key Audit Matters:

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KEY AUDIT MATTER	RESPONSE TO KEY AUDIT MATTER
Measurement and Recognition of State Subsidy Receivable n 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):: ➢ 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. ➢ 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 Holding 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 Consolidated Financial Statements, and our auditor's reports thereon).

Our opinion on the Consolidated Financial Statements does not cover the Other Information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the Consolidated 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 Consolidated Financial Statements:

The Holding 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 Consolidated 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 Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements, 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 respective Board of Directors of the company(ies) included in the group are also responsible for overseeing the Company's financial reporting process of the group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements:

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

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 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 polices 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 Group 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 Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on consolidate financial statement. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have

been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

We communicate with those charged with 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 Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit financial statement of 1 subsidiary PASHUPATI COTYARN LLP included in the consolidated financial result, whose financial statements reflects total assets of RS. 177.09Lakhs as at March 31, 2024, total revenue of RS. 307.8 Lakhs total net Loss after tax RS. 16.71 Lakhs, are considered in the consolidated financial results. The financial information of FY 2023-24 has been audited by other auditor whose reports have been furnished to us by the management and our opinion on the consolidated financial results, in so far as it relates to amounts and disclosures included in respect of this subsidiary, is based solely on the reports of the other Auditors and the conversion adjustments prepared by the management of the Holding Company. Our opinion on the consolidated financial results is not modified in respect of above matter with respect to our reliance on the work done and report of the other auditor.

Report on Other Legal and Regulatory Requirements:

As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the Standalone / Consolidated Financial Statements / financial information of the subsidiaries referred to in the Other Matters section above we report, to the extent applicable 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 Companyso 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 Consolidated 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, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 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 A**".

(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 Consolidated 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 Holding 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.

The Board of Directors of the Holding Company have proposed final dividend for the year, which is subject to approval of the member at the ensuing Annual General Meeting. The amount of dividend proposed in accordance with Section 123 of the act as applicable

Based on our examination which included test checks, the Holding Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the Consolidated Financial Statements, as provided to us by the Management of the Holding company, we report that in respect of those companies where audits have been completed under Section 143 of the Act, there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the Consolidated Financial Statements

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

CA. Chirag M. Shah
Partner
Membership No.-045706
UDIN:24045706BKAJVQ3661

Place: Ahmedabad
Date: 25.05.2024

Annexure 'A'

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, 2024 in conjunction with our audit of the Consolidated Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The 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 Consolidated 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 Consolidated 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 Consolidated 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 Consolidated 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 of procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to explanations given to us, the Holding Company and its subsidiary 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, 2024, 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.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Financial Statements insofar as it relates to 1 subsidiary Firm, which is Firm incorporated in India, is based solely on the corresponding reports of the auditors of such Firm incorporated in India. Our opinion is not modified in respect of the above matters.

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

CA. Chirag M. Shah
Partner
Membership No.-045706
UDIN:24045706BKAJVQ3661

Place: Ahmedabad
Date: 25.05.2024

PASHUPATI®
COTSPIN LTD

BALANCE SHEET

AS AT 31st March, 2024

(₹ in Lakhs)

PARTICULARS	Note No.	As at 31.03.2024	As at 31.03.2023
A EQUITY & LIABILITIES			
1 SHARE HOLDERS FUND			
(a) Share Capital	2(a)	1,528.40	1,528.40
(b) Reserves & Surplus	2(b)	10,327.01	9,611.26
(c) Money Received Against Share Warrants	2(c)	-	-
2 MINORITY INTEREST		**64.19**	**73.76**
3 NONCURRENT LIABILITIES			
(a) Long Term Borrowings	3	4,583.80	5,116.11
(b) Deferred Tax Liabilty	4	879.89	616.13
(c) Other Long Term Liabilities	5	15.02	15.77
(d) Long Term Provisions	6	134.54	107.82
4 CURRENT LIABILITIES			
(a) Short Term Borrowings	7	10,475.50	12,212.61
(b) Trade Payables	8		
(i) Total Outstanding dues to Micro, Small & Medium Enterprise		8.10	0.51
(ii) Total Outstanding dues to other than Micro, Small & Medium Enterprise		2,684.73	798.41
(c) Other Current Liabilities	9	297.94	736.24
(d) Short Term Provisions	10	105.82	61.84
Total		**31,104.95**	**30,878.87**
B ASSETS			
1 NON CURRENT ASSETS			
(a) Property Plant & Equipment			
(i) Tangible Assets	11	13,829.96	11,542.96
(ii) Capital Work-In-Progress		-	2,636.17
(b) Non Current Investments	12	112.95	115.30
(c) Long Term Loans and Advances	13	650.55	850.34
2 CURRENT ASSETS			
(a) Inventories	14	4,138.37	3,526.45
(b) Current Investment	15	3,808.11	2,595.93
(c) Trade Receivables	16	6,212.75	6,398.95
(d) Cash and Cash Equivalents	17	199.94	250.58
(e) Short Term Loans and Advances	18	1,400.42	2,260.87
(f) Other Current Assets	19	751.92	701.31
Total		**31,104.95**	**30,878.87**
Significant Accounting Policies and Notes to Accounts	1		

As per our attached report of even date

For Mahendra N. Shah & Co.
Chartered Accountants
FRN: 105775W

Chirag M. Shah
Partner
Membership No. F 045706

Place: Ahmedabad
Date: 25/05/2024

For Pashupati Cotspin Limited

Saurinbhai J. Parikh
Managing Director
(DIN: 02136530)

Hareshkumar Shah
Chief Financial Officer

Place: Ahmedabad
Date: 25/05/2024

Tushar R. Trivedi
Whole Time Director
(DIN: 06438707)

Nisarg Shah
Company Secretary

Place: Ahmedabad
Date: 25/05/2024

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31st March, 2024

(₹ in Lakhs)

Particulars	Note No.	For the Period from 01.04.2023 to 31.03.2024	For the Period from 01.04.2022 to 31.03.2023
INCOME			
1 Revenue from Operations (Gross)	20	66,067.98	44,282.74
Less: Excise Duty		-	-
Revenue from Operations (Net)		**66,067.98**	**44,282.74**
2 Other Income	21	841.07	904.76
3 Total Revenue		**45,187.51**	**45,187.51**
4 EXPENDITURE			
(a) Cost of Materials Consumed	22.a	56,052.67	37,468.81
(b) Purchase of stock-in-trade		2,266.63	-
(c) Changes in Inventories of Finished Goods	22.b	(576.28)	635.85
(d) Employee Benefits Expense	23	1,558.97	1,213.94
(e) Finance Costs	24	1,702.19	1131.41
(f) Depreciation	11	1,182.35	926.25
(g) Other Expenses	25	3,605.51	3,220.36
Total Expenses		**65,792.05**	**44,596.63**
5 Profit/(Loss) Before Tax & Exceptional Item		**1,117.00**	**590.88**
Exceptional Item		-	-
6 Profit/ (Loss) Before Tax		**1,117.00**	**590.88**
Tax Expense:			
(a) Current Tax		23.02	0.00
(b) Deferred Tax Asset/(Reversal)		263.76	162.79
(c) Short/(Excess) Provision Of Tax		0.00	0.00
7 Profit\(Loss) After Tax		**830.22**	**387.62**
Share of Loss of Minority Interest		-0.17	-0.23
Profit for the Year		830.39	387.86
Earnings per equity share:			
(1) Basic		5.43	2.54
(2) Diluted		5.43	2.54
Significant Accounting Policies and Notes to Accounts	1		

As per our attached report of even date

For Mahendra N. Shah & Co.
Chartered Accountants
FRN: 105775W

Chirag M. Shah
Partner
Membership No. F 045706

Place: Ahmedabad
Date: 25/05/2024

For Pashupati Cotspin Limited

Saurinbhai J. Parikh
Managing Director
(DIN: 02136530)

Hareshkumar Shah
Chief Financial Officer

Place: Ahmedabad
Date: 25/05/2024

Tushar R. Trivedi
Whole Time Director
(DIN: 06438707)

Nisarg Shah
Company Secretary

Place: Ahmedabad
Date: 25/05/2024

PASHUPATI®
COTSPIN LTD

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31st March, 2024

Particulars		Year ended on 2023-24	Year ended on 2022-23
A)	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Profit before tax as per Profit & Loss A/c	1117.00	590.88
	Adjustments:		
	Depreciation and amortization	1182.35	926.25
	Profit from Partnership firm	36.23	(25.70)
	Bad Debts & Sundry balance written off	176.58	0.00
	Interest Income	(568.68)	(605.23)
	Finance Cost	1,702.19	1,131.41
	Operating Profit before working capital	3,645.67	2,017.61
	Adjusted for :		
	i) Trade Receivables, Loans & Advances & Other current assets	1,025.63	1,700.55
	ii) Changes in inventories	(611.91)	2,634.63
	iii) Trade Payable & Liabilities	1525.56	75.54
	Cash generated from operations	**5584.95**	**6,428.33**
	Extraordinary Income	(29.40)	(519.28)
	Direct Tax Paid		
	Net Cash from Operating Activities (a)	**5555.55**	**5,909.05**
B)	**Cash Flow from Investing Activities :**		
	Purchase of Fixed Assets	(833.18)	(6,081.09)
	Investments	(1246.05)	1,194.02
	Interest Received	568.68	605.23
	Net Cash used in Investing Activities (b)	**(1,510.55)**	**(4,281.83)**
C)	**Cash Flow from Financing Activities**		
	Proceeds from/(Repayment) of Long-Term Borrowings (Net)	(2269.41)	(416.75)
	Payment To Minority Interest	(9.41)	0.00
	Interest Paid	(1702.19)	(1,131.41)
	Dividend paid including distribution tax	(114.63)	(114.63)
	Net Cash from financing Activities(c)	**(4,095.64)**	**(1,662.79)**
	Net Increase in cash & cash equivalents (a+b+c)	**(50.64)**	**(35.57)**
	Opening Balance of Cash & Cash equivalents	250.58	286.15
	Closing Balance of Cash & Cash equivalents	199.94	250.58

As per our attached report of even date

For Mahendra N. Shah & Co.
Chartered Accountants
FRN: 105775W

Chirag M. Shah
Partner
Membership No. F 045706

Place: Ahmedabad
Date: 25/05/2024

For Pashupati Cotspin Limited

Saurinbhai J. Parikh
Managing Director
(DIN: 02136530)

Hareshkumar Shah
Chief Financial Officer

Place: Ahmedabad
Date: 25/05/2024

Tushar R. Trivedi
Whole Time Director
(DIN: 06438707)

Nisarg Shah
Company Secretary

Place: Ahmedabad
Date: 25/05/2024

Notes forming part of the Financial Statements

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

[A] PRINCIPLES OF CONSOLIDATION:

a) The consolidated financial statements have been prepared in accordance with Accounting Standard 21 (AS 21) on "Consolidated Financial Statements", Accounting Standard 23 (AS 23) on "Accounting for Investments in Associates in Consolidated Financial Statements" and Accounting Standard 27 (AS 27) "Financial Reporting of Interests in Joint Venture" as specified in the Companies (Accounting Standard) Rules, 2021 (as amended) and on the basis of the separate audited financial statements of Pashupati Cotspin Limited its Subsidiaries, Associates and Jointly Controlled entities. Reference in the notes to "Group" shall mean to include Pashupati Cotspin Limited, its Subsidiaries, Associates and Jointly Controlled entities consolidated in these financial statements unless otherwise stated.

b) The consolidated financial statements have been prepared on the following basis.

i) Subsidiaries are fully consolidated from the date of acquisition and incorporation, being the date on which the Group obtains control, and continues to be consolidated until the date that such control ceases (including through voting rights).

Subsidiaries have been consolidated on a line by-line basis by adding together the book values of the like items of assets, liabilities, income, and expenses after eliminating all significant intragroup balances and intra-group transactions.

The unrealized profits resulting from intra-group transactions that are included in the carrying amount of assets are eliminated in full. Unrealized losses resulting from intra-group transactions that are deducted in arriving at the carrying amount of assets are also eliminated unless cost cannot be recovered.

The excess of the cost to the Company of its investment in subsidiaries/Joint Venture over the Company's portion of equity on the acquisition date is recognized in the financial statements as goodwill and is tested for impairment annually. When there is excess of Company's portion of equity of the Subsidiary over the cost of the investment then it is treated as Capital Reserve.

The list of Companies / firms included in consolidation, relationship with Pashupati Cotspin Limited andPashupati Cotspin Limitedsshareholding therein is as under:

The reporting date for all the entities is 31st March2024 except otherwise specified.

Sr. No.	Name of Company/Firm	Country of Incorporation	Relationship	Shareholding at	
				31st March' 2024	31st March' 2023
1	Pashupati Cotyarn LLP	India	Subsidiary	99.00%	99.00%

[B] SIGNIFICANT ACCOUNTING POLICIES:

I. Information:

PashupatiCotspin Ltd (Holding Company) is a listed company incorporated in India. The Holding Company along with its subsidiary ("The Group") is engaged in Cotton Ginning and manufacture, processing of yarn.

II. Basis of Preparation:

The financial statements of the Group 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.

III. 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.

IV. Property Plant &Equipments:

Property Plant &Equipment 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 &Equipment.

V. Depreciation:

a. Depreciation on Property Plant &Equipment is provided on the StraightLineMethod (SLM) Method on the basis of Useful Life prescribed in Schedule II to the Companies Act, 2013.

b. Depreciation on additions to the Property Plant &Equipment 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.

Notes forming part of the Financial Statements

VI. 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

VII. 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 &Equipment from outside India are dealt with in the statement of profit and loss. Exchange gain or loss relating to Property Plant &Equipment acquired from outside India is adjusted in the cost of respective Property Plant &Equipment.

(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 &Equipment from outside India, in which case, such profit or loss is adjusted in the cost of Property Plant &Equipment.

(c) 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.

VIII. Retirement Benefits:

(a) The Group has made provision of Gratuity liability of employees on basis of actuarialvaluationreport.

(b) Leave encashment has been charged to the Revenue Account on the basis of policy of the company.

(c) The Group contribution to Provident Fund is charged to Revenue Account.

IX. 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.

X. 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.

XI. Segment Accounting:

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

Notes forming part of the Financial Statements

XII. Investments:

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

XIII. Provisions and contingencies:

A provision is recognized when the Group 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 Group 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.

XIV. 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.

XV. 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.

Notes forming part of the Financial Statements

B) NOTES ON ACCOUNTS:

Note No. 2(a) Share Capital

	As at 31 March, 2024		As at 31 March 2023	
	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, 2024		As at 31 March 2023	
	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	-	-	-	-
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, 2024		As at 31 March 2023	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Ashishbhai Rameshchandra Trivedi	904000	5.91	904000	5.91
Bhaveshbhai Jayantibhai Patel	791000	5.18	791000	5.18
Hariprabhaben Arvindbhai Parikh	1583000	10.36	1583000	10.36
Mukeshkumar Vitthalbhai Patel	904000	5.91	904000	5.91
Renukaben Jagdishbhai Parikh	1583000	10.36	1583000	10.36
Saurinbhai Jagdishbhai Parikh	2333000	15.26	2333000	15.26
Falguniben Miteshbhai Parikh	1733000	11.34	1733000	11.34
PashupatiTexspin Export LLP	1080000	7.07	1080000	7.07

Notes forming part of the Financial Statements

Note No. 2.3

Shareholding of Promoters & Promoter Group as at March 31, 2024.

Promoter name	No. of Shares	% of total shares	% Change during the year
DakshesJayantilal 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	1080000	7.07	-
NiraliRajendra Desai	25600	0.17	-
Total	**11163000**	**73.03**	

Note No. 2.4

Shareholding of Promoters & Promoter Group as at March 31, 2023.

Promoter name	No. of Shares	% of total shares	% Change during the year
DakshesJayantilal Patel	525000	3.43	-
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	1080000	7.07	-
Nirali Rajendra Desai	25600	0.17	-
Total	**11163000**	**73.03**	

Note No. 2.5

There are no unpaid calls from Directors or officers.

Notes forming part of the Financial Statements

Note No. 2(b) RESERVES & SURPLUS

(₹ in Lakhs)

Reserves & Surplus	As at 31 March, 2024	As at 31 March, 2023
(i) Share Securities Premium		
As per Last Balance Sheet	4,259.60	4,259.60
(+) Additions during the year	-	-
(-) 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	5373.40	5100.41
(+) Net Profit For the current year	830.39	410.77
(-) Dividend Paid	(114.63)	(114.63)
Closing Balance (b)	**6,089.16**	**5,373.40**
Total (a)+(b)	**10,348.76**	**9,633.00**

NOTE 3: LONG TERM BORROWINGS

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Term Loans (Secured)*		
a) From Banks	6,905.70	7,756.17
Less:Current Maturities of long term debt	(2,321.90)	(2,640.06)
Total	**4,583.80**	**5,116.11**

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

NOTE 4: DEFERRED TAX LIABILITY

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Deferred Tax Liability	616.13	453.34
Add/Less: Deferred Tax Obligation	263.76	162.79
Total	**879.89**	**616.13**

NOTE 5: OTHER LONG TERM LIABILITIES

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Staff Deposit	15.02	15.77
Total	**15.02**	**15.77**

NOTE 6: LONG TERM PROVISIONS

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Provision- From Employment Benefit		
Gratuity	134.54	107.82
Total	**134.54**	**145.97**

Notes forming part of the Financial Statements

NOTE 7: SHORT TERM BORROWINGS

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Secured		
Current Maturities of Long Term Borrowings	2,321.89	2,640.06
Working Capital Loan From Bank (Secured)	8,153.61	9,572.54
Total	**10,475.50**	**12,212.61**

*Note: Refer note no. 38 of Notes To Accounts for information regarding terms of repayment and security.

NOTE 8: TRADE PAYABLES

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
(i) Total Outstanding dues to Micro, Small & Medium Enterprise	8.10	0.51
(ii) Total Outstanding dues to other than Micro, Small & Medium Enterprise	2684.73	798.41
Total	**2,692.83**	**798.92**

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, 2024

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	8.10	-	-	-	8.10
(ii) Others	2,654.92	29.82	-	-	2,684.73
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
TOTAL BILLED AND DUE (A)	**2,663.02**	**29.82**	**-**	**-**	**2,692.83**
UNBILLED DUES (B)	-	-	-	-	-
TOTAL TRADE PAYABLES (A + B)	**2,663.02**	**29.82**	**-**	**-**	**2,692.83**

Note 8.2 : Trade Payables ageing schedule for the year ended March 31, 2023

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	0.51	-	-	-	0.51
(ii) Others	768.76	29.61	0.03	-	798.41
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
TOTAL BILLED AND DUE (A)	**769.27**	**29.61**	**0.03**	**-**	**798.92**
UNBILLED DUES (B)	-	-	-	-	-
TOTAL TRADE PAYABLES (A + B)	**769.27**	**29.61**	**0.03**	**-**	**798.92**

NOTE 9: OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Statutory Remittances	133.96	353.85
Other Payables	121.26	146.33
Advance from Customer	42.72	236.06
Total	**297.94**	**736.24**

Notes forming part of the Financial Statements

NOTE 10: SHORT TERM PROVISIONS

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Provision for Income Tax (Net of Advance Tax and TDS Receivable)	-	(6.34)
Provision for Employee Benefits		
Gratuity	43.55	20.55
Bonus	62.27	47.63
Total	**105.82**	**61.84**

NOTE - 11 : Property Plant & Equipment :

(₹ in Lakhs)

	Particulars	Gross Block At Cost				Depreciaiton				Net Block	
		Opening Balance As on 1-Apr-2023	Additions During the Year	Adjustment \ Deductions\ Reclassifications During the year	Closing Balance as on 31-Mar-2024	Opening Balance As on 1-Apr-2023	Depreciation for the period up to 31-Mar-2024	Adjustment \Deductions During the year	Closing Balance as on 31-Mar-2024	Closing Balance as on 31-Mar-2024	Closing Balance as on 31-Mar-2023
1	Freehold Land	318.41	32.22	-	350.63	-	-	-	-	350.63	318.41
2	Factory Building	3,535.08	0.00	-	3,535.08	735.99	119.02	-	855.01	2,680.07	2,799.09
3	Plant & Machinery	16,813.83	3,387.33	7.75	20,193.41	8,667.24	1,005.88	-	9,673.12	10,520.29	8,146.59
4	Office Equipments	55.62	4.18	-	59.80	23.89	13.23	-	37.12	22.68	31.73
5	Computer	22.91	9.03	-	31.94	15.06	5.63	-	20.69	11.24	7.85
6	Furniture	14.76	33.83	-	48.59	1.83	3.83	-	5.66	42.93	12.93
7	Electrical Installation	422.40	-	-	422.40	257.06	18.94	-	276.00	146.40	165.34
8	Vehicle	178.84	10.52	-	189.36	126.49	14.78	-	141.27	48.09	52.35
9	Bridges, culverts, bunders, etc.	9.79	-	-	9.79	2.83	0.31	-	3.14	6.65	6.96
10	Tubewell	6.31	-	-	6.31	5.99	-	-	5.99	0.32	0.32
11	Computer software	7.56	-	-	7.56	6.19	0.73	-	6.92	0.64	1.37
Total		**21,385.52**	**3,477.11**	**7.75**	**24,854.87**	**9,842.58**	**1,182.35**	**-**	**11,024.92**	**13,829.96**	**11,542.96**

NOTE 12 : Non Current Investment

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Other Investment		
Investment in Corporate Entities#	110.45	115.30
Investment in Shares	12.50	
Total	**122.95**	**115.30**

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

(₹ in Lakhs)

Name of the Company	As at 31 March, 2024	As at 31 March, 2023
Pashupati Texspin Export LLP	80.00	80.00
Sarjak Infra LLP	0.45	0.45
Global Park Developers LLP	20.00	20.00
Pashupati Cotyarn LLP	0.00	14.85

Notes forming part of the Financial Statements

NOTE 13: Long Term Loans & Advances

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Unsecured, Considered Good		
Deposits others	0.55	0.34
Capital Advances	650.00	850.00
Total	**650.55**	**850.34**

NOTE 14: INVENTORIES

(At Lower of Cost or Net Realisable Value)

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Raw Materials	622.00	586.37
Finished Goods	2,481.78	2,165.80
WIP	540.46	369.39
Stores , Spares & Packing Material	494.13	404.89
Total	**4,138.37**	**3,526.45**

NOTE 15 : CURRENT INVESTMENT

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Other Investment		
Investment in Corporate Entities	3,808.11	2,595.93
Total	**3,808.11**	**2,595.93**

** It includes Share of profit for the current year
# These includes amount invested and deposited in LLP in which Company is Partner.

(₹ in Lakhs)

Name of the Company	As at 31 March, 2024	As at 31 March, 2023
Pashupati Texspin Export LLP	1,839.48	886.53
Sarjak Infra LLP	256.44	141.85
Global Park Developers LLP	1,712.19	1,682.86

NOTE 16: TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Unsecured, Considered Good		
Trade receivables outstanding for a period less than six months from the date they are due for payment	6,135.94	6,354.03
Trade receivables outstanding for a period exceeding six months from the date they are due for payment	77.79	45.90
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	-	-
Less :- Provision for Expected Credit Loss	(0.98)	(0.98)
Total	**6,212.75**	**6,398.95**

Notes forming part of the Financial Statements

Note 16.1: Trade Receivables ageing schedule for the year ended as on March 31, 2024.

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	6,135.94	61.82	15.95	-	0.01	6,213.73
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
TOTAL BILLED AND DUE (A)	**6,135.94**	**61.82**	**15.95**	**-**	**0.01**	**6,213.73**
UNBILLED DUES (B)	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL TRADE RECEIVABLES (A + B)	**6,135.94**	**61.82**	**15.95**	**-**	**0.01**	**6,213.73**
Less: Provision for Expected Credit Loss	-	-	-	-	-0.98	-0.98
TOTAL NET TRADE RECEIVABLES	**6,135.94**	**61.82**	**15.95**	**-**	**-0.96**	**6,212.73**

Note 16.2: Trade Receivables ageing schedule for the year ended as on March 31, 2023.

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	6,354.03	41.35	3.55	0.07	0.93	6,399.93
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
TOTAL BILLED AND DUE (A)	**6,354.03**	**41.35**	**3.55**	**0.07**	**0.93**	**6,399.93**
UNBILLED DUES (B)	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL TRADE RECEIVABLES (A + B)	**6,354.03**	**41.35**	**3.55**	**0.07**	**0.93**	**6,399.93**
Less: Provision for Expected Credit Loss	**-**	**-**	**-**	**-**	**-0.98**	**-0.98**
TOTAL NET TRADE RECEIVABLES	**6,354.03**	**41.35**	**3.55**	**0.07**	**-0.05**	**6,398.95**

NOTE 17: CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Balances with Banks		
In Current Accounts	2.15	2.09
Cash on Hand	0.47	0.38
Fixed Deposits Under Lien#		
Against Borrowings	0.00	25.29
Against Guarantees	197.32	222.82
Total	**199.18**	**250.58**

Fixed Deposit with Maturity of more than 12 Month.

NOTE 18: SHORT TERM LOANS AND ADVANCES

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Unsecured, Considered Good		
Advance Tax (Net of Provision for Income Tax)	91.44	85.05
Advances to Suppliers	271.17	815.13
Advance to Staff	18.28	21.00
Prepaid Expenses	33.46	34.07
Balances with Government Authorities	986.07	1,305.61
Total	**1,400.42**	**2,260.87**

Notes forming part of the Financial Statements

NOTE 19: OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Textile Benefit Receivable	751.92	701.31
Total	**751.92**	**701.31**

NOTE 20: REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	For the year 2022-23	For the year 2021-22
Sale of Goods		
1. Yarn Sales	26,448.27	22,545.53
2. bardan Sales	-	10.00
3 cotton sales	32,725.36	-
4 Sale of by Products	6,161.51	14,455.59
Total	**65,335.14**	**37,011.11**
Less : Rebate & Goods Returned	-43.47	-230.37
	65,291.67	**36,780.74**
Sale of Services		
Other Operating Revenues	776.31	7,502.00
Total	**66,067.98**	**44,282.74**

NOTE 21: OTHER INCOME

(₹ in Lakhs)

Particulars	For the year 2023-24	For the year 2022-23
Interest Income	568.69	605.23
Other Income	272.38	273.83
Share of profit from firm	-	25.70
Total	**841.07**	**904.76**

NOTE 22.a: COST OF MATERIALS CONSUMED

(₹ in Lakhs)

Particulars	For the year 2023-24	For the year 2022-23
Opening Stock	586.37	2,655.58
Add: Purchases	56,088.30	35,399.60
Less: Closing Stock	622.00	-586.37
Total	**56,052.67**	**37,468.81**

Notes forming part of the Financial Statements

NOTE 22.b: CHANGES IN INVENTORIES OF FINISHED GOODS

(₹ in Lakhs)

Particulars	For the year 2023-24	For the year 2022-23
Inventories at the End of the Year:		
Finished Goods	2,481.78	2,165.80
Stores, Spares & Packing Material	494.13	404.89
Work in process	540.46	369.39
	3,516.37	**2,940.08**
Inventories at the Beginning of the Year:		
Finished Goods	2,165.80	2,889.58
Stores, Spares & Packing Material	404.89	290.84
Work in process	369.39	395.51
	2,940.08	**3,515.75**
Total	**-576.28**	**635.85**

NOTE 23: EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

Particulars	For the year 2023-24	For the year 2022-23
Salaries and Wages	1,506.65	1,198.56
Contributions to Provident and Other Funds	12.07	-32.69
Staff Welfare Expenses	40.25	48.07
Total	**1,558.97**	**1,213.94**

NOTE 24: FINANCE COST

(₹ in Lakhs)

Particulars	For the year 2023-24	For the year 2022-23
Interest Expense	1,624.03	1,099.79
Other Borrowing Cost	78.16	31.62
Total	**1702.19**	**1,131.41**

Notes forming part of the Financial Statements

NOTE 25: OTHER EXPENSES

(₹ in Lakhs)

Particulars	For the year 2023-24	For the year 2022-23
Transportation Expenses	98.42	37.81
Brokerage & Commission Expenses	81.23	125.95
Legal & Consultancy Charges	48.48	51.73
Power and Fuel	1,811.79	1,897.93
Donation	13.54	20.52
Foreign Exchange Rate Difference	-	0.95
Loss on Sale of Property, Plant & Equipment	-	-
Bad Debts Written Off	-	-
Repairing & Maintenance:-		
Machinery (including spares)	921.78	692.73
Building Repairing & Maintenance	92.04	73.92
Others	9.29	27.42
CSR/donation Expenses (Refer Note No:- 28)	22.00	32.77
Insurance	52.86	38.12
Travelling Expenses	2.63	57.82
Testing expenses	14.48	2.09
Loading & Unloading Expenses	2.17	1.95
Rent,Rates& Taxes	18.28	0.75
Expected Credit Loss	-	-
Auditors Remuneration (Refer Note Below)	3.00	3.00
Stationery, Printing, Postage & Telephone	15.60	11.81
Profit and Loss for Partnership Firm	36.23	-
General Expenses	184.71	113.26
Total	**3,605.51**	**3,220.36**

Note: 25.1: Auditors Remuneration

(₹ in Lakhs)

Particulars	For the year 2023-24	For the year 2022-23
Payments to the Auditors comprises :		
As Auditors - Statutory Audit	3.00	3.00
Taxation Matters	-	-
Out of pocket expenses	-	-
Total	**3.00**	**3.00**

Notes forming part of the Financial Statements

26. Contingent Liabilities:

a) Bank guarantees amounting to Rs. 23.51 Lakhs(P.Y.Rs.144.82 Lakhs.) in favour of DGFT & Customs, Rs. 444.53 Lakhs (P.Y.Rs.444.53 Lakhs) in favour of Uttar Gujarat Vij Company Limited.

b) The company has imported capital spares under the EPCG Scheme at concessional rate of custom duty by undertaking obligation to export. Future outstanding export obligation under the scheme is Rs. 382.72 Lakhs (previous year Rs. 382.72 Lakhs) which is equivalent to 6 times of duty saved Rs. 63.79 Lakhs (Previous year Rs. 63.79 Lakhs). The export obligation must be completed by 2021-22 to 2027-28.

c) In respect of Goods and Service Tax Liability of Rs. 566.47 Lakhs(F.Y 17-18 & F.Y 18-19 Related to case for Income difference between income shown on portal and income disclose in books of accounts & wrongly availed Input Tax Credit.)

d) Corporate guarantees amounting to Rs. 19,579 in Lakhs favour of Pashupati Texspin Export LLP (Relation :Associate)

27. In terms of Accounting Standard 28 – Impairment of Assets issued by ICAI the Management has reviewed its Property Plant & Equipment 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.

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

As per the provisions of the Section 135 of the Companies Act, 2013 the Net Profit of the Company in FY 2022-23 was below the threshold limits therefore the Group was not under any statutory obligation to incur the CSR expenditure in FY 2023-24.

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, 2024	As at March 31, 2023
The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each period:		
Principal	8.10/-	0.51/-
Interest	Nil	Nil
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.	Ni	Ni
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 Group over dues, which are outstanding for more than 45 days as at March 31, 2024. 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 Group.

30. Earnings Per Share:

(Amountin Lakhs except for EPS)

Particular	2023-24	2022-23
Net profit attributable to Shareholders	830.39	410.77
Weighted average number of equity shares	1,52,84,000	1,52,84,000
Basic earnings per share of ₹.10/- each (in Rs)	5.43	2.69

Notes forming part of the Financial Statements

31. Related Party Disclosure:

- The names of the related parties and nature of the relationships where control exists are disclosed irrespective of whether or not there have been transactions between the related parties. For others, the names and the nature of relationships is disclosed only when the transactions are entered into by the Group with the related parties during the existence of the related party relationship.

KEY MANAGERIAL PERSONNEL

Saurin JagdishBhai Parikh	Chairman & Managing Director
Tushar Rameshchandra Trivedi	Whole time Director
Hareshkumar Rameshchandra Shah	Chief Financial Officer (CFO)
Nisarg Shah	Company Secretary & Compliance Officer
Bhaveshbhai Jayantibhai Patel	Relative of Partner
Dakeshbhai Jayntibhai Patel	Relative of Director

Subsidiary & Associate entities.

Pashupati Cotyarn LLP	Subsidiary Firm
Sarjak Infra LLP	Associate Firm
Pashupati Healthcare Foundation	Associate Firm
Global Park Developers LLP	Associate Firm
S Raja Export Private Limited	Associate Firm
Uniza Lifecare Private Limited	Associate Firm
Pashupati Texspin Export LLP	Associate Firm
R V Enterprises	Associate Firm
Pashupati Cotton Industries	Associate Firm

The details of material transactions and balances with related parties are given below:

Transactions during the year	Relation	For the year ended March 31, 2024	For the year ended March 31, 2023
Purchase of goods:			
Pashupati Texspin Export LLP	Associate Firm	2,701.15	119.70
R V Enterprises	Associate Firm	25,344.55	15,287.62
Pashupati Cotton Industries	Associate Firm	1,654.68	1,709.08
Total		**29,700.38**	**17,116.40**
Sale of goods:			
Pashupati Texspin Export LLP (Reimbursement of expense)	Associate Firm	195.79	-
Pashupati Texspin Export LLP	Associate Firm	17891.82	7,380.81
R V Enterprises	Associate Firm	4,024.48	3,121
Pashupati Cotton Industries	Associate Firm	4,439.08	2,005.96
Total		**26,551.17**	**12,508.16**
For various expenses			
Bhaveshbhai Jayantibhai Patel	Relative Of Partner	-	10.00
Daksheshbhai Jayantibhai Patel	Relative of Director	-	8.00
Total		**-**	**18.00**
For Brokerage Income			
S Raja Export Private Limited	Associate Firm	-	261.37
Total		-	261.37

Notes forming part of the Financial Statements

Transactions during the year	Relation	For the year ended March 31, 2024	For the year ended March 31, 2023
For Rent Income			
Uniza Lifecare Private Limited	Associate Firm	3.33	4.85
Total		**3.33**	**4.85**
Interest Income			
Pashupati Texspin Export LLP	Associate Firm	3.37	204.68
Sarjak Infra LLP	Associate Firm	21.29	13.43
Global Park Developers LLP	Associate Firm	195.49	179.99
Total		**220.15**	**398.10**
Remuneration:			
Tusharbhai Rameshchandra Trivedi	KMP	2.40	2.23
Hareshkumar Rameshchandra Shah	KMP	6.00	6.00
Nisarg Shah	KMP	3.00	4.54
Total		**11.40**	**12.77**
Donation Expenditure			
Pashupati Healthcare Foundation	Associate Firm	3.72	1.65
Investment- Current Capital			
Pashupati Texspin Export LLP	Associate Firm	979.17	(292.00)
Sarjak Infra LLP	Associate Firm	93.75	16.50
Global Park Developers LLP	Associate Firm	(146.17)	-
Total		**926.75**	**(275.50)**
Investment:			
Global Park Developers LLP	Associate Firm	1,732.18	1,682.86
Sarjak Infra LLP	Associate Firm	256.89	141.85
Pashupati Texspin Export LLP	Associate Firm	1,869.07	886.53
Total		**3,858.14**	**2,711.24**
Trade Receivables:			
S Raja Export Pvt Ltd	Associate Firm	-	27.44
Pashupati Texspin Export LLP	Associate Firm	2095.70	2,432.29
Pashupati Cotton Industries	Associate Firm	46.17	-
R V Enterprises	Associate Firm	152.68	-
Total		**2,294.55**	**2,459.73**
Advance from Debtors:			
R V Enterprises	Associate Firm	-	152.56
Total		**-**	**152.56**
Advance to Creditors:			
R V Enterprises	Associate Firm	-	674.00
Total		**-**	**674.00**
Trade Payables			
R V Enterprises	Associate Firm	382.16	-
Pashupati Cotton Industries	Associate Firm	413.69	-
Total		**795.85**	**-**

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

Notes forming part of the Financial Statements

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

a. 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 :

b. The Amount (in Lakh ₹.) as certified by the Approved Value is as under:

Period	From: 01/04/2023 To: 31/03/2024	From: 01/04/2022 To: 31/03/2023
Present value of the obligation at the beginning of the period	128.37	169.96
Interest cost	9.63	9.77
Current service cost	32.77	26.04
Past Service Cost	-	0
Benefits paid (if any)	-	0
Actuarial (gain)/loss	7.31	(77.41)
Present value of the obligation at the end of the period	178.09	128.37

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

Period	As on: 31/03/2024	As on: 31/03/2023
Present value of the obligation at the end of the period	178.09	128.37
Fair value of plan assets at end of period	-	-
Net liability/(asset) recognized in Balance Sheet and related analysis	178.09	128.37
Funded Status	(178.09)	(128.37)

Expense recognized in the statement of Profit and Loss: (₹ in Lakhs)

Period	From: 01/04/2023 To: 31/03/2024	From: 01/04/2022 To: 31/03/2023
Interest cost	9.62	9.77
Current service cost	32.77	26.04
Past Service Cost	-	0
Expected return on plan asset	(-)	(0)
Net actuarial (gain)/loss recognized in the period	7.32	(77.41)
Expenses to be recognized in P&L	49.72	(41.59)

Experience adjustment: (₹ in Lakhs)

Period	From: 01/04/2023 To: 31/03/2024	From: 01/04/2022 To: 31/03/2023
Experience Adjustment (Gain) / loss for Plan liabilities	6.29	(72.01)
Experience Adjustment Gain / (loss) for Plan assets	-	-

Summary:

Period	As on: 31-03-2024	As on: 31-03-2023
Number of employees	342	398
Total monthly salary	85.99	78.51
Average Past Service(Years)	5.1	4.1
Average Future Service (yrs)	22.4	23.7
Average Age(Years)	37.6	36.3
Weighted average duration (based on discounted cash flows) in years	25	26
Average monthly salary	0.25	0.20

Notes forming part of the Financial Statements

The assumptions employed for the calculations are tabulated:

Period	From: 01/04/2023 To: 31/03/2024	From: 01/04/2022 To: 31/03/2023
Discount rate	7.50 % per annum	5.75 % 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: 01/04/2023 To: 31/03/2024	From: 01/04/2022 To: 31/03/2023
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	2000000.00	2000000.00

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

Period	As on: 31/03/2024	As on: 31/03/2023
Current Liability (Short Term)*	43.55	20.55
Non Current Liability (Long Term)	134.54	107.82
Total Liability	**178.09**	**128.37**

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: 31/03/2024
Defined Benefit Obligation (Base)	1,78,09,205 @ Salary Increase Rate : 5%, and discount rate :7.25%
Liability with x% increase in Discount Rate	1,73,13,637; x=1.00% [Change (3)%]
Liability with x% decrease in Discount Rate	1,83,34,358; x=1.00% [Change 3%]
Liability with x% increase in Salary Growth Rate	1,83,40,524; x=1.00% [Change 3%]
Liability with x% decrease in Salary Growth Rate	1,72,98,471; x=1.00% [Change (3)%]
Liability with x% increase in withdrawal Rate	1,77,74,135; x=1.00% [Change 0%]
Liability with x% decrease in withdrawal Rate	1,78,42,999; x=1.00% [Change 0%]

Reconciliation of liability in balance sheet (₹ in Lakhs)

Period	From: 01/04/2022 To: 31/03/2024	From: 01/04/2021 To: 31/03/2023
Opening gross defined benefit liability/ (asset)	128.37	169.97
Expenses to be recognized in P&L	49.72	(41.60)
Benefits paid (if any)	-	-
Closing gross defined benefit liability/ (asset)	**178.09**	**128.37**

Notes forming part of the Financial Statements

33. AUDITORS' REMUNERATION:-

(₹ in Lakhs)

	2023-24	2022-23
1. Audit Fees	3.00	3.00
2. Tax Audit	2.00	2.00
3 Traveling expenses	-	-
TOTAL	**5.00**	**5.00**

34. Details of Goods Imported:-

(₹ in Lakhs)

	2023-24	2022-23
1. CIF value of goods imported:		
(a) Cotton	-	-
(b) Stores and Spares	57.71	50.37
(c) Plant and Machinery	-	-
TOTAL	**57.71**	**50.37**
2. Consumption:-		
(a.) Raw Materials:		
(i) Imported goods	-	-
(ii) Indigenous goods:		
Cotton	56052.67	37458.56
Cotton yarn	-	-
TOTAL	**56052.67**	**55515.06**
Imported	0%	0%
Indigenous	100%	100%
(b.) Stores and Spares:		
(i) Imported goods	68.75	50.37
(ii) Indigenous goods	20.48	63.38
TOTAL	**89.23**	**114.05**
Imported	77.05%	44.17%
Indigenous	22.95%	55.82%

35. Export Sales :

(₹ in Lakhs)

	2023-24	2022-23
Exports: Direct (FOB Value)	645.40	-
Through Merchant Exporters	13.05	-
TOTAL	**658.45**	**-**

36. Expenditure in Foreign Currency:

(₹ in Lakhs)

	2023-24	2022-23
Purchase of Plant and Machinery Stores Spares	68.75	50.37
Freight	4.74	1.21
TOTAL	**73.49**	**51.59**

37. Remittances of Dividend in Foreign Currency

Remittances of Dividend in Foreign Currency	-	-

Notes forming part of the Financial Statements

38. Brownings:.

Sr. no.	Bank	Nature of facility	Sanction Amount (Rs in Lakhs)	Security	Tenure	Rate of Interest
1	HDFC Bank Ltd	Dropline OD	1,800	Exclusive charge by way of Equitbale mortgage on immovable collateral security (1) Industrial Godown, Survey No. 919/1, Kadi Detroj road, Kadi (Old Survey 404/1) in the name of Pashupati Cotspin Limited and (2) Industrial Godown, Survey No. 435, Kadi Detroj Road, Kadi Developed by Pashupati Cotspin Limited Guarantee given by Promoter group.	60 months	8.30% p.a.
2	Punjab National Bank	Cash Credit	4,686	**PrimarySecurity:** 1st Pari Pashu 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.	-	8.30% p.a.
3	State Bank of India	Cash Credit	4,686			
		GECL 1.00	2214	2nd charge on existing primary security & collateral security including all cash flows of the Company.	60 months	8.30% p.a.
		GECL 2.00	1097	The facility covered under Guarantee coverage from NCGTC.		
		NFB facility		For BG: Counter Indemnity of the Company. The BG facility shall also covered on pasri passu 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. Guarantee given by Promoter group.	-	-

Notes forming part of the Financial Statements

Sr. no.	Bank	Nature of facility	Sanction Amount (Rs in Lakhs)	Security	Tenure	Rate of Interest
4	State Bank of India	Cash Credit	4,500	**Pimary Securrity:** 1. Pari passu charge 1st charge with PNB by way of hypothecation of Stock, re ceivables and entire current assets of the unit. Hypothecation of Stock & Recei vables. 2. Pari passu charge 2nd charge on S No: 404/p1, situated at Industrial Property admeasuring Hect-Are-Sq Mtrs 2-50-00 land of consolidated S No: 404P1 and its New S No: 919/1 is situated at in the sim of village Balasar Ta. Kadi District Mehsana. 3. Pari passu charge 2nd charge S No: 404/p2 , situated at Industrial Property admeasuring Hect-Are-Sq Mtrs 2-50-00 land of consolidated S No: 404/p1 and its New S No: 919/1 is situated in the sim of village Balasar Ta Kadi Dist. Mehsana. 4. Hypothecation (Sole Charge) over Plant & Machinery purchased out of (Hybrid Project). Bank Finance **Collateral Security:** 1. Pari passu charge 1st charge with PNB on Residential property Plot No: A-1of Someshwar Park Co-op Housing Society bearing Revenue S No: 320/1 of Town Kadi, District: Mehsana. 2. Pari passu charge 1st charge with PNB on Residential Property Plot No: 4 with construction of one Bunglow of Shurbhi Society bearing No: 1389 of Town Kadi, Ta. Kadi District Mehsana. 3. Pari passu charge 1st charge with PNB on Residential Property Plot No: 33 of Royal View Co-op Housing Society bearing S No: 342/1 of Town KAdi, Ta. Kadi,Dist: Mehsana. 4. Pari passu charge 1st charge with PNB on Industrial Land admeasuring Hect-Are-Sq Mtrs 2-05-78 land of S No: 36 and its old S No: 93 situated in the simvillage hansalpur Ta. Mandal District Ahmedabad. 5. Pari passu charge 1st charge with PNB on Residential property of land of PlotNo: 4 of Royal View Co-op Housing Society with construction of one Bunaglow bearing Revenue S No: 342/1 is situated in Ta. Kadi Dist. Mehsana. Guarantee given by Promoter group.	-	10.80% p.a.
5	HDFC Bank Ltd	Term Loan	2,020	Exclusive charge by way of Equitbale mortgage on immovable collateral security (1) Industrial Godown, Survey No. 919/1, Kadi Detroj road, Kadi (Old Survey 404/1) in the name of Pashupati Cotspin Limited. (2) Industrial Godown, Survey No. 435, Kadi Detroj Road, Kadi Developed by Pashupati Cotspin 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. Guarantee given by Promoter group.	72 months	9.38% p.a.

Notes forming part of the Financial Statements

Sr. no.	Bank	Nature of facility	Sanction Amount (Rs in Lakhs)	Security	Tenure	Rate of Interest
6	Punjab Nationl Bank State Bank of India	Term Lo	4732	EM of factory land & building (Spinning unit) at S. No. 404/2 adm. 52500 sq. Mt at Balasar, Ta-Kadi, Distt. Mehsana	60 months	8.30% p.a.
				EM of factory land & building (Ginning unit) at S. No. 404/1 adm. 25000 Sq. Mt at Balasar, Ta-Kadi, Distt. Mehsana	60 months	8.30% p.a.
				Collateral Security:		
				Hypothecation/Mortgage of Block Assets Residential House property of Directors and other guarantors		
				Guarantee given by Promoter group.		
7	State Bank of India	Term Loan	2,458	1. Pari passu charge 1st charge with PNB by way of hypothecation of Stock, re ceivables and entire current assets of the unit. Hypothecation of Stock & Recei vables 2. Pari passu charge 2nd charge on S No: 404/p1, situated at Industrial Property admeasuring Hect-Are-Sq Mtrs 2-50-00 land of consolidated S No: 404P1 and its New S No: 919/1 is situated at in the sim of village Balasar Ta. Kadi District Mehsana. 3. Pari passu charge 2nd charge S No: 404/p2 , situated at Industrial Property admeasuring Hect-Are-Sq Mtrs 2-50-00 land of consolidated S No: 404/p1 and its New S No: 919/1 is situated in the sim of village Balasar Ta Kadi Dist. Meh sana. 4. Hypothecation (Sole Charge) over Plant & Machinery purchased out of Bank Finance (Hybrid Project). \Guarantee given by Promoter group. Guarantee given by Promoter group.	84 Months [28 Quarter]	10.80% p.a.
8.	Shree Kadi Nagarik Sahakari Bank Ltd.	Term Loan	500	1. Pari passu charge 1st Khata no 328 of Block No 28,(0ld Block No.97 Paiki1) Near Fuji Hotel, Nr.Crystal Complex, Viramgam Becharaji Road, Hansalpur, Ta-Mandal, Dist Ahmedabad-382120. Gujarat. (15220.00 Sq Yards) 2. Pari passu charge 2nd Khata no 327 of Block No 60, (0ld Block No.87) Near Fuji Hotel, Nr.Crystal Complex, Viramgam Becharaji Road, - Hansalpur, Ta Mandal,DistAhmedabad. 382120Gujarat. (15049.00 Sq Yards) 3 .Pari passu charge 3rd Khata no 1126 of Block No 683, (0ld Block No.649) Near Fuji Hotel, Nr.Crystal Complex, ViramgamBecharaji Road, Sitapur, Ta-Mandal, Dist Ahmedabad, Gujarat. (23111.00 Sq Yards) 4. Pari passu charge 4th Khata no 326 of Block No.38,(0ld Block No.91) Near Fuji Hotel, Nr.Crystal Complex, Viramgam Becharaji Road, Hansalpur, Ta-Mandal, Dist - Ahmedabad, Gujarat (25130.00 Sq Yards) Guarantee given by Promoter group.	84 Months	9.50%

Notes forming part of the Financial Statements

39. The Board of Directors has recommended final dividend for the financial year 2023-24 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 Group do not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

The Group do not have any transactions with companies struck off.

The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.

The Group 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 Group (Ultimate Beneficiaries), or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

The Group 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 Group shall:

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.

The Group 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

As per our attached report of even date
For Mahendra N. Shah & Co.
Chartered Accountants
FRN: 105775W

Chirag M. Shah
Partner
Membership No. F 045706

Place: Ahmedabad
Date: 25/05/2024

For Pashupati Cotspin Limited

Saurinbhai J. Parikh
Managing Director
(DIN: 02136530)

Hareshkumar Shah
Chief Financial Officer

Place: Ahmedabad
Date: 25/05/2024

Tushar R. Trivedi
Whole Time Director
(DIN: 06438707)

Nisarg Shah
Company Secretary

Place: Ahmedabad
Date: 25/05/2024

PASHUPATI®
COTSPIN LTD

INDEPENDENT AUDITORS REPORT

To
The Members of
PASHUPATI COTSPIN LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of **Pashupati Cotspin Limited** (the 'Company') which comprise the Balance Sheet as at March 31, 2023, and the statement of Profit and Loss and Statement of cash flows for the year then ended, and notes to the Standalone financial statements, including a summary of significant accounting policies and other explanatory information (herein after referred as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone financial statements give the information required by the Companies Act,2013 (the "Act") in the manner so required and give a true and fair view in conformity with the 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 31,2023 , its profit, and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with 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 Standalone Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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): ➢ 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 Standalone Financial Statements, and our auditor's reports thereon).

Our opinion on the Standalone Financial Statements does not cover the Other Information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the Standalone 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 Standalone 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 Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 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 polices 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 Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances,

we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2023 (the "Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of theCompanies 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 andexplanations 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 Companyso 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 Standalone 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, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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 Standalone 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 Standalone 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:**23045706BGUVQK2412**

Date: 29.05.2023
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 Standalone Financial Statements of the Company for the year ended March 31, 2023 :

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 Standalone 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 31,2023 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'22	7,514.58	3,869.02	8640.64	3,048.22	(1,126.06)	820.80
September'22	5,999.19	3,618.25	7727.61	2,288.05	(1,728.43)	1,330.20
December'22	7,406.51	3,032.26	7624.08	3,432.30	(217.57)	(400.04)
March'23	4,287.59	6,205.71	3804.64	5,896.47	482.95	309.24

3. The Company has made investments in Limited Liability Partnerships during the year. The Company given below 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	Corporate Guarantee
(A) Aggregate amount granted / provided during the year:		
- Subsidiaries	1634.01	-
- Associate Firm	7970.34	5079.00
- Others (employees including KMP)	-	-
(B) Balance outstanding as at balance sheet date in respect of above cases:		
- Subsidiaries	702.32	-
- Associate Firm	3413.59	5079.00
- Others (employees including KMP)	-	-

(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) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular.

(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 provided below guarantee or security jointly and severally 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.

(Amount in lakhs)

Particulars	Corporate Guarantee
(A) Aggregate amount Corporate Guarantee/ provided during the year:	
- Associate Firm(Jointly)	5079.00

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. 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.

7. 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,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, 2023 for a period of more than six months from the date they became payable except provident fund of ₹ 14,742.

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 Standalone Financial Statements of the Company, the company has not utilised short-term funds for long term purposes.

(e) The Company has not taken any fund from any entity or person on account of or to meet the obligation of subsidiaries, and hence, reporting under clause 3 (ix)(e) of the Order is not applicable

(f) The Company did not raised loan during the year on pledge of securites, held in its 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) As represented to us by the management, there are no whistle blower complaints received by the company during the year.

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 Standalone 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. Accordingly, para 3(18) of the Order is not applicable to the company.

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 Standalone Financial Statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

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 Standalone 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 Standalone Financial Statements.

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

CA. Chirag M. Shah
Partner
Membership No.-045706
UDIN: 23045706BGUVQK2412

Date: 29.05.2023
Place: Ahmedabad

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, 2023 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 Standalone 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 Standalone 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 Standalone 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 Standalone 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 of 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, 2023, 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

CA. Chirag M. Shah
Partner
Membership No.-045706
UDIN: 23045706BGUVQK2412

Date: 29.05.2023
Place: Ahmedabad

PASHUPATI®
COTSPIN LTD

BALANCE SHEET

AS AT 31st March, 2023

(₹ in Lakhs)

PARTICULARS	Note No.	As at 31.03.2023	As at 31.03.2022
A EQUITY & LIABILITIES			
1 SHARE HOLDERS FUND			
(a) Share Capital	2(a)	1,528.40	1,528.40
(b) Reserves & Surplus	2(b)	9,611.26	9,315.13
(c) Money Received Against Share Warrants	2(c)	-	-
2 NON CURRENT LIABILITIES			
(a) Long Term Borrowings	3	5,116.11	8,323.09
(b) Deferred Tax Liabilty	4	616.13	453.34
(c) Other Long Term Liabilities	5	15.77	38.88
(d) Long Term Provisions	6	107.82	145.97
3 CURRENT LIABILITIES			
(a) Short Term Borrowings	7	12,212.61	9,422.37
(b) Trade Payables	8		
(i) Total Outstanding dues to Micro, Small & Medium Enterprise		0.51	1.32
(ii) Total Outstanding dues to other than Micro, Small & Medium Enterprise		773.67	559.49
(c) Other Current Liabilities	9	696.91	442.19
(d) Short Term Provisions	10	68.18	457.21
Total		**30,747.37**	**30,687.39**
B ASSETS			
1 NON CURRENT ASSETS			
(a) Property Plant & Equipment			
(i) Tangible Assets	11	11,165.90	8,588.61
(ii) Capital Work-In-Progress		2,636.17	0.00
(b) Non Current Investments	12	110.35	125.20
(c) Long Term Loans and Advances	13	850.34	850.34
2 CURRENT ASSETS			
(a) Inventories	14	3,526.45	6,161.09
(b) Current Investment	15	3,303.24	3,754.36
(c) Trade Receivables	16	6,205.71	5,033.91
(d) Cash and Cash Equivalents	17	249.88	286.15
(e) Short Term Loans and Advances	18	1,998.01	5,156.08
(f) Other Current Assets	19	701.31	731.66
Total		**30,747.37**	**30,687.39**
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: 29/05/2023
UDIN: 23045706BGUVQK2412

For and on belhalf of the Board of Directors
Pashupati Cotspin Limited

Saurinbhai J. Parikh
Managing Director
(DIN: 02136530)

Hareshkumar Shah
Chief Financial Officer
Place: Ahmedabad
Date: 29/05/2023

Tushar R. Trivedi
Whole Time Director
(DIN: 06438707)

Nisarg Shah
Company Secretary
Place: Ahmedabad
Date: 29/05/2023

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31st March, 2023

(₹ in Lakhs)

Particulars	Note No.	For the Period from 01.04.2022 to 31.03.2023	For the Period from 01.04.2021 to 31.03.2022
INCOME			
1 Revenue from Operations (Gross)	20	44,273.28	66,138.19
Less: Excise Duty		-	-
Revenue from Operations (Net)		**44,273.28**	**66,138.19**
2 Other Income	21	753.39	421.94
3 Total Revenue		**45,026.68**	**66,560.13**
4 EXPENDITURE			
(a) Cost of Materials Consumed	22.a	37,458.56	55,515.06
(b) Purchase of stock-in-trade		-	108.50
(c) Changes in Inventories of Finished Goods	22.b	575.67	215.79
(d) Employee Benefits Expense	23	1,213.94	1,389.17
(e) Finance Costs	24	980.81	1,342.43
(f) Depreciation	11	867.64	1,354.69
(g) Other Expenses	25	3,316.03	5,027.13
Total Expenses		**44,412.66**	**64,952.77**
5 Profit/(Loss) Before Tax & Exceptional Item		**614.02**	**1,607.36**
Exceptional Item		-	-
6 Profit/ (Loss) Before Tax		**614.02**	**1,607.36**
Tax Expense:			
(a) Current Tax		0.00	512.24
Less: MAT Credit Receivable		0.00	0.00
(b) Deferred Tax Asset/(Reversal)		162.79	(146.25)
(c) Short/(Excess) Provision Of Tax		40.47	128.82
7 Profit\(Loss) After Tax		**410.77**	**1,112.55**
Earnings per equity share:			
(1) Basic		2.69	7.28
(2) Diluted		2.69	7.28
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: 29/05/2023
UDIN: 23045706BGUVQK2412

For and on belhalf of the Board of Directors
Pashupati Cotspin Limited

Saurinbhai J. Parikh
Managing Director
(DIN: 02136530)

Hareshkumar Shah
Chief Financial Officer
Place: Ahmedabad
Date: 29/05/2023

Tushar R. Trivedi
Whole Time Director
(DIN: 06438707)

Nisarg Shah
Company Secretary
Place: Ahmedabad
Date: 29/05/2023

PASHUPATI®
COTSPIN LTD

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31st March, 2023

Particulars		2022-23		2021-22	
		Rupees	Rupees	Rupees	Rupees
A)	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Net Profit before tax as per Profit & Loss A/c		614.02		1,607.36
	Adjustments :				
	Depreciation and amortization	867.64		1,354.69	
	Bad Debts & Sundry balance written off	-		414.10	
	(Profit) / Loss on sale of Fixed Assets	-		9.78	
	Foreign Exchange Loss	-		-	
	Foreign Exchange Gain	-		(23.93)	
	Interest Income	(550.44)		(237.16)	
	Finance Cost	980.81	1,298.01	1,342.43	2,859.90
	Operating Profit before working capital		**1,912.03**		**4,467.25**
	Adjusted for :				
	i) Trade Receivables, Loans & Advances	2,101.64		(3,355.60)	
	ii) Stock	2,634.63		976.25	
	iii) Trade Payable & Liabilities	405.22	5,141.50	252.34	(2,127.01)
	Cash generated from operations		**7,053.53**		**2,340.25**
	Extraordinary Income				
	Direct Tax Paid		(512.94)		(124.82)
	Net Cash from Operating Activities (a)		**6,540.59**		**2,215.43**
B)	**Cash Flow from Investing Activities :**				
	Purchase of Fixed Assets	(3,444.92)		(205.37)	
	Sale of Fixed Assets	-		50.80	
	Loans Given	-		-	
	Investment In Corporate Entities	491.66		(3,233.78)	
	Interest Received	**550.44**		**237.16**	
	Net Cash used in Investing Activities (b)		**(2,402.81)**		**(3,151.20)**
C)	**Cash Flow from Financing Activities**				
	Proceeds from/(Repayment) of Long Term Loans Borrowings (Net)	(416.75)		2,745.52	
	Proceeds from Issuance of Shares/Warrants	-		-	
	Interest Paid	(980.81)		(1,342.43)	
	Dividend paid including distribution tax	(114.63)		(114.63)	
	Net Cash from financing Activities		**(1,512.19)**		**1,288.47**
	Net Increase in cash & cash equivalents (a+b+c)		**2,625.59**		**352.70**
	Opening Balance of Cash & Cash equivalents		286.15		187.06
	Closing Balance of Cash & Cash equivalents		249.88		286.15
	Net Increase/(Decrease) in cash & cash equivalents		**(36.28)**		**99.09**

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: 29/05/2023
UDIN: 23045706BGUVQK2412

For and on belhalf of the Board of Directors
Pashupati Cotspin Limited

Saurinbhai J. Parikh
Managing Director
(DIN: 02136530)

Tushar R. Trivedi
Whole Time Director
(DIN: 06438707)

Hareshkumar Shah
Chief Financial Officer
Place: Ahmedabad
Date: 29/05/2023

Nisarg Shah
Company Secretary
Place: Ahmedabad
Date: 29/05/2023

Notes forming part of the Financial Statements

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

A) SIGNIFICANT ACCOUNTING POLICIES

I. Information:

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

II. 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.

III. 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.

IV. 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.

V. 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 & Equipment 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.

VI. 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

VII. 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.

VIII. 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.

IX. 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

Notes forming part of the Financial Statements

ready for its intended use. All other borrowing costs are charged to revenue.

X. 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.

XI. 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.

XII. Investments:

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

XIII. 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.

XIV. 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.

XV. 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.

Notes forming part of the Financial Statements

B) NOTES ON ACCOUNTS:

Note No. 2(a) Share Capital

	As at 31 March, 2023		As at 31 March 2022	
	Number	₹ in Lakhs	Number	₹ in Lakhs
Authorised Share Capital				
Equity Shares of Rs 10/- each	1,55,00,000	1,550.00	1,55,00,000	1,550.00
Issued		-		
Equity Shares of Rs 10/- each	1,52,84,000	1,528.40	1,52,84,000	1,528.40
Subscribed & Paid up		-		
Equity Shares of ₹ 10/- each fully paid	1,52,84,000	1,528.40	1,52,84,000	1,528.40
Total	**1,52,84,000**	**1,528.40**	**1,52,84,000**	**1,528.40**

Note No. 2.1

	As at 31 March, 2023		As at 31 March 2022	
	Number	₹ in Lakhs	Number	₹ in Lakhs
Equity Shares outstanding at the beginning of the year	1,52,84,000	1,528.40	1,52,84,000	1,528.40
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	**1,52,84,000**	**1,528.40**	**1,52,84,000**	**1,528.40**

Note No. 2.2

Details of Shareholders holding more than 5% Shares.

Name of Shareholder	As at 31 March, 2023		As at 31 March 2022	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Ashish Rameshchandra Trivedi	9.04	5.91	9.04	5.91
Bhaveshkumar Jayantilal Patel	7.91	5.18	7.91	5.18
Falguni Mitesh Parikh	17.33	11.34	17.33	11.34
Hariprabha Aravindbhai Parikh	15.83	10.36	15.83	10.36
Mukeshkumar Vitthalbhai Patel	9.04	5.91	9.04	5.91
Pashupati Texspin Export Llp	10.80	7.07	8.96	5.86
Renukaben Jagdishchandra Parikh	15.83	10.36	15.83	10.36
Saurin Jagdish Bhai Parikh	23.33	15.26	23.33	15.26

Notes forming part of the Financial Statements

Note No. 2.3

Shareholding of Promoters & Promoter Group as at March 31, 2023.

Promoter name	No. of Shares	% of total shares	No. of Shares	% of total shares
Dakshesh Jayantilal Patel	5.25	3.43	5.25	3.43
Bhaveshkumar Jayantilal Patel	7.91	5.18	7.91	5.18
Falguni Mitesh Parikh	17.33	11.34	17.33	11.34
Hariprabha Aravindbhai Parikh	15.83	10.36	15.83	10.36
Saurin Jagdish Bhai Parikh	23.33	15.26	23.33	15.26
Ashish Rameshchandra Trivedi	9.04	5.91	9.04	5.91
Tushar Rameshchandra Trivedi	3.39	2.22	3.39	2.22
Renukaben Jagdishchandra Parikh	15.83	10.36	15.83	10.36
Patel Minaben Daksheshbhai	2.66	1.74	2.66	1.74
Pashupati Texspin Export LLP	10.80	7.07	8.96	5.86
Nirali Rajendra Desai	0.26	0.17	0.26	0.17
Total	**111.63**	**73.03**	**109.79**	**71.83**

Note No. 2.4

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

Promoter name	No. of Shares	% of total shares	No. of Shares	% of total shares
Dakshesh Jayantilal Patel	5.25	3.43	5.25	3.43
Bhaveshkumar Jayantilal Patel	7.91	5.18	7.91	5.18
Falguni Mitesh Parikh	17.33	11.34	17.33	11.34
Hariprabha Aravindbhai Parikh	15.83	10.36	15.83	10.36
Saurin Jagdish Bhai Parikh	23.33	15.26	23.33	15.26
Ashish Rameshchandra Trivedi	9.04	5.91	9.04	5.91
Tushar Rameshchandra Trivedi	3.39	2.22	3.39	2.22
Renukaben Jagdishchandra Parikh	15.83	10.36	15.83	10.36
Patel Minaben Daksheshbhai	2.66	1.74	2.66	1.74
Pashupati Texspin Export Llp	4.86	3.18	4.86	3.18
Total	**105.43**			

Note No. 2.5

There are no unpaid calls from Directors or officers.

Note No. 2.6

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

Note No. 2.7

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, 2023	As at 31 March, 2022
(i) Share Securities Premium		
As per Last Balance Sheet	4,259.60	4,259.60
(+) Additions during the year	-	-
(-) 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	5,055.53	4,057.61
(+) Net Profit For the current year	410.77	1,112.55
(-) Dividend Paid	(114.63)	(114.63)
Closing Balance (b)	**5,351.66**	**5,055.53**
Total (a)+(b)	**9,611.26**	**9,315.13**

NOTE 3: LONG TERM BORROWINGS

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Term Loans (Secured)*		
a) From Banks	7,756.17	10,963.16
Less:Current Maturities of long term debt	(2,640.06)	(2,640.06)
Total	**5,116.11**	**8,323.09**

*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, 2023	As at 31 March, 2022
Deferred Tax Liability	453.34	599.59
Add/(Less): Deferred Tax Obligation	162.79	(146.25)
Total	**616.13**	**453.34**

NOTE 5: OTHER LONG TERM LIABILITIES

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Staff Deposit	15.77	13.28
Warehouse Deposit	-	25.60
Total	**15.77**	**38.88**

NOTE 6: LONG TERM PROVISIONS

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Provision- From Employment Benefit		
Gratuity	107.82	145.97
Total	**107.82**	**145.97**

Notes forming part of the Financial Statements

NOTE 7: SHORT TERM BORROWINGS

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Secured		
Current Maturities of Long Term Borrowings	2,640.06	2,640.06
Working Capital Loan From Bank (Secured)	9,572.54	6,782.30
Total	**12,212.61**	**9,422.37**

NOTE 8: TRADE PAYABLES

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
(i) Total Outstanding dues to Micro, Small & Medium Enterprise	0.51	1.32
(ii) Total Outstanding dues to other than Micro, Small & Medium Enterprise	773.67	559.49
Total	**774.18**	**560.81**

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, 2023

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	0.51	-	-	-	0.51
(ii) Others	744.02	29.61	0.03	-	773.67
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
TOTAL BILLED AND DUE (A)	**744.53**	**29.61**	**0.03**	**-**	**774.18**
UNBILLED DUES (B)	-	-	-	-	-
TOTAL TRADE PAYABLES (A + B)	**744.53**	**29.61**	**0.03**	**-**	**774.18**

Note 8.2 : 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 9: OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Statutory Remittances	321.51	28.72
Other Payables	146.33	343.97
Advance from Customer	229.06	69.50
Total	**696.91**	**442.19**

Notes forming part of the Financial Statements

NOTE 10: SHORT TERM PROVISIONS

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Provision for Income Tax (Net of Advance Tax and TDS Receivable)	-	387.42
Provision for Employee Benefits		
Gratuity	20.55	24.00
Bonus	47.63	45.79
Total	**68.18**	**116.61**

NOTE - 11 : Property Plant & Equipment :

(₹ in Lakhs)

	Particulars	Gross Block At Cost				Depreciaiton				Net Block	
		Opening Balance as on April 1st, 2021	Additions During the Year	Adjustment \ Deductions\ Reclassifications During the year	Closing Balance as on March 31st, 2022	Opening Balance as on April 1st, 2021	Depreciation Provided During the year	Adjustment \Deductions During the year	Closing Balance as on March 31st, 2022	Closing Balance as on March 31st, 2022	Closing Balance as on March 31st, 2021
1	Freehold Land	193.87	124.54	-	318.41	-	-	-	0.00	318.41	193.87
2	Factory Building	3,365.92	34.33	-	3,400.25	616.71	105.80	-	722.51	2,677.74	2,749.21
3	Plant & Machinery	13,398.05	3,262.34	-	16,660.38	7,934.95	709.27	-	8,644.22	8,016.16	5,463.10
4	Office Equipments	55.12	0.51	-	55.62	14.48	9.41	-	23.89	31.73	40.64
5	Computer	17.92	5.00	-	22.91	12.47	2.59	-	15.06	7.86	5.45
6	Furniture	9.81	4.95	-	14.76	0.69	1.14	-	1.83	12.93	9.12
7	Electrical Installation	276.96	12.48	-	289.44	212.98	24.13	-	237.12	52.33	63.98
8	Vehicle	163.65	0.77	-	164.42	110.07	14.26	-	124.33	40.09	53.57
9	Bridges, culverts, bunders, etc.	9.79	-	-	9.79	2.52	0.31	-	2.83	6.95	7.26
10	Tubewell	6.31	-	-	6.31	5.99	-	-	5.99	0.32	0.32
11	Computer software	7.56	-	-	7.56	5.47	0.73	-	6.19	1.36	2.09
Total		**17,504.94**	**3,444.92**	**-**	**20,949.86**	**8,916.33**	**867.65**	**-**	**9,783.98**	**11,165.88**	**8,588.61**
Previous Year (₹)		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**

NOTE 12 : Non Current Investment

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Other Investment		
Investment in Corporate Entities#	110.35	125.20
Total	**110.35**	**135.00**

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

(₹ in Lakhs)

Name of the Company	As at 31 March, 2023	As at 31 March, 2022
PashupatiTexspin Export LLP	80.00	80.00
Sarjak Infra LLP	0.45	0.45
Global Park Developers LLP	20.00	20.00
PashupatiCotyarn LLP	9.90	24.75

Notes forming part of the Financial Statements

NOTE 13: Long Term Loans & Advances

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Unsecured, Considered Good		
Deposits others	0.34	0.34
Capital Advances	850.00	850.00
Total	**850.34**	**850.34**

NOTE 14: INVENTORIES

(At Lower of Cost or Net Realisable Value)

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Raw Materials	586.37	2,645.33
Finished Goods	2,165.80	2,829.40
WIP	369.39	395.51
Stores , Spares & Packing Material	404.89	290.84
Total	**3,526.45**	**6,161.09**

NOTE 15 : CURRENT INVESTMENT

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Other Investment		
Investment in Corporate Entities	3,303.24	3,754.36
Total	**3,303.24**	**3,754.36**

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

(₹ in Lakhs)

Name of the Company	As at 31 March, 2023	As at 31 March, 2022
PashupatiTexspin Export LLP	806.53	832.79
Sarjak Infra LLP	141.40	111.47
Global Park Developers LLP	1,662.86	1,495.84
PashupatiCotyarn LLP	692.45	1,314.26

NOTE 16: TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Unsecured, Considered Good		
Trade receivables outstanding for a period less than six months from the date they are due for payment	6,161.77	5,023.86
Trade receivables outstanding for a period exceeding six months from the date they are due for payment	44.92	10.05
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)	(0.98)
Total	**6,205.71**	**5,033.91**

Notes forming part of the Financial Statements

Note 16.1: Trade Receivables ageing schedule for the year ended as on March 31, 2023.

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	6,160.79	41.35	3.55	0.07	0.93	6,206.69
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
TOTAL BILLED AND DUE (A)	**6,160.79**	**41.35**	**3.55**	**0.07**	**0.93**	**6,206.69**
UNBILLED DUES (B)	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL TRADE RECEIVABLES (A + B)	**6,160.79**	**41.35**	**3.55**	**0.07**	**0.93**	**6,206.69**
Less: Provision for Expected Credit Loss	-	-	-	-	-0.98	-0.98
TOTAL NET TRADE RECEIVABLES	**6,160.79**	**41.35**	**3.55**	**0.07**	**-0.05**	**6,205.71**

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**	**-0.98**
TOTAL NET TRADE RECEIVABLES	**5,023.86**	**6.73**	**1.25**	**-**	**2.07**	**5,033.91**

NOTE 17: CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Balances with Banks		
In Current Accounts	1.39	1.66
Cash on Hand	0.38	2.57
Fixed Deposits Under Lien#		
Against Borrowings	25.29	144.08
Against Guarantees	222.82	137.84
Total	**249.88**	**286.15**

NOTE 18: SHORT TERM LOANS AND ADVANCES

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Unsecured, Considered Good		
Advance Tax (Net of Provision for Income Tax)	85.05	-
Advances to Suppliers	811.84	4,700.35
Advance to others	-	0.62
Advance to Staff	21.00	38.94
Prepaid Expenses	34.07	16.02
Balances with Government Authorities	1046.06	400.14
Total	**1,998.01**	**5,156.08**

Notes forming part of the Financial Statements

NOTE 19: OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Textile Benefit Receivable	701.31	731.66
Other	-	-
Total	**701.31**	**731.66**

NOTE 20: REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	For the year 2022-23	For the year 2021-22
Sale of Goods		
1. Yarn Sales	22,626.67	28,971.19
2. Cotton Sales	14,455.59	31,308.38
3 Sale of by Products	5,771.86	5,298.79
Total	**42,854.11**	**65,578.35**
Less : Rebate & Goods Returned	-229.83	-659.67
	42,624.28	**64,918.68**
Sale of Services		
Other Operating Revenues	1,649.00	1,219.51
Total	**44,273.28**	**66,138.19**

NOTE 21: OTHER INCOME

(₹ in Lakhs)

Particulars	For the year 2022-23	For the year 2021-22
Interest Income	550.44	237.16
Other Income	177.25	149.13
Foreign Exchange Gain	-	23.93
Share of profit from firm	25.70	11.72
Total	**753.39**	**421.94**

NOTE 22.a: COST OF MATERIALS CONSUMED

(₹ in Lakhs)

Particulars	For the year 2022-23	For the year 2021-22
Opening Stock	2,645.33	3,405.78
Add: Purchases	35,399.60	54,754.61
Less: Closing Stock	-586.37	-2,645.33
Total	**37,458.56**	**55,515.06**

Notes forming part of the Financial Statements

NOTE 22.b: CHANGES IN INVENTORIES OF FINISHED GOODS

(₹ in Lakhs)

Particulars	For the year 2022-23	For the year 2021-22
Inventories at the End of the Year:		
Finished Goods	2,165.80	2,829.40
Stores, Spares & Packing Material	404.89	290.84
Work in process	369.39	395.51
	2,940.08	**3,515.75**
Inventories at the Beginning 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**
Total	**575.67**	**215.79**

NOTE 23: EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

Particulars	For the year 2022-23	For the year 2021-22
Salaries and Wages	1,198.56	1,259.76
Contributions to Provident and Other Funds	-32.69	90.25
Staff Welfare Expenses	48.07	39.16
Total	**1,213.94**	**1,389.17**

NOTE 24: FINANCE COST

(₹ in Lakhs)

Particulars	For the year 2022-23	For the year 2021-22
Interest Expense	949.21	1,199.43
Other Borrowing Cost	31.60	143.00
Total	**980.81**	**1,342.43**

Notes forming part of the Financial Statements

NOTE 25: OTHER EXPENSES

(₹ in Lakhs)

Particulars	For the year 2022-23	For the year 2021-22
Transportation Expenses	37.81	498.31
Brokerage & Commission Expenses	125.95	605.40
Legal & Consultancy Charges	48.60	65.65
Power and Fuel	1,892.70	2,293.26
Donation	18.87	4.01
Foreign Exchange Rate Difference	0.95	-
Loss on Sale of Property, Plant & Equipment	-	9.78
Bad Debts Written Off	-	414.10
Repairing & Maintenance:-		
Machinery (including spares)	754.61	889.46
Building Repairing & Maintenance	73.92	51.83
Others	27.42	2.66
CSR Expenses	32.77	22.00
Insurance	37.65	30.23
Travelling Expenses	57.82	4.30
Testing expenses	2.09	-
Loading & Unloading Expenses	1.95	12.14
Rent,Rates& Taxes	81.89	37.36
Expected Credit Loss	-	0.98
Auditors Remuneration (Refer Note Below)	5.00	3.00
Stationery, Printing, Postage & Telephone	11.81	7.52
General Expenses	104.22	75.15
Total	**3,316.03**	**5,027.13**

Note: 25.1: Auditors Remuneration

(₹ in Lakhs)

Particulars	For the year 2022-23	For the year 2021-22
Payments to the Auditors comprises :		
As Auditors - Statutory Audit	5.00	3.00
Taxation Matters	-	-
Out of pocket expenses	-	-
Total	**5.00**	**3.00**

26. Contingent Liabilities:

- Bank guarantees amounting to ₹ 144.82 Lakhs (P.Y. ₹ 111.71 Lakhs) in favour of DGFT& Customs, ₹ 444.53 Lakhs (P.Y. ₹ 262.51 Lakhs) in favour of Uttar Gujarat VijCompany Limited.
- 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 ₹ 13,387.54 Lakhs (of which ₹ 63.79 (P.Y. ₹ Nil)) claims are submitted but pending for approval) & obligation of ₹ 382.72 Lakhs are pending to be fulfilled.
- In respect of Income Tax Liability of ₹ 4.06 Lakhs(P.Y. ₹ 16.51 Lakhs).
- In respect of Goods and Service Tax Liability of ₹ 598.47 Lakhs.

Notes forming part of the Financial Statements

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.

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, 2023, the Company incurred CSR expenditure of ₹ 32.77 Lakhs (Rupees Thirty-Two Lakhs Seventy-Seven Thousand 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	2022-23			2021-22		
	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.	16.94	-	16.94	13.41	-	13.41
(2) Amount spent during the year on:						
(i) Construction / acquisition of any asset	-	-	-	-	-	-
(ii) On purposes other than (i) above	32.77	-	32.77	22.00	-	22.00

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, 2023	As at March 31, 2022
The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each period:		
Principal	0.51/-	1.32/-
Interest	0.00/-	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	0.00/-	0.00/-
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	0.00/-	0.00/-
The amount of interest accrued and remaining unpaid at the end of the period.	0.00/-	0.00/-
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	0.00/-	0.00/-

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, 2023. 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	2022-23	2021-22
Net profit attributable to Shareholders	410.77	1,112.55
Weighted average number of equity shares	152.84	152.84
Basic earnings per share of ₹ 10/- each (in Rs)	2.69	7.28

Notes forming part of the Financial Statements

31. Related Party Disclosure:

- The names of the related parties and nature of the relationships where control exists are disclosed irrespective of whether or not there have been transactions between related parties. For others, the names and the nature of relationships is disclosed only when the transactions are entered into by the Company with the related parties during the existence of the related party relationship.
- Enterprise having significant influence, the name and the nature of relationships is disclosed only when the transactions are entered into by the Company with the Related Parties during the existence of Related Party Relationship.

A. LIST OF RELATED PARTIES AND RELATIONSHIPWITH WHOM TRANSACTIONS HAVE TAKEN PLACE:

Relation	Name
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	EshaMiteshbhai 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 PashupatiCotyarn 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 Companyis 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 TimeDirector 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 Directorare partners of the LLP.	M/s Universal Industrial Park LLP
Mr.Saurin Parikh, Managing Director is a relative of Proprietor	M/s R V 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	Company Secretary & Compliance Officer (from 04.10.2021)
Bijal Nareshbhai Thakkar	Company Secretary & Compliance Officer (upto 04.10.2021)

Notes forming part of the Financial Statements

The details of material transactions and balances with related parties are given below:

Transactions during the year	Relation	For the year ended March 31, 2023	For the year ended March 31, 2022
Purchase of goods:			
Pashupati Cotyarn LLP	Associate Firm	71.88	1,017.14
Pashupati Texspin Export LLP	Associate Firm	119.70	16.85
R V Enterprises	Associate Firm	15,287.62	24,451.70
Pashupati Cotton Industries	Associate Firm	1,709.08	1,687.03
Total		**17,188.28**	**27,172.73**
Sale of goods:			
PashupatiCotyarn LLP	Associate Firm	-	5,400.72
PashupatiTexspin Export LLP	Associate Firm	7,380.81	10,318.32
S Raja Export Pvt Ltd	Associate Firm	-	15,926.87
R V Enterprises	Associate Firm	3,121	-
Pashupati Cotton Industries	Associate Firm	2,005.96	1,904.78
Total		**12,508.16**	**33,550.68**
For various expenses			
Pashupati Cotyarn LLP	Associate Firm	81.14	33.64
Miteshbhai J. Parikh	Relative Of Partner	-	2.00
Bhaveshbhai Jayanti bhai Patel	Relative Of Partner	-	15.00
Daksheshbhai Jayanti bhai Patel	KMP	-	7.00
Total		**81.14**	**57.64**
For Brokerage Income			
S Raja Export Private Limited	Associate Firm	261.37	-
Total		**261.37**	
For Rent Income			
UnizaLifecare Private Limited	Associate Firm	4.85	-
Total		**4.85**	**-**
Interest Income			
Pashupati Cotyarn LLP	Associate Firm	141.45	73.66
Pashupati Texspin Export LLP	Associate Firm	204.68	32.79
Sarjak Infra LLP	Associate Firm	13.43	-
Global Park Developers LLP	Associate Firm	179.99	97.91
Total		**539.55**	**204.36**
Remuneration:			
Tushar bhai Ramesh chandra Trivedi	KMP	2.23	2.40
HareshkumarRameshchandra Shah	KMP	6.00	5.40
BijalNareshbhaiThakkar	KMP	-	1.32
Nisarg Shah	KMP	4.54	2.00
Total		**12.77**	**11.12**

Notes forming part of the Financial Statements

Transactions during the year	Relation	For the year ended March 31, 2023	For the year ended March 31, 2022
Investment-Fixed Capital			
Pashupati Cotyarn LLP	Associate Firm	-	607.50
Sarjak Infra LLP	Associate Firm	-	0.45
PashupatiTexspin Export LLP	Associate Firm	-	80.00
Global Park Developers LLP	Associate Firm	-	10.00
Total		**-**	**697.95**
Investment-Current Capital			
PashupatiCotyarn LLP	Associate Firm	(755.71)	-
Pashupati Texspin Export LLP	Associate Firm	(292.00)	800.00
Sarjak Infra LLP	Associate Firm	16.50	110.00
Global Park Developers LLP	Associate Firm	-	751.99
Total		**(1,031.21)**	**1,661.99**

Balances at the end of the year	Relation	As at March 31, 2023	As at March 31, 2022
Non-Current Investment:			
Pashupat iCotyarn LLP	Associate Firm	702.35	1,339.01
Global Park Developers LLP	Associate Firm	1682.86	1,515.84
Sarjak Infra LLP	Associate Firm	141.85	111.92
PashupatiTexspin Export LLP	Associate Firm	886.53	912.79
Total		**3,413.59**	**3,879.56**
Trade Receivables:			
S Raja Export Pvt Ltd	Associate Firm	27.44	-
Pashupati Cotton Industries	Associate Firm	-	2,091.23
PashupatiTexspin Export LLP	Associate Firm	2,432.29	1,322.70
Total		**2,459.73**	**3,413.92**
Advance from Debtors:			
R V Enterprises	Associate Firm	152.56	-
Pashupati Cotyarn LLP	Associate Firm	-	-
Total		**152.56**	**-**
Advance to Creditors:			
R V Enterprises	Associate Firm	674.00	566.14
Pashupati Cotyarn LLP	Associate Firm	-	25.02
Total		**674.00**	**591.17**
Trade Payables			
Tusharbhai Rameshchandra Trivedi	KMP	-	1.44
Total		**-**	**1.44**

Notes forming part of the Financial Statements

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

a. 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 :

b. The Amount (in Lakh ₹) as certified by the Approved Value is as under:

Period	From: 01/04/2022 To: 31/03/2023	From: 01/04/2021 To: 31/03/2022
Present value of the obligation at the beginning of the period	169.96	87.84
Interest cost	9.77	5.05
Current service cost	26.04	38.80
Past Service Cost	0	0
Benefits paid (if any)	0	0
Actuarial (gain)/loss	(77.41)	38.28
Present value of the obligation at the end of the period	128.37	169.97

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

Period	As on: 31/03/2023	As on: 31/03/2022
Present value of the obligation at the end of the period	128.37	169.97
Fair value of plan assets at end of period	-	-
Net liability/(asset) recognized in Balance Sheet and related analysis	128.37	169.97
Funded Status	(128.37)	(169.97)

Expense recognized in the statement of Profit and Loss: (₹ in Lakhs)

Period	From: 01/04/2022 To: 31/03/2023	From: 01/04/2021 To: 31/03/2022
Interest cost	9.77	5.05
Current service cost	26.04	38.80
Past Service Cost	0	-
Expected return on plan asset	(0)	-
Net actuarial (gain)/loss recognized in the period	(77.41)	38.28
Expenses to be recognized in P&L	(41.59)	82.13

Experience adjustment: (₹ in Lakhs)

Period	From: 01/04/2022 To: 31/03/2023	From: 01/04/2021 To: 31/03/2022
Experience Adjustment (Gain) / loss for Plan liabilities	39.48	39.48
Experience Adjustment Gain / (loss) for Plan assets	-	-

Summary:

Period	From: 01/04/2022 To: 31/03/2023	From: 01/04/2021 To: 31/03/2022
Number of employees	398	457
Total monthly salary	78.51	123.88
Average Past Service(Years)	4.1	3.7
Average Future Service (yrs)	23.7	25.9
Average Age(Years)	36.3	34.1
Weighted average duration (based on discounted cash flows) in years	26	27
Average monthly salary	0.20	0.27

Notes forming part of the Financial Statements

The assumptions employed for the calculations are tabulated:

Period	From: 01/04/2022 To: 31/03/2023	From: 01/04/2021 To: 31/03/2022
Discount rate	7.50 % per annum	5.75 % 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: 01/04/2022 To: 31/03/2023	From: 01/04/2021 To: 31/03/2022
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	2000000.00	2000000.00

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

Period	As on: 31/03/2023	As on: 31/03/2022
Current Liability (Short Term)*	20.55	24.00
Non Current Liability (Long Term)	107.82	145.97
Total Liability	**128.37**	**169.97**

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: 31/03/2023
Defined Benefit Obligation (Base)	1,28,37,081 @ Salary Increase Rate : 5%, and discount rate :7.5%
Liability with x% increase in Discount Rate	1,24,79,511; x=1.00% [Change (3)%]
Liability with x% decrease in Discount Rate	1,32,15,835; x=1.00% [Change 3%]
Liability with x% increase in Salary Growth Rate	1,32,21,271; x=1.00% [Change 3%]
Liability with x% decrease in Salary Growth Rate	1,24,67,735; x=1.00% [Change (3)%]
Liability with x% increase in withdrawal Rate	1,27,89,922; x=1.00% [Change 0%]
Liability with x% decrease in withdrawal Rate	1,28,83,308; x=1.00% [Change 0%]

Reconciliation of liability in balance sheet (₹ in Lakhs)

Period	From: 01/04/2022 To: 31/03/2023	From: 01/04/2021 To: 31/03/2022
Opening gross defined benefit liability/ (asset)	169.97	87.84
Expenses to be recognized in P&L	(41.60)	82.13
Benefits paid (if any)	0	-
Closing gross defined benefit liability/ (asset)	**128.37**	**169.97**

Notes forming part of the Financial Statements

32. AUDITORS' REMUNERATION:-

(₹ in Lakhs)

	2022-23	2021-22
1. Audit Fees	5.00	3.00
2. Tax Audit	-	-
3 Traveling expenses	-	-
TOTAL	**5.00**	**3.00**

33. Details of Goods Imported:-

(₹ in Lakhs)

	2022-23	2021-22
1. CIF value of goods imported:		
(a) Cotton	-	-
(b) Stores and Spares	50.37	27.94
(c) Plant and Machinery	-	69.74
TOTAL	**50.37**	**44.96**
2. Consumption:-		
(a.) Raw Materials:		
(i) Imported goods	-	-
(ii) Indigenous goods:		
Cotton	-	55515.06
Cotton yarn	0	0
TOTAL	**-**	**55515.06**
Imported	0%	0%
Indigenous	100%	100%
(b.) Stores and Spares:		
(i) Imported goods	50.37	27.94
(ii) Indigenous goods	63.38	769.59
TOTAL	**114.05**	**797.53**
Imported	44.17%	3.50%
Indigenous	55.82%	96.50%

34. Export Sales :

(₹ in Lakhs)

	2022-23	2021-22
Exports: Direct (FOB Value)	-	6829.92
Through Merchant Exporters	-	-
	-	**6829.92**

35. Expenditure in Foreign Currency:

(₹ in Lakhs)

	2022-23	2021-22
Purchase of Plant and Machinery, Stores, Spares and Cotton	50.37	94.84
Freight	1.21	2.84
TOTAL	**51.59**	**97.68**

36.

Remittances of Dividend in Foreign Currency	-	-

Notes forming part of the Financial Statements

37. (a) Long term brownings :

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	8.30% p.a.
2	HDFC Bank Ltd	Dropline OD	1,800	Exclusive charge by way of Equitbale 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	8.30% p.a.
3	Punjab National Bank State Bank of India	Cash Credit	4686	PrimarySecurity: 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.	-	8.30% p.a.
		GECL 1.00	2214	2nd charge on existing primary security & collateral security including all cash flows of the Company.	60 months	8.30% p.a.
		GECL 2.00	1097	2nd charge on existing primary security & collateral security including all cash flows of the Company. The facility covered under Guarantee coverage from NCGTC.		
		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.	-	-
4	State Bank of India	Cash Credit	4,500	1. Paripassu charge 1st charge with PNB by way of hypothecation of Stock, re ceivables and entire current assets of the unit. Hypothecation of Stock &Receivables. 2. Paripassu charge 2nd charge on S No: 404/p1, situated at Industrial Property admeasuring Hect-Are-SqMtrs 2-50-00 land of consolidated S No: 404P1 and its New S No: 919/1 is situated at in the sim of village Balasar Ta. Kadi District Mehsana. 3. Paripassu charge 2nd charge S No: 404/p2 , situated at Industrial Property admeasuring Hect-Are-SqMtrs 2-50-00 land of consolidated S No: 404/p1 and its New S No: 919/1 is situated in the sim of village Balasar Ta Kadi Dist. Meh sana. 4. Hypothecation (Sole Charge) over Plant & Machinery purchased out of Bank Finance (Hybrid Project).	-	10.80% p.a.

Notes forming part of the Financial Statements

37. (b) Short termbrownings :

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 Equitbale 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.	78 months	9.38% p.a.
				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		
2	Punjab National Bank State Bank of India	Term Loan	4732.00	EM of factory land & building (Spinning unit) at S. No. 404/2 adm. 52500 sq. Mt at Balasar, Ta-Kadi, Distt. Mehsana	60 months	8.30% p.a.
				EM of factory land & building (Ginning unit) at S. No. 404/1 adm. 25000 Sq. Mt at Balasar, Ta-Kadi, Distt. Mehsana	60 months	8.30% p.a.
				Collateral Security:		
				Hypothecation/Mortgage of Block Assets Residential House property of Directors and other guarantors		
				Personal guarantee of directors and other guarantors.		
3	State Bank of India	Term Loan	2,458	1. Paripassu charge 1st charge with PNB by way of hypothecation of Stock, re ceivables and entire current assets of the unit. Hypothecation of Stock &Receivables. 2. Paripassu charge 2nd charge on S No: 404/p1, situated at Industrial Property admeasuring Hect-Are-SqMtrs 2-50-00 land of consolidated S No: 404P1 and its New S No: 919/1 is situated at in the sim of village Balasar Ta. Kadi District Mehsana. 3. Paripassu charge 2nd charge S No: 404/p2 , situated at Industrial Property admeasuring Hect-Are-SqMtrs 2-50-00 land of consolidated S No: 404/p1 and its New S No: 919/1 is situated in the sim of village Balasar Ta Kadi Dist. Meh sana. 4. Hypothecation (Sole Charge) over Plant & Machinery purchased out of Bank Finance (Hybrid Project).	84 Months	10.80% p.a.

38. Code on Social Security:

During the previous year ended 31st March, 2023 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 labourand industrial laws which deals with employees related benefits including post employment. The effective date of the codesthereunder 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.

Notes forming part of the Financial Statements

39. The Board of Directors has recommended final dividend for the financial year 2022-23 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

i. The Company do not have any Benami property, where any proceeding has been initiated or pending against theCompany for holding any Benami property.

ii. The Company do not have any transactions with companies struck off.

iii. The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutoryperiod.

iv. The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

v. The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreignentities (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 behalfof 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 behalfof 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.

viii. The Board of the directors of the Company has approved the accounts on 29th May, 2023.

41. Key Ratios

Sr. No	Ratio	Amount as on 31st March 2023	Ratio as on 31st March 2023	Ratio as on 31st March 2022	% Deviation	Reason for variance
1	Current Ratio					
	Current Assets	15,984.61	1.16	1.94	-40%	Due to less turnobver as compare to previous year the the Balance of Debtos has reduced
	Current Liabilities	13,751.88				
2	Debt-to-equity Ratio					
	Total Outside Liabilities	17,328.72	1.56	1.64	-5%	
	Shareholder's Equity	11,139.66				
3	Debt Service Coverage Ratio					
	Earnings Available for Debt Servicing	2,259.22	0.62	1.13	-45%	Due to lower profit as compare to Previous year
	Interest and Lease Payment Installments	3,620.88				
4	Return on Equity Ratio					
	Net Profit After Tax	410.77	4%	10.75%	-65%	Due to lower profit as compare to Previous year
	Average Shareholder's Equity	10,991.59				
5	Inventory Turnover Ratio					
	Sale of Products	36,852.43	7.61	8.97	-15%	
	Average Inventory	4,843.77				

Notes forming part of the Financial Statements

Sr. No	Ratio	Amount as on 31st March 2023	Ratio as on 31st March 2023	Ratio as on 31st March 2022	% Deviation	Reason for variance
6	Receivables Turnover Ratio					
	Net Sales	36,852.43	6.56	13.19	-50%	Due to less turnobver as compare to last year the Debtos are reduced
	Average Accounts Receivable	5,619.81				
7	Payables Turnover Ratio					
	Net Credit Purchases	35,399.60	53.03	116.60	-55%	Due to Decrease in the credit period for credit period
	Average Trade Payables	667.50				
8	Net Capital Turnover Ratio					
	Net Sales	36,852.43	16.51	5.82	184%	
	Working Capital	2,232.74				
9	Net Profit Ratio					
	Proift After Tax	410.77	1%	1.87%	-40%	Due to lower profit as compare to Previous year
	Net Sales	36,852.43				
10	Return on Capital employed Ratio					
	EBIT	1,594.83	5%	10.16%	-46%	Due to lower profit as compare to Previous year
	Capital Employed	29,084.51				
11	Return on investment Ratio					
	Fixed Income Investments (FD and other investments)					
	Interest Income	550.44	12%	9.85%	21%	
	Average investment in Fixed Income investments	4,624.45				

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: 29/05/2023
UDIN: 23045706BGUVQK2412

For and on belhalf of the Board of Directors
Pashupati Cotspin Limited

Saurinbhai J. Parikh
Managing Director
(DIN: 02136530)

Tushar R. Trivedi
Whole Time Director
(DIN: 06438707)

Hareshkumar Shah
Chief Financial Officer
Place: Ahmedabad
Date: 29/05/2023

Nisarg Shah
Company Secretary
Place: Ahmedabad
Date: 29/05/2023

PASHUPATI®
COTSPIN LTD

INDEPENDENT AUDITORS REPORT

To
The Members of
PASHUPATI COTSPIN LIMITED

Report on the Audit of Consolidated Financial Statements

Opinion:

We have audited the accompanying consolidated financial statements of Pashupati Cotspin Limited (hereinafter referred to as "the Holding Company")and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associates and jointly controlled entities , Page 2 of 7 comprising of the Consolidated Balance Sheet as at 31st March, 2023, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone financial statements give the information required by the Companies Act,2013 (the "Act") in the manner so required and give a true and fair view in conformity with the 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 31,2023 , 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 Group 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 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 consolidated financial statements.

Key Audit Matters:

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matter described below to be the key audit matter to be communicated in our report.

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): ➢ 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 Holding Company's Board of Directors is responsible for the Other Information. The Other Information comprises the information included in the Board's Report including Annexures to Board's Report, Corporate Governance report and Management Discussion and Analysis (but does not include the consolidated financial statements, consolidated financial statements and our auditor's reports thereon).

Our opinion on the consolidated financial statements does not cover the Other Information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other Information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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.

Responsibilities of the Management and those charged with Governance for the Consolidated Financial Statements:

The Holding 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 consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Director's responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Group 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entity or to cease operations, or has no realistic alternative but to do so.

The respective Boards of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements:

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

Report on Other Legal and Regulatory Requirements:

1. 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 Group so far as it appears from our examination of those books.

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow, dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the aforesaid Consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Companies (Indian Accounting Standard) Rules, 2015, as amended.

   (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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 Group and the operating effectiveness of such controls, refer to or separate report in **"Annexure A"**.

   (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 Group to its directors during the year is in accordance with the provisions of section 197 read with Schedule V to the Companies Act, 2013

(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 Group has no pending litigations on the financial position of its financial statements.

II. The Group 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 Group.

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 Group to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("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 Group from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group 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.

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

V. (a) The dividend declared or paid during the year by the Holding Company is in compliance with Section 123 of the Act.

(b) The company has not declared and paid any interim dividend during the year and until the date of report.

(c) The Board of Directors of the Company have proposed final dividend for the year which is subject to approval of the members in the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with Section 123 of the Act, as applicable.

With respect to matter specified in paragraph 3(xxi) and 4 of Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, there are no qualification or adverse remarks by respective auditor in the Companies (Auditors Report) Order (CARO) reports of the Group included in consolidated financial statements. Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Group.

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

CA. Chirag M. Shah
Partner
Membership No.-045706
UDIN: 23045706BGUVQL9850

Date: 29.05.2023
Place: Ahmedabad

Annexure 'A'

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 consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 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 Group has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting polices 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 Group'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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We communicate with those charged with 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 consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Annexure 'B'

(Referred to in paragraph "Report on Other Legal and Regulatory Requirements section of our report to the members of Pashupati Cotspin Limited of even date)

Report on the Internal Financial Controls under Clause (1) of Sub-section 3 of Sec.143 of the Companies Act, 2013("the Act")

In conjunction with our audit of the consolidated financial statements of The **Pashupati Cotspin Limited** (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and joint ventures, which are companies incorporated in India, as of that date.

Opinion:

In our opinion, to the best of our information and according to explanations given to us, the Holding 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, 2023, 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. ("Guidance Note")

Management's Responsibility for Internal Financial Controls:

The Holding Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility:

Our responsibility is to express an opinion on the Holding 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 ICAI. 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 Holding 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 of procedures may deteriorate.

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

CA. Chirag M. Shah
Partner
Membership No.-045706
UDIN: 23045706BGUVQL9850

Date: 29.05.2023
Place: Ahmedabad

PASHUPATI®
COTSPIN LTD

CONSOLIDATED BALANCE SHEET

AS AT 31st March, 2023

(₹ in Lakhs)

PARTICULARS	Note No.	As at 31.03.2023
A EQUITY & LIABILITIES		
1 SHARE HOLDERS FUND		
(a) Share Capital	2(a)	1,528.40
(b) Reserves & Surplus	2(b)	9,611.26
2 MINORITY INTEREST		73.76
3 NON CURRENT LIABILITIES		
(a) Long Term Borrowings	3	5,116.11
(b) Deferred Tax Liabilty	4	616.13
(c) Other Long Term Liabilities	5	15.77
(d) Long Term Provisions	6	107.82
4 CURRENT LIABILITIES		
(a) Short Term Borrowings	7	12,212.61
(b) Trade Payables	8	
(i) Total Outstanding dues to Micro, Small & Medium Enterprise		0.51
(ii) Total Outstanding dues to other than Micro, Small & Medium Enterprise		798.41
(c) Other Current Liabilities	9	736.24
(d) Short Term Provisions	10	61.84
Total		**30,878.87**
B ASSETS		
1 NON CURRENT ASSETS		
(a) Property Plant & Equipment		
(i) Tangible Assets	11	11,542.96
(ii) Capital Work-In-Progress		2,636.17
(b) Non Current Investments	12	115.30
(c) Long Term Loans and Advances	13	850.34
2 CURRENT ASSETS		
(a) Inventories	14	3,526.45
(b) Current Investment	15	2,595.93
(c) Trade Receivables	16	6,398.95
(d) Cash and Cash Equivalents	17	250.58
(e) Short Term Loans and Advances	18	2,260.87
(f) Other Current Assets	19	701.31
Total		**30,878.87**
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: 29/05/2023
UDIN: 23045706BGUVQL9850

For and on belhalf of the Board of Directors
Pashupati Cotspin Limited

Saurinbhai J. Parikh
Managing Director
(DIN: 02136530)

Hareshkumar Shah
Chief Financial Officer
Place: Ahmedabad
Date: 29/05/2023

Tushar R. Trivedi
Whole Time Director
(DIN: 06438707)

Nisarg Shah
Company Secretary
Place: Ahmedabad
Date: 29/05/2023

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31st March, 2023

(₹ in Lakhs)

PARTICULARS		Note No.	Year ended 31.03.2023
INCOME			
1	Revenue from Operations (Net)	20	44,282.74
2	Other Income	21	904.76
3	**Total Income (1+2)**		45,187.51
4	**EXPENDITURE**		
	(a) Cost of Materials Consumed	22.a	37,468.81
	(b) Purchase of stock-in-trade		-
	(c) Changes in Inventories of Finished Goods	22.b	635.85
	(d) Employee Benefits Expense	23	1,213.94
	(e) Finance Costs	24	1,131.41
	(f) Depreciation	11	926.25
	(g) Other Expenses	25	3,220.36
	Total Expenses		**44,596.63**
5	**Profit Before Tax & Exceptional Item**		590.88
	Exceptional Item		
6	**Profit Before Tax**		590.88
	Tax Expense:		
	(a) Current Tax		-
	(b) Deferred Tax Asset/(Reversal)		162.79
	(c) Short/(Excess) Provision Of Tax		40.47
7	**Profit After Tax**		**387.62**
	Share of Loss of Minority Interest		**(0.23)**
	Profit for the year		**387.86**
8	**Earnings Per Share (of Rs ₹ 10/- each):**		
	(1) Basic		2.54
	(2) Diluted		2.54
Significant Accounting Policies and Notes to Accounts		1	

See accompanying notes Forming Part of the Financial Statements

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: 29/05/2023
UDIN: 23045706BGUVQL9850

For and on belhalf of the Board of Directors
Pashupati Cotspin Limited

Saurinbhai J. Parikh
Managing Director
(DIN: 02136530)

Hareshkumar Shah
Chief Financial Officer
Place: Ahmedabad
Date: 29/05/2023

Tushar R. Trivedi
Whole Time Director
(DIN: 06438707)

Nisarg Shah
Company Secretary
Place: Ahmedabad
Date: 29/05/2023

PASHUPATI®
COTSPIN LTD

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31st March, 2023

(₹ in Lakhs)

PARTICULARS	Year ended 31.03.2023
Cash Flow From Operating Activities	
Net Profit before tax as per Profit & Loss A/c	590.88
Adjustments :	
Depreciation and amortization	926.25
Profit from Partnership firm	(25.70)
Interest Income	(605.23)
Finance Cost	1,131.41
Operating Profit before working capital	2,017.61
Adjusted for :	
i) Trade Receivables, Loans & Advances & Other current assets	1,700.55
ii) Stock	2,634.63
iii) Trade Payable & Liabilities	75.54
Cash generated from operations	6,428.33
Direct Tax Paid	(519.28)
Extra Ordinary Item	
Net Cash from Operating Activities (a)	**5,909.05**
Cash Flow from Investing Activities :	
Purchase of Fixed Assets	(6,081.09)
Investments	1,194.02
Interest Received	605.23
Net Cash used in Investing Activities (b)	**(4,281.83)**
Cash Flow from Financing Activities	
Proceeds from/(Repayment) of Long Term Borrowings (Net)	(416.75)
Interest Paid	(1,131.41)
Dividend paid including distribution tax	(114.63)
Net Cash from financing Activities (c)	**(1,662.79)**
Net Increase in cash & cash equivalents (a+b+c)	**(35.57)**
Opening Balance of Cash & Cash equivalents	286.15
Closing Balance of Cash & Cash equivalents	250.58

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: 29/05/2023
UDIN: 23045706BGUVQL9850

For and on belhalf of the Board of Directors
Pashupati Cotspin Limited

Saurinbhai J. Parikh
Managing Director
(DIN: 02136530)

Hareshkumar Shah
Chief Financial Officer
Place: Ahmedabad
Date: 29/05/2023

Tushar R. Trivedi
Whole Time Director
(DIN: 06438707)

Nisarg Shah
Company Secretary
Place: Ahmedabad
Date: 29/05/2023

Notes forming part of the Financial Statements

Note 1 : SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023.

[A] PRINCIPLES OF CONSOLIDATION:

a) The consolidated financial statements have been prepared in accordance with Accounting Standard 21 (AS 21) on "Consolidated Financial Statements", Accounting Standard 23 (AS 23) on "Accounting for Investments in Associates in Consolidated Financial Statements" and Accounting Standard 27 (AS 27) "Financial Reporting of Interests in Joint Venture" as specified in the Companies (Accounting Standard) Rules, 2021 (as amended) and on the basis of the separate audited financial statements of Pashupati Cotspin Limited its Subsidiaries, Associates and Jointly Controlled entities. Reference in the notes to "Group" shall mean to include Pashupati Cotspin Limited, its Subsidiaries, Associates and Jointly Controlled entities consolidated in these financial statements unless otherwise stated.

b) The consolidated financial statements have been prepared on the following basis.

i. Subsidiaries are fully consolidated from the date of acquisition and incorporation, being the date on which the Group obtains control, and continues to be consolidated until the date that such control ceases (including through voting rights).

Subsidiaries have been consolidated on a line by-line basis by adding together the book values of the like items of assets, liabilities, income, and expenses after eliminating all significant intragroup balances and intra-group transactions.

The unrealized profits resulting from intra-group transactions that are included in the carrying amount of assets are eliminated in full. Unrealized losses resulting from intra-group transactions that are deducted in arriving at the carrying amount of assets are also eliminated unless cost cannot be recovered.

The excess of the cost to the Company of its investment in subsidiaries/Joint Venture over the Company's portion of equity on the acquisition date is recognized in the financial statements as goodwill and is tested for impairment annually. When there is excess of Company's portion of equity of the Subsidiary over the cost of the investment then it is treated as Capital Reserve.

The list of Companies / firms included in consolidation, relationship with Pashupati Cotspin Limited and Pashupati Cotspin Limited s shareholding therein is as under:

The reporting date for all the entities is 31st March2023 except otherwise specified.

Sr. No.	Name of Company/ Firm	Country of Incorporation	Relation-ship	Shareholding at	
				31st March' 2023	31st March' 2022
1	Pashupati Cotyarn LLP	India	Subsidiary	99.00%	18.00%

[B] SIGNIFICANT ACCOUNTING POLICIES:

i. Information:

Pashupati Cotspin Ltd (Holding Company) is a listed company incorporated in India. The Holding Company along with its subsidiary ("The Group") is engaged in Cotton Ginning and manufacture, processing of yarn.

ii. Basis of Preparation:

The financial statements of the Group 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.

iii. 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.

iv. Property Plant & Equipment:

Property Plant & Equipment 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 & Equipment.

v. Depreciation:

a. Depreciation on Property Plant & Equipment is provided on the Straight Line Method (SLM) Method on the basis of Useful Life prescribed in Schedule II to the Companies Act, 2013.

b. Depreciation on additions to the Property Plant &Equipment 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.

Notes forming part of the Financial Statements

vi. 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

vii. 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.

viii. Retirement Benefits:

a. The Group 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 Group contribution to Provident Fund is charged to Revenue Account.

ix. 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.

x. 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.

xi. Segment Accounting:

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

xii. Investments:

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

xiii. Provisions and contingencies:

A provision is recognized when the Group 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

Notes forming part of the Financial Statements

obligation. A contingent liability is disclosed when the Group 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.

xiv. 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.

xv. 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.

Notes forming part of the Financial Statements

Note No. 2(a) Share Capital

	As at 31 March, 2023	
	Number	₹ in Lakhs
Authorised Share Capital		
Equity Shares of Rs 10/- each	1,55,00,000	1,550.00
Issued		-
Equity Shares of Rs 10/- each	1,52,84,000	1,528.40
Subscribed & Paid up		-
Equity Shares of ₹ 10/- each fully paid	1,52,84,000	1,528.40
Total	**1,52,84,000**	**1,528.40**

Note No. 2.1

	As at 31 March, 2023	
	Number	₹ in Lakhs
Equity Shares outstanding at the beginning of the year	1,52,84,000	1,528.40
Shares Issued during the year	-	-
Shares bought back during the year	-	-
Shares outstanding at the end of the year	**1,52,84,000**	**1,528.40**

Note No. 2.2

Details of Shareholders holding more than 5% Shares.

Name of Shareholder	As at 31 March, 2023	
	No. of Shares held	% of Holding
Ashishbhai Rameshchandra Trivedi	904000	5.91
Bhaveshbhai Jayantibhai Patel	791000	5.18
Hariprabhaben Arvindbhai Parikh	1583000	10.36
Mukeshbhai Vithalbhai Patel	904000	5.91
Renukaben Jagdishbhai Parikh	1583000	10.36
Saurinbhai Jagdishbhai Parikh	2333000	15.26
Falguniben Miteshbhai Parikh	1733000	11.34
Pashupati Texspin Export Llp	1080000	7.07

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
Dakshesh Jayantilal Patel	5.25	3.43
Bhaveshkumar Jayantilal Patel	7.91	5.18
Falguni Mitesh Parikh	17.33	11.34
Hariprabha Aravindbhai Parikh	15.83	10.36
Saurin Jagdish Bhai Parikh	23.33	15.26
Ashish Rameshchandra Trivedi	9.04	5.91
Tushar Rameshchandra Trivedi	3.39	2.22
Renukaben Jagdishchandra Parikh	15.83	10.36
Patel Minaben Daksheshbhai	2.66	1.74
Pashupati Texspin Export LLP	10.80	7.07
Nirali Rajendra Desai	0.26	0.17
Total	**111.63**	**73.03**

Note No. 2.5

There are no unpaid calls from Directors or officers.

Note No. 2.6

Equity shares rank pari pasu & subject to right, preference and restrictions under The Companies Act, 2013

Note No. 2(b)

(₹ in Lakhs)

Reserves & Surplus	As at 31 March, 2023
(i) Share Securities Premium	
As per Last Balance Sheet	4,259.60
(+) Additions during the year	-
(-) Utilised during the year	-
Closing Balance (a)	**4,259.60**
(iii) Surplus in Statement of Profit & Loss	
As per Last Balance Sheet	5,078.41
(+) Net Profit For the current year	387.62
(-) Dividend Paid	-114.63
Closing Balance (b)	**5,351.40**
Total (a)+(b)	**9,611.00**

NOTE 3: LONG TERM BORROWINGS

(₹ in Lakhs)

Particulars	As at 31 March, 2023
Term Loans (Secured)*	
a) From Banks	7,756.17
Less:Current Maturities of long term debt	-2,640.06
Total	**5,116.11**

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

Notes forming part of the Financial Statements

NOTE 4: DEFERRED TAX LIABILITY

(₹ in Lakhs)

Particulars	As at 31 March, 2023
Deferred Tax Liability	453.34
Less: Reversal of Deferred Tax Liability	162.79
Total	**616.13**

NOTE 5: OTHER LONG TERM LIABILITIES

(₹ in Lakhs)

Particulars	As at 31 March, 2023
Staff Deposit	15.77
Total	**15.77**

NOTE 6: LONG TERM PROVISIONS

(₹ in Lakhs)

Particulars	As at 31 March, 2023
Provision- From Employment Benefit	
Gratuity	107.82
Total	**107.82**

NOTE 7: SHORT TERM BORROWINGS

(₹ in Lakhs)

Particulars	As at 31 March, 2023
Secured	
Current Maturities of Long Term Borrowings	2,640.06
Working Capital Loan From Bank (Secured)	9,572.54
Total	**12,212.61**

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, 2023
(i) Total Outstanding dues to Micro, Small & Medium Enterprise	0.51
(ii) Total Outstanding dues to other than Micro, Small & Medium Enterprise	798.41
Total	**798.92**

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

Notes forming part of the Financial Statements

Note 8.1 : Trade Payables ageing schedule for the year ended March 31, 2023

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	0.51	-	-	-	0.51
(ii) Others	768.76	29.61	0.03	-	798.41
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
TOTAL BILLED AND DUE (A)	**769.27**	**29.61**	**0.03**	**-**	**798.92**
UNBILLED DUES (B)	**-**	**-**	**-**	**-**	**-**
TOTAL TRADE PAYABLES (A + B)	**769.27**	**29.61**	**0.03**	**-**	**798.92**

NOTE 9: OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31 March, 2023
Statutory Remittances	353.85
Other Payables	146.33
Advance from Customer	236.06
Total	**736.24**

NOTE 10: SHORT TERM PROVISIONS

(₹ in Lakhs)

Particulars	As at 31 March, 2023
Provision for Income Tax (Net of Advance Tax and TDS Receivable)	-6.34
Provision for Employee Benefits	-
Gratuity	20.55
Bonus	47.63
Total	**61.84**

NOTE - 11 : Property Plant & Equipment :

(₹ in Lakhs)

	Particulars	Gross Block At Cost				Depreciaiton				Net Block	
		Opening Balance as on April 1st, 2022	Additions During the Year	Adjustment \ Deductions\ Reclassifications During the year	Closing Balance as on March 31st, 2023	Opening Balance as on April 1st, 2022	Depreciation for the period up to 31-Mar-2023	Adjustment \Deductions During the year	Closing Balance as on March 31st, 2023	Closing Balance as on March 31st, 2023	Closing Balance as on March 31st, 2022
1	Freehold Land	193.87	124.54	-	318.41	-	-	-	0.00	318.41	193.87
2	Factory Building	3,500.75	34.33	-	3,535.08	616.71	119.28	-	735.99	2,799.09	2,884.04
3	Plant & Machinery	13,551.50	3,262.34	-	16,813.83	7,934.95	732.29	-	8,667.24	8,146.59	5,616.55
4	Office Equipments	55.12	0.51	-	55.62	14.48	9.41	-	23.89	31.73	40.64
5	Computer	17.92	5.00	-	22.91	12.47	2.59	-	15.06	7.86	5.45
6	Furniture	9.81	4.95	-	14.76	0.69	1.14	-	1.83	12.93	9.12
7	Electrical Installation	409.92	12.48	-	422.40	212.98	44.07	-	257.06	165.35	196.94
8	Vehicle	178.07	0.77	-	178.84	110.07	16.42	-	126.49	52.35	67.99
9	Bridges, culverts, bunders, etc.	9.79	-	-	9.79	2.52	0.31	-	2.83	6.95	7.26
10	Tubewell	6.31	-	-	6.31	5.99	-	-	5.99	0.32	0.32
11	Computer software	7.56	-	-	7.56	5.47	0.73	-	6.19	1.36	2.09
Total		**17,940.60**	**3,444.92**	**0.00**	**21,385.52**	**8,916.33**	**926.25**	**0.00**	**9,842.58**	**11,542.94**	**9,024.27**
Previous Year (₹)		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**

Notes forming part of the Financial Statements

NOTE 12 : Non Current Investment

(₹ in Lakhs)

Particulars	As at 31 March, 2023
Other Investment	
Investment in Corporate Entities#	115.30
Total	**115.30**

#Refer Note No. 15.1 for Investment Breakup

NOTE 13: Long Term Loans & Advances

(₹ in Lakhs)

Particulars	As at 31 March, 2023
Unsecured, Considered Good	
Deposits others	0.34
Capital Advances	850.00
Total	**850.34**

NOTE 14: INVENTORIES

(At Lower of Cost or Net Realisable Value)

(₹ in Lakhs)

Particulars	As at 31 March, 2023
Raw Materials	586.37
Finished Goods	2,165.80
WIP	369.39
Stores , Spares & Packing Material	404.89
Total	**3,526.45**

NOTE 15 : CURRENT INVESTMENT

(₹ in Lakhs)

Particulars	As at 31 March, 2023
Other Investment	
Investment in Corporate Entities	3,288.39
Total	**3,303.24**

** It includes Share of profit for the current year

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

(₹ in Lakhs)

Name of the Company	As at 31 March, 2023
Pashupati Texspin Export LLP	886.53
Sarjak Infra LLP	141.40
Global Park Developers LLP	1682.86

Notes forming part of the Financial Statements

NOTE 16: TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at 31 March, 2023
Unsecured, Considered Good	
Trade receivables outstanding for a period less than six months from the date they are due for payment	6,399.93
Trade receivables outstanding for a period exceeding six months from the date they are due for payment	
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	-
Less :- Provision for Expected Credit Loss	(0.98)
Total	**6,398.95**

Note 16.1: Trade Receivables ageing schedule for the year ended as on March 31, 2023.

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	6,354.03	41.35	3.55	0.07	0.93	6,399.93
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
TOTAL BILLED AND DUE (A)	**6,354.03**	**41.35**	**3.55**	**0.07**	**0.93**	**6,399.93**
UNBILLED DUES (B)	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL TRADE RECEIVABLES (A + B)	**6,354.03**	**41.35**	**3.55**	**0.07**	**0.93**	**6,399.93**
Less: Provision for Expected Credit Loss	-	-	-	-	-0.98	-0.98
TOTAL NET TRADE RECEIVABLES	**6,354.03**	**41.35**	**3.55**	**0.07**	**-0.05**	**6,398.95**

NOTE 17: CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at 31 March, 2023
Balances with Banks	
In Current Accounts	2.09
Cash on Hand	0.38
Fixed Deposits Under Lien#	**-**
Against Borrowings	25.29
Against Guarantees	222.82
Total	**250.58**

#Fixed Deposit with Maturity of more than 12 Month.

Notes forming part of the Financial Statements

NOTE 18: SHORT TERM LOANS AND ADVANCES

(₹ in Lakhs)

Particulars	As at 31 March, 2023
Unsecured, Considered Good	
Advance Tax (Net of Provision for Income Tax)	85.05
Advances to Suppliers	815.13
Advance to Staff	21.00
Prepaid Expenses	34.07
Balances with Government Authorities	1,305.61
Total	**2,260.87**

NOTE 19: OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at 31 March, 2023
Textile Benefit Receivable	701.31
Total	**701.31**

NOTE 20: REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	For the year 2022-23
Sale of Goods	
1. Yarn Sales	22,545.53
2. Cotton Sales	10.00
3 Sale of by Products	14,455.59
Total	**37,011.11**
Less : Rebate & Goods Returned	-230.37
	36,780.74
Sale of Services	
Other Operating Revenues	7,502.00
Total	**44,282.74**

NOTE 21: OTHER INCOME

(₹ in Lakhs)

Particulars	For the year 2022-23
Interest Income	605.23
Other Income	273.83
Share of profit from firm	25.70
Total	**904.76**

Notes forming part of the Financial Statements

NOTE 22.a: COST OF MATERIALS CONSUMED

(₹ in Lakhs)

Particulars	For the year 2022-23
Opening Stock	2,655.58
Add: Purchases	35,399.60
Less: Closing Stock	-586.37
Total	**37,468.81**

NOTE 22.b: CHANGES IN INVENTORIES OF FINISHED GOODS

(₹ in Lakhs)

Particulars	For the year 2022-23
Inventories at the End of the Year:	
Finished Goods	2,165.80
Stores, Spares & Packing Material	404.89
Work in process	369.39
	2,940.08
Inventories at the Beginning of the Year:	
Finished Goods	2,889.58
Stores, Spares & Packing Material	290.84
Work in process	395.51
	3,575.93
Total	**635.85**

NOTE 23: EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

Particulars	For the year 2022-23
Salaries and Wages	1,198.56
Contributions to Provident and Other Funds	-32.69
Staff Welfare Expenses	48.07
Total	**1,213.94**

NOTE 24: FINANCE COST

(₹ in Lakhs)

Particulars	For the year 2022-23
Interest Expense	1,099.79
Other Borrowing Cost	31.62
Total	**1,131.41**

Notes forming part of the Financial Statements

NOTE 25: OTHER EXPENSES

(₹ in Lakhs)

Particulars	For the year 2022-23
Transportation Expenses	37.81
Brokerage & Commission Expenses	125.95
Legal & Consultancy Charges	49.73
Power and Fuel	1,897.93
Donation	20.52
Foreign Exchange Rate Difference	0.95
Bad Debts Written Off	29.84
Repairing & Maintenance :-	
Machinery (including spares)	692.73
Building Repairing & Maintenance	73.92
Others	27.42
CSR Expenses	32.77
Insurance	38.12
Travelling Expenses	57.82
Testing expenses	2.09
Loading & Unloading Expenses	1.95
Rent,Rates & Taxes	0.75
Auditors Remuneration (Refer Note Below)	5.00
Stationery, Printing, Postage & Telephone	11.81
General Expenses	113.26
Total	**3,220.36**

Note: 25.1: Auditors Remuneration

(₹ in Lakhs)

Particulars	For the year 2022-23
Payments to the Auditors comprises :	
As Auditors - Statutory Audit	5.00
Taxation Matters	-
Out of pocket expenses	-
Total	**5.00**

26. Contingent Liabilities:

a) Bank guarantees amounting to Rs. 144.82 Lakhs in favour of DGFT& Customs, Rs.444.53 Lakhs in favour of Uttar Gujarat Vij Company Limited.

b) The holding company has imported capital spares under the EPCG Scheme at concessional rate of custom duty by undertaking obligation to export. Future outstanding export obligation under the scheme is Rs. 382.72 Lakhs which is equivalent to 6 times of duty saved Rs. 63.79 Lakhs.

The export obligation must be completed by 2021-22 to 2027-28.

c) In respect of Income Tax Liability of Rs. 4.06 Lakhs

d) In respect of Goods and Service Tax Liability of Rs. 598.47 Lakhs

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

(Amount in lakhs unless otherwise stated)

Particulars	As at March 31, 2023
The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each period:	
Principal	0.51
Interest	Nil
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
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
The amount of interest accrued and remaining unpaid at the end of the period.	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

29. 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, 2023. 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	2022-23
Net profit attributable to Shareholders	387.62
Weighted average number of equity shares	152.84
Basic earnings per share of Rs.10/- each (in Rs)	2.54

31. Related Party Disclosure:

- The names of the related parties and nature of the relationships where control exists are disclosed irrespective of whether or not there have been transactions between the related parties. For others, the names and the nature of relationships is disclosed only when the transactions are entered into by the Group with the related parties during the existence of the related party relationship.
- Enterprise having significant influence, the name and the nature of relationships is disclosed only when the transactions are entered into by the company with the Related Parties during the existence of the Related Party relationship.

A. LIST OF RELATED PARTIES AND RELATIONSHIP WITH WHOM TRANSACTIONS HAVE TAKEN PLACE:

Relation	Name
Relative of Director	BhaveshkumarJayantilal Patel
Relative of Director	DishenBhaveshkumar 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	EshaMiteshbhai 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, Mr. TusharTrivedi Whole Time Director and Mr. Dakshesh Patel Director along with their relatives are partners of the LLP.	PashupatiTexpin Export LLP

Notes forming part of the Financial Statements

Relation	Name
(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 Companyis 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 TimeDirector 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 Directorare partners of the LLP.	M/s Universal Industrial Park LLP
Mr. Saurin Parikh, Managing Director is a relative of Proprietor	M/s R V 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 Sarjak Infra LLP
Mr. Saurin Parikh, Managing Director is a Designated Partner of the LLP.	M/s Uniza Healthcare LLP

B. KEY MANAGERIAL PERSONNEL

Saurin Jagdish Bhai Parikh	Chairman & Managing Director
Tushar Ramesh chandraTrivedi	Whole time Director
Haresh kumar Ramesh chandra Shah	Chief Financial Officer (CFO)
Nisarg Shah	Company Secretary & Compliance Officer (from 04.10.2021)
BijalNareshbhai Thakkar	Company Secretary & Compliance Officer (upto 04.10.2021)

The details of material transactions and balances with related parties are given below:

Transactions during the year	Relation	For the year ended March 31, 2023
Purchase of goods:		
Pashupati Texspin Export LLP	Associate Firm	119.7
R V Enterprises	Associate Firm	15,287.62
Pashupati Cotton Industries	Associate Firm	1,709.08
Total		**17,116.40**
Sale of goods:		
PashupatiTexspin Export LLP	Associate Firm	7,380.81
S Raja Export Pvt Ltd	Associate Firm	-
R V Enterprises	Associate Firm	3,121
Pashupati Cotton Industries	Associate Firm	2,005.96
Total		**12,507.77**
For various expenses		
Miteshbhai J. Parikh	Relative Of Partner	-
BhaveshbhaiJayantibhai Patel	Relative Of Partner	10
DaksheshbhaiJayantibhai Patel	Relative of Director	8
Total		**18.00**
For Brokerage Income		
S Raja Export Private Limited	Associate Firm	261.37
Total		**261.37**
For Rent Income		
UnizaLifecare Private Limited	Associate Firm	4.85
Total		**4.85**

Notes forming part of the Financial Statements

Transactions during the year	Relation	For the year ended March 31, 2023
Interest Income		
PashupatiTexspin Export LLP	Associate Firm	204.68
Sarjak Infra LLP	Associate Firm	13.43
Global Park Developers LLP	Associate Firm	179.99
Total		**398.1**
Remuneration:		
TusharbhaiRameshchandra Trivedi	KMP	2.23
HareshkumarRameshchandra Shah	KMP	6
BijalNareshbhai Thakkar	KMP	-
Nisarg Shah	KMP	4.54
Total		**12.77**
Investment-Fixed Capital		
Sarjak Infra LLP	Associate Firm	-
PashupatiTexspin Export LLP	Associate Firm	-
Global Park Developers LLP	Associate Firm	-
Total		**0**
CSR Expenditure		
Pashupati Healthcare Foundation	Associate Firm	1.65
Investment-Current Capital		
PashupatiTexspin Export LLP	Associate Firm	-292
Sarjak Infra LLP	Associate Firm	16.5
Total		**-275.50**

Balances at the end of the year	Relation	As at March 31, 2023
Non-Current Investment:		
Global Park Developers LLP	Associate Firm	1,682.86
Sarjak Infra LLP	Associate Firm	141.85
PashupatiTexspin Export LLP	Associate Firm	886.53
Total		**2,711.24**
Trade Receivables:		
S Raja Export Pvt Ltd	Associate Firm	27.44
Pashupati Cotton Industries	Associate Firm	-
PashupatiTexspin Export LLP	Associate Firm	2,432.29
Total		**2,459.73**
Advance from Debtors:		
R V Enterprises	Associate Firm	152.56
Total		**152.56**
Advance to Creditors:		
R V Enterprises	Associate Firm	674
Total		**674**
Trade Payables		
Tusharbhai Ramesh chandra Trivedi	KMP	-
Total		**-**

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

Notes forming part of the Financial Statements

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

a. The Group 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:

b. The Amount (in Lakh ₹) as certified by the Approved Value is as under:

Period	From: 01/04/2022 To: 31/03/2023
Present value of the obligation at the beginning of the period	169.96
Interest cost	9.77
Current service cost	26.04
Past Service Cost	-
Benefits paid (if any)	-
Actuarial (gain)/loss	(77.41)
Present value of the obligation at the end of the period	128.37

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

Period	As on: 31/03/2023
Present value of the obligation at the end of the period	128.37
Fair value of plan assets at end of period	-
Net liability/(asset) recognized in Balance Sheet and related analysis	128.37
Funded Status	(128.37)

Expense recognized in the statement of Profit and Loss: (₹ in Lakhs)

Period	From: 01/04/2022 To: 31/03/2023
Interest cost	9.77
Current service cost	26.04
Past Service Cost	0
Expected return on plan asset	(0)
Net actuarial (gain)/loss recognized in the period	(77.41)
Expenses to be recognized in P&L	(41.59)

Experience adjustment: (₹ in Lakhs)

Period	From: 01/04/2022 To: 31/03/2023	From: 01/04/2022 To: 31/03/2023
Experience Adjustment (Gain) / loss for Plan liabilities	(72.01)	39.48
Experience Adjustment Gain / (loss) for Plan assets	-	-

Summary:

Period	As on: 31/03/2023
Number of employees	398
Total monthly salary	78.51
Average Past Service (Years)	4.1
Average Future Service (yrs)	23.7
Average Age(Years)	36.3
Weighted average duration (based on discounted cash flows) in years	26
Average monthly salary	0.20

Notes forming part of the Financial Statements

The assumptions employed for the calculations are tabulated:

Period	As on: 31/03/2023
Discount rate	7.50 % per annum
Salary Growth Rate	5.00 % per annum
Mortality	IALM 2012-14
Expected rate of return	0
Withdrawal rate (Per Annum)	30.00% p.a.

Benefits valued:

Period	As on: 31/03/2023
Normal Retirement Age	60 Years
Salary	Last drawn qualifying salary
Vesting Period	5 Years of service
Benefits on Normal Retirement	15/26 * Salary * Past Service (yr).
Benefit on early exit due to death and disability	As above except that no vesting conditions apply
Limit	2000000.00

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

Period	As on: 31/03/2023
Current Liability (Short Term)*	20.55
Non Current Liability (Long Term)	107.82
Total Liability	**128.37**

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: 31-03-2023
Defined Benefit Obligation (Base)	1,28,37,081 @ Salary Increase Rate : 5%, and discount rate :7.5%
Liability with x% increase in Discount Rate	1,24,79,511; x=1.00% [Change (3)%]
Liability with x% decrease in Discount Rate	1,32,15,835; x=1.00% [Change 3%]
Liability with x% increase in Salary Growth Rate	1,32,21,271; x=1.00% [Change 3%]
Liability with x% decrease in Salary Growth Rate	1,24,67,735; x=1.00% [Change (3)%]
Liability with x% increase in withdrawal Rate	1,27,89,922; x=1.00% [Change 0%]
Liability with x% decrease in withdrawal Rate	1,28,83,308; x=1.00% [Change 0%]

Reconciliation of liability in balance sheet (₹ in Lakhs)

Period	From: 01/04/2022 To: 31/03/2023
Opening gross defined benefit liability/ (asset)	169.97
Expenses to be recognized in P&L	(41.60)
Benefits paid (if any)	0
Closing gross defined benefit liability/ (asset)	**128.37**

Notes forming part of the Financial Statements

33. AUDITORS' REMUNERATION:-

(₹ in Lakhs)

	2022-23
1. Audit Fees	5.00
2. Tax Audit	-
3 Traveling expenses	-
TOTAL	**5.00**

34. Details of Goods Imported:-

(₹ in Lakhs)

	2022-23
1. CIF value of goods imported:	
(a) Cotton	-
(b) Stores and Spares	50.37
(c) Plant and Machinery	-
TOTAL	**50.37**
2. Consumption:-	
(a.) Raw Materials:	
(i) Imported goods	-
(ii) Indigenous goods:	
Cotton	37458.56
Cotton yarn	-
TOTAL	**37458.56**
Imported	0%
Indigenous	100%
(b.) Stores and Spares:	
(i) Imported goods	50.37
(ii) Indigenous goods	63.38
TOTAL	**114.05**
Imported	44.17%
Indigenous	55.82%

34. Export Sales :

(₹ in Lakhs)

	2022-23
Exports: Direct (FOB Value)	-
Through Merchant Exporters	-
	-

35. Expenditure in Foreign Currency:

(₹ in Lakhs)

	2022-23
Purchase of Plant and Machinery, Stores, Spares and Cotton	50.37
Freight	1.21
TOTAL	**51.59**
36. Remittances of Dividend in Foreign Currency	-

Notes forming part of the Financial Statements

37. (a) Long term brownings :

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	8.30% p.a.
2	HDFC Bank Ltd	Dropline OD	1,800	Exclusive charge by way of Equitbale 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	8.30% p.a.
3	Punjab National Bank State Bank of India	Cash Credit	4,686	PrimarySecurity: 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.	-	8.30% p.a.
		GECL 1.00	2214	2nd charge on existing primary security & collateral security including all cash flows of the Company.	60 months	8.30% p.a.
		GECL 2.00	1097	2nd charge on existing primary security & collateral security including all cash flows of the Company. The facility covered under Guarantee coverage from NCGTC.		
		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.	-	-
4	State Bank of India	Cash Credit	4,500	1. Paripassu charge 1st charge with PNB by way of hypothecation of Stock, re ceivables and entire current assets of the unit. Hypothecation of Stock &Receivables. 2. Paripassu charge 2nd charge on S No: 404/p1, situated at Industrial Property admeasuring Hect-Are-SqMtrs 2-50-00 land of consolidated S No: 404P1 and its New S No: 919/1 is situated at in the sim of village Balasar Ta. Kadi District Mehsana. 3. Paripassu charge 2nd charge S No: 404/p2 , situated at Industrial Property admeasuring Hect-Are-SqMtrs 2-50-00 land of consolidated S No: 404/p1 and its New S No: 919/1 is situated in the sim of village Balasar Ta Kadi Dist. Meh sana. 4. Hypothecation (Sole Charge) over Plant & Machinery purchased out of Bank Finance (Hybrid Project).	-	10.80% p.a.

Notes forming part of the Financial Statements

37. (b) Short termbrownings :

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 Equitbale 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.	78 months	9.38% p.a.
				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		
2	Punjab National Bank State Bank of India	Term Loan	4732	EM of factory land & building (Spinning unit) at S. No. 404/2 adm. 52500 sq. Mt at Balasar, Ta-Kadi, Distt. Mehsana	60 months 60 months	8.30% p.a. 8.30% p.a.
				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.		
3	State Bank of India	Term Loan	2,458	1. Paripassu charge 1st charge with PNB by way of hypothecation of Stock, re ceivables and entire current assets of the unit. Hypothecation of Stock &Receivables. 2. Paripassu charge 2nd charge on S No: 404/p1, situated at Industrial Property admeasuring Hect-Are-SqMtrs 2-50-00 land of consolidated S No: 404P1 and its New S No: 919/1 is situated at in the sim of village Balasar Ta. Kadi District Mehsana. 3. Paripassu charge 2nd charge S No: 404/p2 , situated at Industrial Property admeasuring Hect-Are-SqMtrs 2-50-00 land of consolidated S No: 404/p1 and its New S No: 919/1 is situated in the sim of village Balasar Ta Kadi Dist. Meh sana. 4. Hypothecation (Sole Charge) over Plant & Machinery purchased out of Bank Finance (Hybrid Project).	84 Months	10.80% p.a.

38. Code on Social Security:

During the previous year ended 31st March, 2023 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 labourand industrial laws which deals with employees related benefits including post employment. The effective date of the codesthereunder 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.

Notes forming part of the Financial Statements

39. The Board of Directors has recommended final dividend for the financial year 2022-23 on Equity Share Capital 7.5% (Rs. 0.75 Per Equity of face value of Rs.10/- each) subject to approval of the shareholders in the ensuing Annual General Meeting (AGM)

40. The previous years consolidation figures are not applicable for comparative financial statement as during the financial year 2022-23, Pashupati Cotspin Limited has increased stake by 99.00% in Pashupati Cotyarn LLP and hence Pashupati Cotyarn LLP become the subsidiary of Pashupati Cotspin Limited.

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: 29/05/2023
UDIN: **23045706BGUVQL9850**

For and on belhalf of the Board of Directors
Pashupati Cotspin Limited

Saurinbhai J. Parikh
Managing Director
(DIN: 02136530)

Tushar R. Trivedi
Whole Time Director
(DIN: 06438707)

Hareshkumar Shah
Chief Financial Officer
Place: Ahmedabad
Date: 29/05/2023

Nisarg Shah
Company Secretary
Place: Ahmedabad
Date: 29/05/2023

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): ➢ 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 polices 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 theCompanies 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 andexplanations 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 Companyso 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. 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.

7. 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
Membership No.-045706
UDIN: 22045706AJUQBH6518

Date: 28.05.2022
Place: Ahmedabad

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 of 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

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

Date: 28.05.2022
Place: Ahmedabad

PASHUPATI®
COTSPIN LTD

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 Liabilty	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 belhalf of the Board of Directors
Pashupati Cotspin Limited

Saurinbhai J. Parikh
Chairman & Managing Director
(DIN: 02136530)

Tushar R. Trivedi
Whole Time Director
(DIN: 06438707)

Hareshkumar Shah
Chief Financial Officer
Place: Ahmedabad
Date: 28/05/2022

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 belhalf 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

PASHUPATI®
COTSPIN LTD

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 belhalf of the Board of Directors
Pashupati Cotspin Limited

Saurinbhai J. Parikh
Chairman & Managing Director
(DIN: 02136530)

Tushar R. Trivedi
Whole Time Director
(DIN: 06438707)

Hareshkumar Shah
Chief Financial Officer
Place: Ahmedabad
Date: 28/05/2022

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 LakhsOnly). 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 Companyis 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 TimeDirector 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 Directorare partners of the LLP.	M/s Universal Industrial Park LLP
Mr.Saurin Parikh, Managing Director is a relative of Proprietor	M/s R V 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
R V 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:

a. 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 :

b. 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 termbrownings :

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.	84 months	6.85% p.a.
				Personal guarantee of directors and other guarantors		
				Corporate Guarantee of Global Park Developers LLP		
2	HDFC Bank Ltd	Dropline OD	1,800	Exclusive charge by way of Equitbale 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	60 months	8.8% p.a.
				Personal guarantee of directors and other guarantors		
3	Punjab National Bank State Bank of India	Cash Credit/ CECF		PrimarySecurity: 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 termbrownings :

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 Equitbale 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.	78 months	6.80% p.a.
				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		
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	60 months	9.9% p.a.
				EM of factory land & building (Ginning unit) at S. No. 404/1 adm. 25000 Sq. Mt at Balasar, Ta-Kadi, Distt. Mehsana	60 months	9.9% p.a.
				Collateral Security:		
				Hypothecation/Mortgage of Block Assets Residential House property of Directors and other guarantors		
				Personal guarantee of directors and other guarantors.		

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 labourand industrial laws which deals with employees related benefits including post employment. The effective date of the codesthereunder 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

i. The Company do not have any Benami property, where any proceeding has been initiated or pending against theCompany for holding any Benami property.

ii. The Company do not have any transactions with companies struck off.

iii. The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutoryperiod.

iv. 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 foreignentities (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 behalfof 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 behalfof 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 / Current Liabilities	1.94	1.62	19.81%	-
2	Debt-to-equity Ratio				
	Total Outside Liabilities / Shareholder's Equity	1.64	1.52	7.42%	-
3	Debt Service Coverage Ratio				
	Earnings Available for Debt Servicing / Interest and Lease Payment Installments	1.13	1.10	3.38%	-
4	Return on Equity Ratio				
	Net Profit After Tax / Average Shareholder's Equity	10.75%	5.80%	85.37%	Increase in net profits due to better operating margins in line with revenue growth.
5	Inventory Turnover Ratio				
	Sale of Products / Average Inventory	8.97	7.21	24.37%	-
6	Receivables Turnover Ratio				
	Net Sales / Average Accounts Receivable	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.
7	Payables Turnover Ratio				
	Net Credit Purchases / Average Trade Payables	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.
8	Net Capital Turnover Ratio				
	Net Sales / Working Capital	5.82	7.12	-18.19%	-

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				
	Proift 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 belhalf of the Board of Directors
Pashupati Cotspin Limited

Saurinbhai J. Parikh
Chairman & Managing Director
(DIN: 02136530)

Tushar R. Trivedi
Whole Time Director
(DIN: 06438707)

Hareshkumar Shah
Chief Financial Officer
Place: Ahmedabad
Date: 28/05/2022

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
DakshesJayantilal 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
DakshesJayantilal 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				Depreciaiton				Net Block	
		Opening Balance as on April 1st, 2021	Additions During the Year	Adjustment \ Deductions\ Reclassifications During the year	Closing Balance as on March 31st, 2022	Opening Balance as on April 1st, 2021	Depreciation Provided During the year	Adjustment \Deductions During the year	Closing Balance as on March 31st, 2022	Closing Balance as on March 31st, 2022	Closing Balance as on March 31st, 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 incudes 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 belhalf of the Board of Directors
Pashupati Cotspin Limited

Saurinbhai J. Parikh
Chairman & Managing Director
(DIN: 02136530)

Tushar R. Trivedi
Whole Time Director
(DIN: 06438707)

Hareshkumar Shah
Chief Financial Officer
Place: Ahmedabad
Date: 28/05/2022

Nisarg Shah
Company Secretary
Place: Ahmedabad
Date: 21/06/2021

GENERAL INFORMATION

- Our Company was originally incorporated as Pashupati Cotspin Limited (our "Company" or the "Issuer") was incorporated as "Pashupati Cotspin LLP" on January 07, 2013 under the provisions of Limited Liability Partnership Act, 2008 with Registrar of Companies, Gujarat, Dadra and Nagar Havelli vide (LLPIN: AAB-3046) and received a certificate of incorporation from the Registrar of Companies, Gujarat, Dadra and Nagar Havelli on January 07, 2013. Later, "Pashupati Cotspin LLP" was thereafter converted from a Limited Liability Partnership into a Private Limited Company under part I Chapter XXI of Section 366 of Companies Act, 2013 with the name of "Pashupati Cotspin Private Limited" and received a fresh certificate of incorporation from the Registrar of Companies Gujarat, Central registration Centre on July 03, 2017. Later, our Company was converted into Public Limited Company and consequently name of company was changed from "Pashupati Cotspin Private Limited" to "Pashupati Cotspin Limited" vide Special resolution passed by the Shareholders at the Extra Ordinary General Meeting held on July 11, 2017 and a fresh certificate of incorporation dated July 18, 2017 issued by the Registrar of Companies Ahmedabad. "***OrganisationalStructure of our Company***" on page 80.
- Our Equity Shares were listed on the SME board of NSE on September 08, 2017 under Regulation 28(1) of the SEBI Listing Regulations.
- Our Registered Office is located at Survey No.404 AT & Post Balasar, Kadi-Detroj Road, Mahesana, Kadi- 382715, Gujarat, India
- The CIN of the Company is L17309GJ2017PLC098117.
- The website of our Company is https://www.pashupaticotspin.com/
- The authorised share capital of our Company is ₹ 16,00,00,000 divided into 1,60,00,000 Equity Shares of ₹10 each.
- The Issue was authorised and approved by the Board pursuant to the resolution dated Augugst 03, 2024, and by the shareholders pursuant to the special resolution passed via postal ballot dated September 07, 2024. Our Company has been authorised to raise funds up to ₹ 50 Crores by way of issue of Equity Shares.
- In accordance with Regulation 173A of the SEBI ICDR Regulations, the issue size does not exceed Rs.100 Crores (One hundred crore). Therefore, the company is not required to appoint any Monitoring Agency.
- As of the date of this Preliminary Placement Document, the logo used by our Company has been registered under class 23 of the Trademarks Act, 1999.
- Copies of our Memorandum of Association and Articles of Association will be available for inspection between 9:30 am to 5:30 pm on any weekday (except Saturdays and public holidays) at our Registered Office.
- Except as disclosed in this Preliminary Placement Document, our Company has obtained all necessary consents, approvals and authorisations as may be required in connection with the Issue.
- There has been no material change in the financial or trading position of our Company since March 31, 2024, except as disclosed herein.
- Except as disclosed in this Preliminary Placement Document, there are no material litigation or arbitration proceedings against or affecting us, or our assets or revenues, nor are we aware of any pending or threatened litigation or arbitration proceedings, which are or might be material in the context of this Issue. For further details, see "***Legal Proceedings***" on page 125.
- As on the date of these Preliminary Placement Document, M/s Mahendra N. Shah & CO, Chartered Accountants, having Firm Registration No.105775W is the statutory auditor of our Company.
- No change in the control of our Company will occur consequent to the Issue.
- Our Company is in compliance with the minimum public shareholding requirements as required under the SEBI Listing Regulations and Rule 19A of the SCRR.
- The Floor Price is ₹ [●] per Equity Share, calculated in accordance with the provisions of Chapter VI of the SEBI ICDR Regulations, as certified by our Statutory Auditor, M/s Mahendra N. Shah & CO, Chartered Accountants. Our Company may offer a discount of not more than 5% on the Floor Price in accordance with the approval of our Board resolution dated August 03, 2024, and the shareholders of the Company accorded through a special resolution via postal ballot dated Septmber 07, 2024, and Regulation 176(1) of the SEBI ICDR Regulations.
- Our Company and the BRLM accept no responsibility for statements made otherwise than in this Preliminary Placement Document and anyone placing reliance on any other source of information, including our website, would be doing so at their own risk.

- Shah Nisarg Dineshkumar is the Company Secretary and Compliance Officer of our Company. His details are as follows:

Shah Nisarg Dineshkumar
Company Secretary and Compliance Officer
Pashupati Cotspin Limited
Survey No.404 AT & Post Balasar, Kadi-Detroj Road,
Mahesana, Kadi-382715, Gujarat
Tel: +91 70696 96161
E-mail: cs@pashupaticotspin.com.

DETAILS OF PROPOSED ALLOTTEES

In compliance with the requirements of Chapter VI of the SEBI ICDR Regulations, Allotment shall be made by our Company, in consultation with the BRLM, to Eligible QIBs on a discretionary basis. The names of the proposed Allottees and the percentage of post-Issue capital that may be held by them is set forth below. These details of the proposed Allottees, assuming that the Equity Shares are allotted to them pursuant to the Issue, will be included in the Placement Document to be sent to such proposed Allottees.

S. No.	Name of the proposed Allottees	Percentage of the post-Issue share capital held (%)[(1)(2)]
1.	[●]	[●]
2.	[●]	[●]
3.	[●]	[●]
4.	[●]	[●]
5.	[●]	[●]
6.	[●]	[●]
7.	[●]	[●]
8.	[●]	[●]
9.	[●]	[●]
10.	[●]	[●]

(1) Based on beneficiary position as on [●]

(2) Subject to receipt of funds and allotment in the Issue. The above table has been intentionally left blank and shall be updated in the Placement Document.

(3) The post-Issue shareholding (in percentage terms) of the proposed Allottees will be disclosed on the basis of their respective PAN, except in case of Mutual Funds, insurance companies, and Eligible FPIs (investing through different sub accounts having common PAN across such sub accounts) wherein their respective DP ID and Client ID will be considered.

DECLARATION

Our Company certifies that all relevant provisions of Chapter VI read with Schedule VII of the SEBI ICDR Regulations have been complied with and no statement made in this Preliminary Placement Document is contrary to the provisions of Chapter VI and Schedule VII of the SEBI ICDR Regulations and that all approvals and permissions required to carry on our Company's business have been obtained, are currently valid and have been complied with. Our Company further certifies that all the statements in this Preliminary Placement Document are true and correct.

Signed by:

SD/-

_____

Saurin Jagdish Bhai Parikh
Chairman & Managing Director

Date: [●]
Place: Mahesana, Gujarat

DECLARATION

We, the Board of the Company, certify that:

(i) the Company has complied with the provisions of the Companies Act, 2013 and the rules made thereunder;

(ii) the compliance with the Companies Act, 2013 and the rules thereunder does not imply that payment of dividend or interest or repayment of preference shares or debentures, if applicable, is guaranteed by the Central Government;

(iii) the monies received under the Issue shall be used only for the purposes and objects indicated in this Preliminary Placement Document (which includes disclosures prescribed under Form PAS-4).

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS

Signed by:

SD/-

_____

Saurin Jagdish Bhai Parikh
Chairman & Managing Director

I am authorized by the Board of the Company, *vide* resolution dated August 03, 2024, to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and the Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

Signed:

SD/-

_____

Saurin Jagdish Bhai Parikh
Chairman & Managing Director

Date: [●]
Place: Mahesana, Gujarat

Pashupati Cotspin Limited
CIN: L17309GJ2017PLC098117

Registered Office
Survey No.404 At& Post Balasar,Kadi-Detroj Road,
Mahesana, Kadi-382715 Gujarat
Tel: +91 70696 96161 **Email:** cs@pashupaticotspin.com.
Website: https://www.pashupaticotspin.com/

Contact Person:
Shah Nisarg Dineshkumar
Designation: Company Secretary and Compliance Officer
Tel: +91 70696 96161
E-mail: cs@pashupaticotspin.com.
Address: Survey No.404 At& Post Balasar,Kadi-Detroj Road,
Mahesana, Kadi-382715 Gujarat

BOOK RUNNING LEAD MANAGER
NARNOLIA FINANCIAL SERVICES LIMITED
201, 2nd Floor, Marble Arch 236B A.J.C. Bose Road, Kolkata, West Bengal, 700020
STATUTORY AUDITORS OF OUR COMPANY
M/s Mahendra N. Shah & Co.
201, Pinnacle Business Park, Opp. Royol Orchid Flats
Corporote Rood, Prahladnagar-380015, Ahmedabad, Gujarat

LEGAL ADVISOR
ANA ADVISORS
118 Shila Vihar, Gokulpura, Kalwar Road
Jhotwara, Jaipur-302012

APPLICATION FORM

"An indicative form of the Application Form is set forth below:"

Pashupati Cotspin Limited	**APPLICATION FORM**
(*Incorporated in the Republic of India under the provisions of the Companies Act, 2013*) Pashupati Cotspin Limited (our "Company" or the "Issuer") was incorporated as "Pashupati Cotspin LLP" on January 07, 2013 under the provisions of Limited Liability Partnership Act, 2008 with Registrar of Companies, Gujarat, Dadra and Nagar Havelli vide (LLPIN: AAB-3046) and received a certificate of incorporation from the Registrar of Companies, Gujarat, Dadra and Nagar Havelli on January 07, 2013. Later, "Pashupati Cotspin LLP" was thereafter converted from a Limited Liability Partnership into a Private Limited Company under part I Chapter XXI of Section 366 of Companies Act, 2013 with the name of "Pashupati Cotspin Private Limited" and received a fresh certificate of incorporation from the Registrar of Companies Gujarat, Central registration Centre on July 03, 2017. Later, our Company was converted into Public Limited Company and consequently name of company was changed from "Pashupati Cotspin Private Limited" to "Pashupati Cotspin Limited" vide Special resolution passed by the Shareholders at the Extra Ordinary General Meeting held on July 11, 2017 and a fresh certificate of incorporation dated July 18, 2017 issued by the Registrar of Companies Ahmedabad. The Corporate Identification Number of our Company is L17309GJ2017PLC098117. **Registered Office:** Survey No.404 At& Post Balasar,Kadi-Detroj Road, Mahesana, Kadi-382715 Gujarat **Telephone**: +91 70696 96161 **Contact Person:** Shah Nisarg Dineshkumar, Company Secretary and Compliance Officer **E-mail address:** cs@pashupaticotspin.com | **Website**: www.pashupaticotspin.com. **CIN:** L17309GJ2017PLC098117 **ISIN: INE124Y01010**	**Name of Bidder:** _____ **Form No:** **Date:** _____

QUALIFIED INSTITUTIONS PLACEMENT OF [●] EQUITY SHARES OF FACE VALUE ₹ 10 EACH (THE "EQUITY SHARES") FOR CASH AT A PRICE OF ₹[●] PER EQUITY SHARE ("ISSUE PRICE"), INCLUDING A PREMIUM OF ₹[●] PER EQUITY SHARE, AGGREGATING TO ₹ [●] CRORES UNDER CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS") AND SECTION 42 OF THE COMPANIES ACT, 2013, AS AMENDED (THE "COMPANIES ACT"), READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED (THE "PAS RULES"), AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT AND THE RULES MADE THEREUNDER BY PASHUPATI COTSPIN LIMITED (THE "COMPANY") (HEREINAFTER REFERRED TO AS THE "ISSUE"). THE APPLICABLE FLOOR PRICE OF THE EQUITY SHARES IS ₹ [●] AND THE COMPANY MAY OFFER A DISCOUNT ON THE FLOOR PRICE IN TERMS OF REGULATION 176(1) OF THE SEBI ICDR REGULATIONS AND IN ACCORDANCE WITH THE APPROVAL OF ITS SHAREHOLDERS.

Only Qualified Institutional Buyers ("QIBs") as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations and which (a) are not, excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations or foreign exchange laws; or other applicable laws ,or (b) which are not prohibited or debarred by any regulatory authority for buying or selling or dealing in securities or restricted from participating in the Issue under the SEBI ICDR Regulations and other applicable laws; (c) hold a valid and existing registration under the applicable laws in India (as applicable); and (d) are eligible to invest in the Issue and submit this Application Form, and (e) are residents in India or Eligible FPIs (as defined herein below) participating through Schedule II of the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 ("FEMA Rules"), defined hereinafter or a multilateral or bilateral development financial institution eligible to invest in India under applicable law including the FEMA Rules; can submit this Application Form. The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares offered in the Issue are being offered and sold only outside the United States in "offshore transactions", as defined in and in reliance on Regulation S under the U.S. Securities Act ("Regulation S") and the applicable laws of the jurisdictions where those offers and sales are made. You should note and observe the selling and transfer restrictions contained in the sections entitled "*Selling Restrictions*" and "*Transfer Restrictions and Purchaser Representations*" in the accompanying preliminary placement document dated October 17, 2024 (the "PPD").

ELIGIBLE FPIs ARE PERMITTED TO PARTICIPATE IN THIS ISSUE, UNDER SCHEDULE II OF THE FEMA RULES, SUBJECT TO COMPLIANCE WITH ALL APPLICABLE LAWS AND SUCH THAT THE SHAREHOLDING OF ELIGIBLE FPIs DO NOT EXCEED SPECIFIED LIMITS AS PRESCRIBED UNDER APPLICABLE LAWS IN THIS REGARD. ALLOTMENTS MADE TO AIFS AND VCFS IN THE ISSUE SHALL REMAIN SUBJECT TO THE RULES AND REGULATIONS APPLICABLE TO EACH OF THEM RESPECTIVELY, INCLUDING THE FEMA RULES. PURSUANT TO FDI POLICY READ ALONG WITH PRESS NOTE NO. 3 (2020 SERIES), DATED APRIL 17,2020, ISSUED BY THE DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE, GOVERNMENT OF INDIA, AND RULE 6 OF THE FEMA NON DEBT RULES, INVESTMENTS BY AN ENTITY OF A COUNTRY WHICH SHARES LAND BORDER WITH INDIA OR WHERE THE BENEFICIAL OWNER OF SUCH INVESTMENT IS SITUATED IN OR IS A CITIZEN OF SUCH COUNTRY, MAY ONLY BE MADE THROUGH THE GOVERNMENT APPROVAL ROUTE, AS PRESCRIBED IN THE FEMA RULES AND SHALL HAVE TO BE IN CONFORMITY WITH THE APPLICABLE PROVISIONS OF THE FEMA RULES. OTHER ELIGIBLE NON-RESIDENT QIBS SHALL PARTICIPATE IN THE ISSUE UNDER SCHEDULE I OF FEMA RULES. FVCIs ARE NOT PERMITTED TO PARTICIPATE IN THE ISSUE.

To,

The Board of Directors
Pashupati Cotspin Limited

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

Dear Sirs/ Ma'am,

STATUS (Please)			
FI	Scheduled Commercial Banks and Financial Institutions	**AIF**	Alternative Investment Fund*
MF	Mutual Funds	**IF**	Insurance Funds
FPI	Eligible Foreign Portfolio Investors**	**NIF**	National Investment Fund
VCF	Venture Capital Funds	**SI-NBFC**	Systemically Important Non- Banking Financial Companies
IC	Insurance Companies	**OTH**	Others (Please specify)

Total shares currently held by QIB or QIBs belonging to the same group or those who are under common control. For details of what constitutes "*same group*" or "*common control*", see "*Application Form*" under *Issue Procedure* section of the PPD.

* *Sponsor and Manager should be Indian owned and controlled.*

** *Foreign portfolio investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended, other than individuals, corporate bodies and family offices who are not allowed to participate in the Issue*

On the basis of the serially numbered PPD of the Company and subject to the terms and conditions contained therein, and in this Application Form, we hereby submit our Application Form for the Allotment of the Equity Shares in the Issue, at the terms and price indicated below. We confirm, that we have a valid and existing registration under applicable laws and regulations of India, and undertake to acquire, hold, manage or dispose of any Equity Shares that are Allotted to us in accordance with Chapter VI of the SEBI ICDR Regulations and undertake to comply with the SEBI ICDR Regulations, and all other applicable laws, including any reporting obligations and the terms and conditions mentioned in the PPD and this Application Form. We confirm that we are an Eligible QIB as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations and are not: (a) excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations; and (b) restricted from participating in the Issue under the applicable laws, including SEBI ICDR Regulations. We are not a promoter of the Company (as defined in the SEBI ICDR Regulations), or any person related to the promoters of the Company, directly or indirectly and this Application Form does not directly or indirectly represent the promoter or promoter group or persons related to the promoter. Further, we confirm that we do not have any right under a shareholders' agreement or voting agreement entered into with promoters or persons related to promoters of the Company, veto rights or right to appoint any nominee director on the board of directors of the Company. We confirm that we are either an Eligible QIB which is resident in India, or an Eligible FPI, participating through Schedule II of the FEMA Non- Debt Rules or a multilateral or bilateral development financial institution eligible to invest in India under applicable law. We specifically confirm that our Bid for the Allotment of the Equity Shares is not in violation to the amendment made to Rule 6(a) of the FEMA Rules by the Central Government on April 22, 2020. Allotments made to VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirements. VCFs and AIFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue. We confirm that the signatory is authorized to apply on behalf of the Bidder and the Bidder has all the relevant approvals for applying in the Issue.

We confirm that the Bid size / aggregate number of the Equity Shares applied for by us, and which may be Allocated to us thereon will not exceed the relevant regulatory or approved limits and further confirm that our Bid will not result in triggering an open offer under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (the "**Takeover Regulations**").We confirm, that we have a valid and existing registration under applicable laws and regulations of India, and undertake to acquire, hold, manage or dispose of any Equity Shares that are Allotted to us in accordance with Chapter VI of the SEBI ICDR Regulations and undertake to comply with the SEBI ICDR Regulations, and all other applicable laws, including any reporting obligations. We confirm that, in relation to our application, each foreign portfolio investor ("**FPI**") as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended (other than individuals, corporate bodies and family offices), and including persons who have been registered under these regulations (such FPIs, "**Eligible FPIs**"), have submitted a separate Application Form, and asset management companies of mutual funds have specified the details of each scheme for which the application is being made along with the Bid Amount and number of shares to be Allotted under each scheme. We undertake that we will sign all such documents, provide such documents and do all such acts, if any, necessary on our part to enable us to be registered as the holder(s) of the Equity Shares that may be Allotted to us. We confirm that the signatory is authorized to apply on behalf of the Bidder and the Bidder has all the relevant authorisations. We note that the Company is entitled, in consultation with SBI Capital Markets Limited (the "**BRLM**"), in their sole discretion, to accept or reject this Application Form without assigning any reason thereof.

We hereby agree to accept the Equity Shares applied for, or such lesser number of Equity Shares as may be Allocated to us, subject to the provisions of the memorandum of association and articles of association of the Company, applicable laws and regulations, the terms of the PPD, Placement Document and the CAN, when issued and the terms, conditions and agreements mentioned therein and request you to credit the same to our beneficiary account with the Depository Participant as per the details given below, subject to receipt of Application Form and the Bid Amount towards the Equity Shares that may be allocated to us. The amount payable by us as Bid Amount for the Equity Shares applied for has been/will be remitted to the designated bank account set out in this Application Form through electronic mode, along with this Application Form prior to the Bid/Issue Closing Date and such Bid Amount has been /will be transferred from a bank account maintained in our name. We acknowledge and agree that we shall not make any payment in cash or cheque. We are aware that (i) Allocation and Allotment in the Issue shall be at the sole discretion of the Company, in consultation with the BRLM; and (ii) in the event that Equity Shares that we have applied for are not Allotted to us in full or at all, and/or the Bid Amount is in excess of the amount equivalent to the product of the Equity Shares that will be Allocated to us and the Issue Price, or the Company is unable to issue and Allot the Equity Shares offered in the Issue or if there is a cancellation of the Issue, or the listing of the Equity Shares does not occur in the manner described in the PPD, the Placement Document, the SEBI ICDR Regulations and other applicable laws, the Bid Amount or a portion thereof, as applicable, will be refunded to the same bank account from which the Bid Amount was paid by us. Further, we agree to comply with the rules and regulations that are applicable to us, including in relation to the lock-in and transferability requirements. In this regard, we authorize the Company to issue instructions to the depositories for such lock-in and transferability requirements, as may be applicable to us.

We acknowledge and agree that (i) our names, address, contact details, PAN, bank account details and the number of Equity Shares Allotted, along with other relevant information as may be required, will be recorded by the Company in the format prescribed in terms of the PAS Rules; (ii) in the event that any Equity Shares are Allocated to us in the Issue, we are aware pursuant to the requirements under Form PAS-4 of the PAS Rules that our names (as proposed Allottees) and the percentage of our post-Issue shareholding in the Company will be disclosed in the Placement Document, and we are further aware that disclosure of such details in relation to us in the Placement Document will not guarantee Allotment to us, as Allotment in the Issue shall continue to be at the sole discretion of the Company, in consultation with the BRLM; and (iii) in the event that Equity Shares are Allotted to us in the Issue, the Company will place our name in the register of members of the Company as a holder of such Equity Shares that may be Allotted to us and in the Form PAS-3 filed by the Company with the Registrar of Companies, Gujarat at Ahmedabad (the "**RoC**") as required in terms of the PAS Rules. Further, we are aware and agree that if we, together with any other QIBs belonging to the same group or under common control, are Allotted more than 5% of the Equity Shares in the Issue, the Company shall be required to disclose our name, along with the names of such other Allottees and the number of Equity Shares Allotted to us and to such other Allottees, on the websites of the National Stock Exchange of India Limited (together, the "**Stock Exchanges**"), and we consent to such disclosures. In addition, we confirm that we are eligible to invest in Equity Shares under the SEBI ICDR Regulations, circulars issued by the RBI and other applicable laws.

By signing and submitting this Application Form, we hereby confirm and agree that the representations, warranties, acknowledgements and agreements as provided in the sections "*Notice to Investors*", "*Representations by Investors*", "*Issue Procedure*", "*Selling Restrictions*" and "*Transfer Restrictions and Purchaser Representations"* sections of the PPD and the terms, conditions and agreements mentioned herein are true and correct and acknowledge and agree that these representations and warranties are given by us for the benefit of the Company and the BRLM, each of whom is entitled to rely on, and is relying on, these representations and warranties in consummating the Issue.

By signing and submitting this Application Form, we hereby represent, warrant, acknowledge and agree as follows: (1) we have been provided with a serially numbered copy of the PPD along with the Application Form, have read it in its entirety including in particular, the section "*Risk Factors*" therein and we have relied only on the information contained in the PPD and not on any other information obtained by us either from the Company, the BRLM or from any other source, including publicly available information; (2) we will abide by the PPD and the Placement Document, this Application Form, the confirmation of allocation note ("**CAN**"), when issued, and the terms, conditions and agreements contained therein; (3) that if Equity Shares are Allotted to us pursuant to the Issue, we shall not sell such Equity Shares otherwise than on the floor of a recognised stock exchange in India for a period of one year from the date of Allotment; (4) we will not have the right to withdraw our Bid or revise our Bid downwards after the Bid/Issue Closing Date; (5) we will not trade in the Equity Shares credited to our beneficiary account maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges; (6) Equity Shares shall be Allocated and Allotted at the discretion of the Company, in consultation with the BRLM, and the submission of this Application Form and payment of the corresponding Bid Amount by us does not guarantee any Allocation or Allotment of Equity Shares to us in full or in part; (7) in terms of the requirements of the Companies Act, upon Allocation, the Company will be required to disclose names and percentage of our post-Issue shareholding of the proposed Allottees in the Placement Document; however, disclosure of such details in relation to us in the Placement Document will not guarantee Allotment to us, as Allotment in the Issue shall continue to be at the sole discretion of the Company, in consultation with the BRLM; (8) the number of Equity Shares Allotted to us pursuant to the Issue, together with other Allottees that belong to the same group or are under common control as us, shall not exceed 50% of the Issue and we shall provide all necessary information in this regard to the Company and the BRLM. For the purposes of this representation: The expression 'belong to the same group' shall derive meaning from Regulation 180(2) of the SEBI ICDR Regulations, i.e., entities where (i) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (ii)

any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (iii) there is a common director, excluding nominee and independent directors, among the Eligible QIBs, its subsidiary or holding company and any other QIB; and 'control' shall have the same meaning as is assigned to it under Regulation 2(1)(e) of the Takeover Regulations; and (9) We agree to accept the Equity Shares applied for, or such lesser number of Equity Shares as may be Allocated to us, subject to the provisions of the memorandum of association and articles of association of the Company, applicable laws and regulations, the terms of the PPD and the Placement Document, this Application Form, the CAN upon its issuance and the terms, conditions and agreements mentioned therein and request you to credit the same to our beneficiary account with the Depository Participant as per the details given below.

By signing and submitting this Application Form, we further represent, warrant and agree that we have such knowledge and experience in financial and business matters that we are capable of evaluating the merits and risks of the prospective investment in the Equity Shares and we understand the risks involved in making an investment in the Equity Shares. No action has been taken by us or any of our affiliates or representatives to permit a public offering of the Equity Shares in any jurisdiction. We satisfy any and all relevant suitability standards for investors in Equity Shares, have the ability to bear the economic risk of our investment in the Equity Shares, have adequate means of providing for our current and contingent needs, have no need for liquidity with respect to our investment in Equity Shares and are able to sustain a complete loss of our investment in the Equity Shares. We acknowledge that once a duly filled Application Form is submitted by an Eligible QIB, whether signed or not, and the Bid Amount has been transferred to the Escrow Account (as detailed below), such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Issue Closing Date. In case Bids are being made on behalf of the Eligible QIB and this Application Form is unsigned, we confirm that we are authorized to submit this Application Form and provide necessary instructions for transfer of the Bid Amount to the Escrow Account, on behalf of the Eligible QIB.

We acknowledge that the Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**"), and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. By signing this Application Form and checking the applicable box above, we hereby represent that we are located outside the United States and purchasing Equity Shares in an "offshore transaction", as defined in, and in reliance on, Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales are made. We confirm that we have read the representations, warranties and agreements contained in the sections entitled "***Selling Restrictions***" and "***Transfer Restrictions and Purchaser Representations***" in the PPD.

BIDDER DETAILS (in Block Letters)			
NAME OF BIDDER*			
NATIONALITY			
REGISTERED ADDRESS			
CITY AND CODE			
COUNTRY			
TELEPHONE NO.		**FAX.**	
EMAIL ID			
FOR ELIGIBLE FPIs**	SEBI FPI REGISTRATION NO. _____		
FOR MFs	SEBI MF REGISTRATION NO.		
FOR AIFs***	SEBI AIF REGISTRATION NO.		
FOR VCFs***	SEBI VCF REGISTRATION NO.		
FOR SI-NBFC	RBI REGISTRATION DETAILS		
FOR INSURANCE COMPANIES	IRDAI REGISTRATION DETAILS _____		
FOR PENSION FUNDS	PFRDA REGISTRATION DETAILS----------		

** Name should exactly match with the name in which the beneficiary account is held. Bid Amount payable on Equity Shares applied for by joint holders shall be paid from the bank account of the person whose name appears first in the application. Mutual Fund Bidders are requested to provide details of the Bids made by each scheme of the Mutual Fund. Each Eligible FPI is required to fill a separate Application Form. Further, any discrepancy in the name as mentioned in this Application Form with the depository records would render the application invalid and liable to be rejected at the sole discretion of the Issuer and the BRLM.*

*** In case you are an FPI holding a valid certificate of registration and eligible to invest in the Issue, please mention your SEBI FPI Registration Number.*

**** Allotments made to AIFs and VCFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. AIFs and VCFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.*

We are aware that the number of Equity Shares in the Company held by us, together with the number of Equity Shares, if any, allocated to us in the Issue will be aggregated to disclose the percentage of our post-Issue shareholding in the Company in the Placement Document in line with the requirements under Form PAS-4 of the PAS Rules. For such information, the BRLM will rely on the information provided by the Registrar for obtaining details of our shareholding and we consent and authorize such disclosure in the Placement Document.

ESCROW ACCOUNT **BANK ACCOUNT DETAILS FOR PAYMENT OF AMOUNT THROUGH ELECTRONIC FUND TRANSFERREMITTANCE BY WAY OF ELECTRONIC FUND TRANSFER**	
BY [3.00 PM] (IST), [●], [●]	
Name of the Account	PASHUPATI COTSPIN LIMITED-QIP ESCROW ACCOUNT
Name of the Bank	Axis Bank Limited
Address of the Branch of the Bank	Axis Bank-Shop No. 1-2, Ground Floor, Sarjan Arcade, Science City Road, Ahmadabad, Gujarat - 380061
Account Type	Escrow Account
Account Number	924020054240053
IFSC	UTIB0001337
Tel No.	9167674129
E-mail	Sciencecity.branchhead@axisbank.com

The Bid Amount should be transferred pursuant to the Application Form. All payments must be made only by way of electronic funds transfer, in favour of "**PASHUPATI COTSPIN LIMITED-QIP ESCROW ACCOUNT**". Payment of the entire Bid Amount should be made along with the Application Form on or before the closure of the Bid/Issue Period, i.e., prior to the Bid/Issue Closing Date. **The payment for subscription to the Equity Shares Allotted in the Issue shall be made only from the bank account of the person subscribing to the Equity Shares and in case of joint holders, from the bank account of the person whose name appears first in the Application Form.**

DEPOSITORY ACCOUNT DETAILS			
Depository Name (Please ☐)	National Security Depository Limited		Central Depository Services (India) Limited

Depository Participant Name																												
DP – ID	I	N																										
Beneficiary Account Number																												
(16-digit beneficiary account. No. to be mentioned above)																												

The Demographic details like address, bank account details etc., will be obtained from the Depositories as per the beneficiary account given above. **However, for the purpose of refund, if any, only the bank details as mentioned below, from which remittance towards subscription has been made, will be considered.**

The Bidders are responsible for the accuracy of the bank account details mentioned below and acknowledge that the successful processing of refunds if, any, shall be dependent on the accuracy of the bank account details provided by them. The Company and the BRLM shall not be liable in any manner for refunds that are not processed due to incorrect bank account details.

RUPEE BANK ACCOUNT DETAILS (FOR REMITTANCE)			
Bank Account Number		IFSC Code	
Bank Name		Bank Branch Address	
NO. OF EQUITY SHARES BID		**PRICE PER EQUITY SHARE (RUPEES)**	
(In figures)	(In words)	(In figures)	(In words)
BID AMOUNT (RUPEES)			
(In Figures)		(In Words)	

DETAILS OF CONTACT PERSON			
NAME			
ADDRESS			
TEL. NO.		**FAX NO.**	
EMAIL			

OTHER DETAILS	
PAN*	
Legal Entity Identifier Code ("LEI")	
Date of Application	
Signature of Authorised Signatory *(may be signed either physically or digitally)***	

ENCLOSURES ATTACHED

Attested / certified true copy of the following:

- ☐ Copy of PAN Card or PAN allotment letter
- ☐ Copy of FPI Registration Certificate /MF Registration certificate / SEBI certificate of registration for AIFs/VCF/SI-NBFC/IC/IF
- ☐ Certified copy of the certificate of registration issued by the RBI as an SI-NBFC/ a Scheduled Commercial Bank
- ☐ Copy of notification as a public financial institution
- ☐ FIRC
- ☐ Copy of IRDAI registration certificate
- ☐ Intimation of being part of the same group
- ☐ Certified true copy of power of attorney
- ☐ Other, please specify

* *It is to be specifically noted that the Bidder should not submit the GIR Number or any other identification number instead of the PAN as the applications are liable to be rejected on this ground, unless the Bidder is exempted from the requirement of obtaining a PAN number under the Income-tax Act, 1961.*

** *A physical copy of the Application Form and relevant documents as required to be provided along with the Application Form shall be submitted as soon as practical.*

*** *The Application Form is liable to be rejected if any information provided is incomplete and / or inadequate.*

Note:

(1) Capitalized terms used but not defined herein shall have the same meaning as ascribed to them in the PPD and PD, unless specifically defined herein.

(2) The application form is liable to be rejected if any information provided is incomplete or inadequate at the discretion of the Company in consultation with the BRLM. The duly filed Application Form along with all enclosures shall be submitted to the BRLM either through electronic form at the email mentioned in the PPD or through physical deliver at the address mentioned in PPD.

(3) This Application Form, the PPD and the Placement Document sent to you/ be sent to you, either in physical form or electronic form or both, are specific to you and you may not distribute or forward the same and are subject to disclaimer and restrictions contained in or accompanying these documents.

(Note: The format of the Application Form included herein above is indicative and for the illustrative purposes only and no Bids in this Issue can be made through the sample Application Form. The Company, in consultation with the BRLM, shall identify Eligible QIBs and circulate serially numbered copies of this Preliminary Placement Document and the Application Form, specifically addressed to such Eligible QIBs. Any application to be made in the Issue should be made only upon receipt of serially numbered copies of this Preliminary Placement Document and the Application Form and not on the basis of the indicative format above.)