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**PASHUPATI**

**COTSPIN LIMITED**

**ANNUAL REPORT 2023-24**

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

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

### COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Nisarg Dineshkumar Shah

### CHIEF FINANCIAL OFFICER (CFO)

Mr. Hareshkumar Rameshchandra Shah

### STATUTORY AUDITOR

**M/s. Mahendra N. Shah & Co.**

Chartered Accountants,  
Statutory Auditor

### COST AUDITOR

M/s. Ashish Bhavsar & Associates  
Cost Accountants

### SECRETARIAL AUDITOR

M/s. Khandelwal Devesh & Associates  
Practicing Company Secretary

### BANKER

Punjab National Bank  
Yes Bank Limited  
HDFC Bank Limited  
Axis Bank Limited  
State Bank of India  
Shree Kadi Nagrik Sahakari Bank Ltd

### CORPORATE IDENTITY NUMBER (CIN)

L17309GJ2017PLC098117

### REGISTERED OFFICE

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

### E- MAIL & WEBSITE

cs@pashupaticotspin.com  
www.pashupaticotspin.com

### REGISTRAR AND SHARE TRANSFER AGENT (RTA)

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

### COMMITTEES

#### 1. Audit Committee

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

#### 2. Nomination and Remuneration Committee

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

#### 3. Stakeholders Relationship Committee

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

#### 4. Corporate Social Responsibility Committee

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

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# NOTICE OF 7<sup>TH</sup> ANNUAL GENERAL MEETING

**NOTICE** is hereby given that the **07<sup>th</sup> (Seventh) Annual General Meeting** of the Shareholders of **PASHUPATI COTSPIN LIMITED** will be held on Monday, 30<sup>th</sup> September 2024 at 04.00 p.m. at Survey No.404 New Survey No. 919 At& Post Balasar, Kadi-Detroj Road, Kadi Mahesana-382715, Gujarat, to transact the following business:

## ORDINARY BUSINESS:

- To receive, consider and adopt
  - the Standalone audited Financial Statement of the Company for the financial year ended March 31, 2024, and the reports of the Board of Directors and Auditors thereon;
  - the Consolidated audited Financial Statement of the Company for the financial year ended March 31, 2024, and the reports of the Board of Directors and Auditors thereon;
- To appoint a director in place of Mr. Dakshesh Jayantilal Patel (DIN: 07859419) who retires by rotation and being eligible, offers himself for re-appointment.
- To declare Final Dividend of Rs. 0.75 (Seventy-Five Paisa Only) (7.5%) per equity share for the Financial Year ended March 31, 2024, as recommended by the Board of Directors.

## SPECIAL BUSINESS:

- Ratification of Remuneration of Cost Auditor of the Company.  
To consider and if thought fit, to give your assent/dissent to the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 148 of the Companies Act 2013 read with the Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment thereof, for the time being in force, M/s Ashish Bhavsar & Associates, Cost Accountants, Ahmedabad, the Cost Auditor appointed by the Board of Directors, to conduct the audit of the Cost Records of the Company for the financial year ending 31<sup>st</sup> March, 2024 be paid the remuneration of Rs.45,000/- plus applicable taxes and out of pocket expenses incurred by them during the course of Audit.

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

**Regd Office:** Survey No.404, At& Post Balasar, Kadi-Detroj Road, Kadi Mahesana-382715, Gujarat  
By Order of the Board of Directors  
**For, PASHUPATI COTSPIN LIMITED**

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

Date: 07/09/2024  
Place: Ahmedabad

## NOTES

- A statement pursuant to Section 102(1) of the Companies Act, 2013 ("the Act") relating to the Special Business to be transacted at the Annual General Meeting ("AGM"/"Meeting") is annexed hereto.
- A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a Member of the Company. The instrument appointing the proxy should, however, be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the Meeting.

A person can act as a proxy on behalf of Members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for another person or Member. The proxy holder shall prove his identity at the time of attending the Meeting.

- Attendance slip, proxy form and the route map of the venue of the Meeting are annexed hereto.
- In terms of the provisions of Section 152 of the Act, Mr. Dakshesh Jayantilal Patel, retires by rotation as Director at this Meeting. Mr. Dakshesh Jayantilal Patel and his relatives shall be deemed to be interested in the Ordinary Resolution set out at Item No.2 of the Notice with regard to his re-appointment. Save and except above, none of the Directors / Key Managerial Personnel of the Company / their relatives are, in anyway, concerned or interested, financially or otherwise, in the Ordinary Business set out at Item No. 2 of the Notice.
- A detailed profile of Mr. Dakshesh Jayantilal Patel along with additional information required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and Secretarial Standard on General Meetings is provided separately by way of an Annexure to Notice.
- In compliance with the Ministry of Corporate Affairs ("MCA") Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those Members whose e-mail address is registered with the Company/Depository Participants (DPs). Members may note that the Notice and Annual Report 2023-24 will also be available on the Company's website at [www.pashupaticotspin.com](http://www.pashupaticotspin.com). The Notice can also be accessed from websites of the Stock Exchanges i.e., National Stock Exchange of India Limited

at [www.nseindia.com](http://www.nseindia.com). The AGM Notice is also available on the website of NSDL (agency for providing the Remote E-voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

7. For receiving all communication (including Annual Report) from the Company electronically:

- I. Members holding the shares in dematerialized mode are requested to register/ update their e-mail address with the relevant Depository Participant.

8. Institutional/ Corporate Members (i.e. other than Individuals, HUFs, NRIs, etc.) intending to send their authorized representative(s) to attend the Meeting are required to send legible scanned certified true copy (in PDF Format) of the Board Resolution / Power of Attorney/Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s) at [info@csdevesh.com](mailto:info@csdevesh.com) in with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Such authorization shall contain necessary authority in favor of its authorized representative(s).

9. Members / Proxies / Authorized Representatives are requested to bring to the Meeting necessary details of their shareholding, attendance slip(s) and copy(ies) of Annual Report.

10. In case of joint holders, the Member whose name appears as first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

11. Members of the Company under the category of 'Institutional Investors' are encouraged to attend and vote at the AGM.

12. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act and other documents as referred in the Notice are available for inspection by the Members at the Registered Office of the Company during business hours on all working days except Saturdays, Sundays and National Holidays up to the date of the AGM.

13. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off Date i.e. Monday 23<sup>rd</sup> September, 2024 only shall be entitled to avail the facility of remote e-voting. A person, who is not a member as on the Cut-off Date, should treat the Notice for information purpose only.

14. MCA has notified provisions relating to unpaid /unclaimed dividend under Sections 124 and 125 of the Act and Investor Education and Protection Fund(Accounting, Audit, Transfer and Refund) Rules, 2016("IEPF Rules"). As per these Rules, dividends which are not encashed / claimed by the Member for a period of seven consecutive years shall be transferred to the Investor Education and Protection Fund ("IEPF") Authority. The IEPF Rules also mandate the companies to transfer the shares of Members whose dividends remain unpaid / unclaimed for a period of

seven consecutive years to the demat account of IEPF Authority.

15. Members are requested to address all correspondences, including shareholding related documents and dividend matters to the Company's RTA.

16. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, PAN, registering of nomination and power of attorney, Bank Mandate details such as name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DP in case the shares are held in electronic form, and to the RTA in case the shares are held in physical form.

To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified from time to time.

17. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. The members, who are desirous of availing this facility, may kindly write to Company's R & T Agent for nominating form by quoting their folio number.

18. Non-Resident Indian Members are requested to inform the Company / Link Intime respective DPs (if shareholding is in demat mode), immediately of:

- I. Change in their residential status on return to India for permanent settlement; and
  - II. Particulars of their bank account maintained in India with account type, account number, name and address of the bank with pin code number, if not furnished earlier.

19. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before 23<sup>rd</sup> September 2024 by sending e-mail on [cs@pashupaticotspin.com](mailto:cs@pashupaticotspin.com). The same will be replied by the Company suitably.

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

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

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

- **Commencement of e-voting:** 09:00 a.m. (IST) on Friday, 27<sup>th</sup> September 2024
- **End of e-voting:** 05:00 p.m. (IST) on Sunday, 29<sup>th</sup> September 2024

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

The voting right of Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Monday, 23<sup>rd</sup> September 2024.

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

e-voting system on the date of the AGM, in a fair and transparent manner and they have communicated their willingness to be appointed and will be available for the said purpose.

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

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

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

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

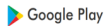
The way to vote electronically on NSDL e-voting system consists of "Two Steps" which are mentioned below:

#### Step 1: Access to NSDL e-voting system

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

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

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

| Type of Member                                             | Login Method                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Individual Members holding shares in demat mode with NSDL. | <ol style="list-style-type: none"> <li>Existing IDeAS user can visit the e-Services website of NSDL viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-voting services under Value added services. Click on "Access to e-voting" under e-voting services and you will be able to see e-voting page. Click on company name or e-voting service provider i.e. NSDL and you will be re-directed to e-voting website of NSDL for casting your vote during the remote e-voting period. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS Portal" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com">https://www.evoting.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on company name or e-voting service provider i.e. NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period.</li> <li>Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <p>NSDL Mobile App is available on</p> <p>  App Store            Google Play         </p> <div style="display: flex; justify-content: space-around;">   </div> |

| Type of Member                                                                                | Login Method                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|-----------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Individual Members holding shares in demat mode with CDSL                                     | <ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/loginor">https://web.cdslindia.com/myeasi/home/loginor</a> <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-voting service provider i.e. NSDL. Click on NSDL to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-voting page by providing demat Account Number and PANNo. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; E-mail as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-voting is in progress.</li> </ol> |
| Individual Members (holding shares in demat mode) login through their depository participants | You can also login using the credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. Upon logging in, you will be able to see e-voting option. Click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on company name or e-voting service provider i.e. NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |

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

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

| Login type                                                 | Helpdesk details                                                                                                                                                                                                                |
|------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Individual Members holdings shares in demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30              |
| Individual Members holding shares in demat mode with CDSL  | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43 |

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

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

- Visit the e-voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

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

- Your User ID details are given below:

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



5. Password details for Members other than Individual Members are given below:

- a. If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
- b. If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c. How to retrieve your 'initial password'?
  - i. If your e-mail ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your e-mail ID. Trace the e-mail sent to you from NSDL from your mailbox. Open the e-mail and open the attachment i.e. a.pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'UserID' and your 'initial password'.
  - ii. If your e-mail ID is not registered, please follow steps mentioned below in process for those Members whose e-mail IDs are not registered.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a. Click on "Forgot User Details/ Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- b. Physical User Reset Password? (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- c. If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- d. Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-voting will open.

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

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

1. After successful login at Step 1, you will be able to see all the

companies "EVEN" in which you are holding shares and whose voting cycle and general meeting is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-voting period.
3. Now you are ready for e-voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### General Guidelines for Members

1. Institutional / Corporate Members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Power of Attorney/ Authority Letter, etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [info@csdevesh.com](mailto:info@csdevesh.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional / Corporate Members (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter, etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/ Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions ("FAQs") for Members and e-voting user manual for Members available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send request to Ms. Soni Singh, Assistant Manager, at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

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

1. In case shares are held in physical mode please provide Folio No., Name of Member, scanned copy of the share certificate (front and back) or Letter of Confirmation, PAN (self-attested scanned copy of PAN Card), AADHAR (self-attested scanned copy of Aadhar Card) by e-mail to [rant.helpdesk@linkintime.co.in](mailto:rant.helpdesk@linkintime.co.in).

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, Client Master or copy of Consolidated Account Statement, PAN (self-attested scanned copy of PAN Card), AADHAR (self-attested scanned copy of Aadhar Card) to RTA at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in). If you are an Individual Members holding shares in demat mode, you are requested to refer to the login method explained at Step 1 (A) i.e. Login method for e-voting for Individual Members holding shares in demat mode.
3. Alternatively, Members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated 9<sup>th</sup> December 2020 on e-voting facility provided by Listed Companies, Individual Members holding shares in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are required to update their mobile number and e-mail ID correctly in their demat account in order to access e-voting facility.
21. The facility for ballot / polling paper shall be made available at the AGM and the Members attending AGM who have not cast their vote by remote e-voting shall be able to vote at the AGM through ballot / polling paper.
22. Members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
23. Any person, who acquires the shares of the Company and becomes Member of the Company after dispatch of the Notice and holding the shares as of the cut-off date i.e. Monday 23<sup>rd</sup> September, 2024 may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
24. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
25. The Scrutinizer shall after the conclusion of voting at the AGM, first scrutinize the votes cast at the Meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make and submit, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized in writing, who shall countersign the same and declare the result of the voting forthwith.
26. The Results of voting shall be declared within two working days of the conclusion of the AGM of the Company and subject to receipt of requisite number of votes, the Resolutions proposed in this Notice shall be deemed to have been passed on the date of the Meeting, i.e., 30<sup>th</sup> September 2024.
27. The Results declared along with the consolidated scrutinizer's report will be available on Company's website at [www.pashupaticotspin.com](http://www.pashupaticotspin.com). The results shall simultaneously be communicated to National Stock Exchange of India Limited.
28. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 24<sup>th</sup> September 2024 to Monday, 30<sup>th</sup> September 2024 (both days inclusive) for the purpose of determining the shareholders eligible for dividend, if any, declared by the shareholders of the Company at the Annual General Meeting and for the purpose of 07<sup>th</sup> Annual General Meeting.
29. The Final Dividend, subject to approval of Members at the Annual General Meeting on 30<sup>th</sup> September, 2024, will be paid to the Members whose names appear in the Register of Members, as on the date of Book Closure/Record Date of the Company and for that the Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 24<sup>th</sup> September 2024 to Monday, 30<sup>th</sup> September 2024 (both days inclusive).

**Regd Office:**

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

Date: 07/09/2024  
Place: Ahmedabad

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

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



## CONTACT DETAILS

**Company:** PASHUPATI COTSPIN LIMITED

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

**Phone:** 9099977560

**CIN:** L17309GJ2017PLC098117

**E-mail:** [cs@pashupaticotspin.com](mailto:cs@pashupaticotspin.com)

**Website:** [www.pashupaticotspin.com](http://www.pashupaticotspin.com)

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

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

**E-mail:** [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

**Website:** [www.linkintime.co.in](http://www.linkintime.co.in)

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

**E-mail:** [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**Phone:** 1800 1020 990/1800 22 44 30

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

**E-mail:** [info@csdevesh.com](mailto:info@csdevesh.com)

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

### Item No. 5

The Board at its meeting held on 25th May, 2024 on the recommendation of Audit Committee, has appointed M/s. Ashish Bhavsar & Associates, Cost Accountant, Ahmedabad as the Cost Auditor to conduct the audit of cost records of the Company for the financial year 2024-25 on a remuneration of Rs.45,000/- (excluding Taxes) plus reimbursement of out-of-pocket expenses and conveyance.

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

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

#### Regd Office:

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

Date: 07/09/2024

Place: Ahmedabad

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

SD/-

**Saurin Jagdish Bhai Parikh**

Chairman & Managing Director  
(DIN: 02136530)

## ANNEXURE TO THE NOTICE

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

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

| Name of Director                               | Dakshesh Jayantilal Patel                                                                                              |
|------------------------------------------------|------------------------------------------------------------------------------------------------------------------------|
| DIN                                            | 07859419                                                                                                               |
| Date of Birth                                  | 06/01/1968                                                                                                             |
| Date of Appointment                            | 03/07/2017                                                                                                             |
| Relationship Between Directors inter se        | Nil                                                                                                                    |
| Expertise in Specific functional area          | He has around 26 years of experience in areas related to manufacturing of raw cotton, cotton yarn and related Products |
| Qualification                                  | Bachelor of Engineering (Civil)                                                                                        |
| Other Board Membership*                        | Nil                                                                                                                    |
| Committee Membership in other public companies | Nil                                                                                                                    |
| Number of Shares held in the Company           | 5,25,000                                                                                                               |

\*Pvt. Companies excluded.

#### Regd Office:

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

Date: 07/09/2024

Place: Ahmedabad

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

SD/-

**Saurin Jagdish Bhai Parikh**

Chairman & Managing Director  
(DIN: 02136530)

# DIRECTOR'S REPORT

Dear Members,

Your directors take pleasure in presenting the 07<sup>th</sup> Annual Report on business and operations along with Audited Financial Statements and the Auditor's report of your Company for the financial year ended 31<sup>st</sup> March, 2024.

## 1. Financial Results

Financial Performance of the company for the year ended 31<sup>st</sup> March 2024 is summarized as below:

(Rs. in Lakh except EPS)

| Particulars for the year ended                       | March 31, 2024<br>(Standalone) | March 31, 2023<br>(Standalone) | March 31, 2024<br>(Consolidated) | March 31, 2023<br>(Consolidated) |
|------------------------------------------------------|--------------------------------|--------------------------------|----------------------------------|----------------------------------|
| <b>Net revenue from Operations (Sales)</b>           | <b>65837.68</b>                | <b>44273.28</b>                | <b>66067.98</b>                  | <b>44273.28</b>                  |
| Profit Before Depreciation, Exceptional Item and Tax | 2250.19                        | 1481.67                        | 2299.35                          | 1481.66                          |
| Less: Depreciation                                   | 1133.02                        | 867.64                         | 1182.35                          | 867.64                           |
| <b>Profit Before Extra - ordinary Items and Tax</b>  | <b>1117.17</b>                 | <b>614.03</b>                  | <b>1,117.00</b>                  | <b>614.02</b>                    |
| Extra Ordinary Items                                 | 0.00                           | 0.00                           | 00                               | 0.00                             |
| <b>Profit Before Tax</b>                             | <b>1117.17</b>                 | <b>614.03</b>                  | <b>1,117.00</b>                  | <b>614.02</b>                    |
| <b>Tax Expense</b>                                   |                                |                                |                                  |                                  |
| - Current Tax                                        | 23.02                          | 40.47                          | 23.02                            | 40.47                            |
| Less: MAT Credit Receivable                          | 0.00                           | 0.00                           | 0.00                             | 0.00                             |
| - Deferred Tax                                       | 263.76                         | 162.79                         | 263.76                           | 162.79                           |
| <b>Profit After Tax</b>                              | <b>830.39</b>                  | <b>410.77</b>                  | <b>830.39</b>                    | <b>410.77</b>                    |
| EPS (Basic) (In Rs.)                                 | 5.43                           | 2.69                           | 5.43                             | 2.69                             |
| EPS (Diluted) (In Rs.)                               | 5.43                           | 2.69                           | 5.43                             | 2.69                             |

## 2. Overview of Company's Financial Performance:

During the year under review, your Company has achieved a total net sale of Rs.65837.68 lacs(Standalone) and achieved Net Profit after Tax (NP) of Rs.830.39 lacs (Standalone). Your directors are optimistic about the performance of the Company in the coming years.

## 3. Share Capital:

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

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

### a) Status of shares

As the members are aware, the Company's shares are compulsorily tradable in electronic form. As on March 31, 2024, 100.00% of the Company's total paidupcapital representing 1,52,84,000 shares are in de-materialized form.

### b) Other shares

Your company has not issued any equity shares with differential rights, sweat equity shares, employee stock options and did not purchase its own shares. Hence there is no information to be provided as required under Rule

4(4), Rule 8(13), Rule 12(9) and Rule 16(4) of the Companies (Share Capital and Debentures) Rules, 2014 and Section 62 of the Companies Act 2013 respectively.

## 4. Dividend:

Your Directors are pleased to recommend a Final Dividend of Rs.0.75 (Rupee Seventy-Five Paise) (7.5%) per equity share of face value of Rs.10/- each for the financial year ended on 31<sup>st</sup> March, 2024 which shall be paid subject to approval of members at the ensuing 07<sup>th</sup> Annual General Meeting.

The Final Dividend, subject to approval of Members at the Annual General Meeting on 30<sup>th</sup> September 2024, will be paid to the Members whose names appear in the Register of Members, as on the date of Book Closure/Record Date of the Company for the purpose of 07<sup>th</sup> AGM and Payment of Final Dividend.

## 5. Dividend Distribution Policy:

In accordance with Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2016, as the Company is not coming under the limit of top 1000 listed Companies on basis of Market capitalization thus it is not required to prepare Dividend Distribution policy.

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

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

**7. Change in the nature of business, if any:**

There is no change in the nature of business carried out by the Company in the Year 2023-24.

**8. Amounts Transferred to Reserves:**

In accordance to the provisions of Section 134(3)(j) of the Companies Act, 2013, (hereinafter "the Act") the Company has not proposed any amount to transfer to the General reserves of the Company for the financial year 2023-24.

**9. Subsidiary, Joint Ventures and Associate Companies:**

A list of bodies corporate which are subsidiaries/associates/joint ventures of your Company is provided as part of the notes to consolidated financial statements.

Pursuant to the provisions of Section 129, 134 and 136 of the Act read with rules made there under and Regulation 33 of the SEBI Listing Regulations, your Company has prepared consolidated financial statements of the Company and a separate statement containing the salient features of financial statement of subsidiaries, joint ventures and associates in Form AOC-1, which forms Part of this Integrated Annual Report.

**10. Public Deposit:**

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

| Name of Director                 | Designation                  | Category    | No of Board Meetings held during the year | No of Board Meetings attended during the year | Attendance at the Last AGM |
|----------------------------------|------------------------------|-------------|-------------------------------------------|-----------------------------------------------|----------------------------|
| Mr.Saurin Jagdish Bhai Parikh    | Chairman & Managing Director | Promoter    | 6                                         | 6                                             | Yes                        |
| Mr.Tushar Ramesh Chandra Trivedi | Whole Time Director          | Promoter    | 6                                         | 6                                             | Yes                        |
| Mr.Dakshesh Jayantilal Patel     | Non-Executive Director       | Promoter    | 6                                         | 6                                             | Yes                        |
| Mr.Sandip Ashwinbhai Parikh      | Non-Executive Director       | Independent | 6                                         | 6                                             | Yes                        |
| Mrs.Sheela Kirtankumar Roy       | Non-Executive Director       | Independent | 6                                         | 6                                             | Yes                        |

**II. Appointments:**

During the year under review, no Director has been appointed by the Company.

**III. Cessations:**

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

**IV. Retirement by Rotation:**

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

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

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

**12. Annual Return:**

Pursuant to the provisions of Section 134(3)(a) and Section 92 of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, Annual Return of the Company as at 31<sup>st</sup> March, 2024 is available on the website of the Company at <https://pashupaticotspin.com/annual-return/>

**13. Directors & Key Management Personnel:****I. Composition of Board & Board Meetings**

The Board of Directors of the Company has an optimum combination of Executive, Non- Executive and Independent Directors. As on the date of this report, the Board comprises of 5(Five) Directors, out of which 2 are Executive Directors, 1 is Non-Executive Director and 2 are Independent Directors that includes one Woman Independent Director. The Chairman of the Board is an executive Director. The Board of Directors duly met six(6) times on 29/05/2023, 06/07/2023, 06/09/2023, 10/11/2023, 22/01/2024 and 16/03/2024 during the year. The Composition, category and attendance of each Director at the Board and Annual General Meeting and Number of other Directorship and Chairmanship/ Membership of Committee of each Director in various companies is as follows:-

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

**V. Profile of Directors seeking appointment / reappointment:**

As required under regulation 36(3) of SEBI (LODR), 2015, particulars of the Directors retiring and seeking reappointment at the ensuing Annual General Meeting is annexed to the notice convening 07th Annual General Meeting.

## VI. Key Managerial Personnel:

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

- Mr.Saurin Jagdish Bhai Parikh, Chairman & Managing Director
- Mr.Tushar Ramesh Chandra Trivedi, Whole Time Director
- Mr.Haresh Kumar Ramesh Chandra Shah, Chief Financial Officer
- Mr.Nisarg Dinesh Kumar Shah, Company Secretary & Compliance Officer

## VII. Declaration from Independent Director:

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

During the year under review the Independent Directors duly met pursuant to the provisions as specified in Schedule IV of the

Companies Act, 2013 and the quorum was present throughout the meeting.

## 14. Board Committees:

Your Company has Four Committees of the Board, namely:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Corporate Social Responsibility Committee

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

### I. Audit Committee:

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

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

Two third of the members are Independent Directors and all the members are financially literate. The composition, role, functions and powers of the Audit Committee are in line with the requirements of applicable laws and regulations.

## Terms of Reference

The powers, role and terms of reference of the Audit Committee covers the areas as contemplated under Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013 as applicable along with other terms as referred by the Board of Directors. The terms of reference of the Audit Committee are broadly as under:

- Oversight of the Company's Financial Reporting Process and the disclosure of its Financial Information to ensure that the Financial Statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company;
- Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
- Examination and reviewing, with the Management, the Annual Financial Statements and Auditors' Report thereon

before submission to the Board for approval, with particular reference to:

- Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Section 134 (3)(c) of the Act;
- Changes, if any, in the Accounting Policies and Practices and reasons for the same;
- Major accounting entries involving estimates based on the exercise of judgment by Management;
- Significant adjustments made in the Financial Statements arising out of audit findings;
- Compliance with listing and other legal requirements relating to Financial Statements;
- Disclosure of any Related Party Transactions;

## vii. Qualifications in the draft Audit Report;

- Reviewing with the Management, the quarterly Financial Statements before submission to the Board for approval;
- Review and monitor the Auditors' independence and performance and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with Related Parties;
- Scrutiny of Inter - Corporate Loans and Investments;
- Evaluations of Internal Financial Controls and Risk Management Systems;
- Reviewing with the Management, performance of Statutory and Internal Auditor and adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function and discussion with Internal Auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is

suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

- Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To review the functioning of the Whistle Blower Mechanism;
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;
- Oversight of the Listed entity's financial reporting process and the disclosure of its financial information to ensure that the Financial Statement is correct, sufficient and credible.

Five Audit Committee meetings were held during the year 2023-24 on 29/05/2023, 06/09/2023, 10/11/2023, 22/01/2024 and 16/03/2024.

The board of directors has accepted all recommendations of the Audit Committee during the year.

## II. Nomination and Remuneration Committee

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

| Name                          | Category               | Position | Number of meetings held | Number of meetings attended |
|-------------------------------|------------------------|----------|-------------------------|-----------------------------|
| Mrs. Sheela Kirtan kumar Roy  | Independent Director   | Chairman | 05                      | 05                          |
| Mr. Sandip Ashwin bhai Parikh | Independent Director   | Member   | 05                      | 05                          |
| Mr. Dakshesh Jayantilal Patel | Non-Executive Director | Member   | 05                      | 05                          |

### Terms of reference:

The broad terms of reference of the Nomination and Remuneration Committee are as under:

- Determination and recommendation of criteria for appointment of Executive, Non-Executive and Independent Directors to the Board;
- Review and approval of compensation / remuneration payable to Senior Management Personnel, Relatives of Directors, Executive and Non-Executive Directors etc. and recommend to the Board for their approval;
- Succession planning for Board of Directors and Senior Management Employees;

- Identifying and selection of candidates for appointment of Directors / Independent Directors based on laid down criteria;
- Examination and evaluation of performance of the Board of Directors and Senior Management Personnel including Key Managerial Personnel based on criteria approved by the Board;

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



Five Nomination and Remuneration Committee Meeting was held during the year 2023-24 on 29/05/2023, 06/09/2023, 10/11/2023, 22/01/2024 and 16/03/2024.

### III. Stakeholders Relationship Committee

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

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

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

#### Terms of reference:

- Transfer and transmission of shares held by shareholders in physical format;
- Shareholder's Complaint viz non-receipt of dividend, annual report, shares after transfer, delays in transfer of shares etc.;
- Status of dematerialization/rematerialization of shares;
- Issue of duplicate share certificates;
- Monitor and Track redressal of Investor complaints;
- Oversee the performance of the Company's Registrar and Transfer Agents;
- Suggest measures for improvement upgrade the standard of services to investors from time to time;
- Carry out any other function as is referred by the board from time to time or enforced by any statutory modification/ amendment or modification as may be applicable;

Five meetings were held during the year 2023-24 on 29/05/2023, 06/09/2023, 10/11/2023, 22/01/2024 and 16/03/2024.

### IV. Corporate Social Responsibility Committee

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

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

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. and Accordingly the report on the CSR activities will not be applicable to the Company for current reporting period.

The Corporate Social Responsibility Committee comprises the following:

| Name                            | Category             | Position | No. of meetings held | No. of meetings attended |
|---------------------------------|----------------------|----------|----------------------|--------------------------|
| Mr.Saurin Jagdish Bhai Parikh   | Managing Director    | Chairman | 02                   | 02                       |
| Mrs.SheelaKirtan Kumar Roy      | Independent Director | Member   | 02                   | 02                       |
| Mr.TusharRamesh Chandra Trivedi | Whole Time Director  | Member   | 02                   | 02                       |

Two meetings were held during the year 2023-24 on 06/09/2023 and 16/03/2024

## 15. Compliance Officer

Presently, Mr. Nisarg Dineshkumar Shah is Compliance Officer of the Company who is also designated as Company Secretary of the Company.

## 16. Statements on Formal Annual Evaluation of Board

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

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

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

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

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

## 19. Auditors

### 1. Statutory Auditors:

M/s. Mahendra N. Shah & Co., Chartered Accountants, the Statutory Auditors of the Company, were reappointed at the 06th Annual General Meeting held on 30th September, 2023 to hold office for a period of 5 (Five) years i.e. from the conclusion of 06<sup>th</sup> (sixth) Annual General Meeting (AGM) till the conclusion of 11<sup>th</sup> (Six) Annual General Meeting to be held in the year 2028 at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors.

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

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

### 2. Cost Auditors:

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

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

### 3. Secretarial Auditor:

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

The Secretarial Audit Report for the year ended on March 31, 2024 does not contain any qualifications, reservations or adverse remarks.

### 4. Internal Auditors:

M/s. Sandip Desai & Co., Practicing Chartered Accountants were appointed as an Internal Auditor for the F.Y. 2023-24.

### 5. Reporting of frauds by Auditors:

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

## 20. Personnel

The information required under Section 197 of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and

Remuneration of Managerial Personnel) Rules, 2014 is provided in the Report and marked as "Annexure-B". No employee of the Company was in receipt of the remuneration exceeding the limits prescribed in the rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

## 21. Management's Discussion and Analysis Report

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

## 22. State of The Company's Affairs

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

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

### A. CONSERVATION OF ENERGY:

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

### B. TECHNOLOGY ABSORPTION:

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

### C. Foreign exchange Earnings & Outgo

- Foreign Exchange Earning: Nil
- Foreign Exchange Outgo: Rs. 57.71/- Lacs

## 24. Particulars of contracts or arrangements with related parties

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

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

## 25. Statement regarding the development and implementation of Risk Management Policy

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

## 26. Board Evaluation

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

## 27. Adequacy of Internal Financial Control

The Company has designed and implemented a process driven framework for Internal Financial Controls ('IFC') within the meaning of the explanation to Section 134(5)(e) of the Act. For the year ended March 31, 2024, the Board is of the opinion that the Company has sound IFC commensurate with the nature and size of its business operations and operating effectively and no material weaknesses exist. The Company has a process in place to continuously monitor the same and identify gaps, if any, and implement new and / or improved controls wherever the effect of such gaps would have a material effect on the Company's operations.

During the year, no reportable material weakness was observed.

## 28. Directors' Responsibility Statement:

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

- a) In the preparation of the annual accounts for the financial year ended March 31, 2024, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- b) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at

the end of the financial year and of the profit and loss of the Company for that period under review.

- c) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- d) The directors have prepared the annual accounts on a going concern basis.
- e) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 29. Listing:

The Equity shares of the Company are listed on SME platform of NSE (NSE EMERGE) and the Company has paid the annual listing fees for the year 2023-24.

## 30. Prevention of Sexual Harassment at Workplace:

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

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

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 with respect to Financial Year 2023-24 is as under:

- a. Number of complaints pending at the beginning of the financial year - Nil
- b. Number of complaints filed during the financial year - Nil
- c. Number of complaints disposed of during the financial year – Nil
- d. Number of complaints pending as on end of the financial year – Nil

## 31. Vigil Mechanism/ Whistle Blower Policy:

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

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

During the financial year ended March 31, 2024, no Whistle Blower complaints were received from the employees and Directors of the Company. Further, no employee or Director was denied access to the Audit Committee or its Chairman

## 32. Human resources

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

## 33. Corporate Governance

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

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

## 34. VARIOUS POLICIES OF THE COMPANY

In accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 and the Companies Act, 2013 the Company has formulated, implemented various policies. All such Policies are available on Company's website [www.pashupaticotspin.com](http://www.pashupaticotspin.com) under the Company Information sub-caption of the Investor Caption. The policies are reviewed periodically by the Board and updated based on need and requirements

## 35. CODE FOR PREVENTION OF INSIDER TRADING:

Your Company has adopted a Code of Conduct to regulate, monitor and report trading by designated persons and their immediate relatives ("Code") as per the requirements under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The Code, inter alia, lays down the procedures to be followed by designated persons while trading/ dealing in the Company's shares and sharing Unpublished Price Sensitive Information ("UPSI"). The Code covers Company's obligation to maintain a structured digital database ("SDD"), mechanism for prevention of insider trading and handling of UPSI, and the process to familiarize with the sensitivity of UPSI. To increase awareness on the prevention of insider trading in the

organisation and to help the Designated Persons to identify and fulfill their obligations, regular trainings have been imparted to all designated persons by the Company

### **36. Declaration from Independent Directors and Independent Directors Meeting**

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

The Independent Directors met on November 13, 2023, to discuss the performance evaluation of the Board, Committees, Chairman and the individual Directors.

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

### **37. Secretarial Standards**

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

### **38. The details application made or any proceedings pending under the Insolvency and Bankruptcy Code, 2016:**

During the financial year ended on March 31, 2024, there is no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) against the Company.

### **39. The details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reason thereof:**

Not applicable during the year under review.

### **40. Acknowledgement**

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

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

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

Sd/-

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

Date: 07/09/2024  
Place: Ahmedabad

## Annexure-“A”

# Form No. MR-3

## SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> March 2024

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

To,  
The Members,  
**Pashupati Cotspin Limited**  
(CIN: L17309GJ2017PLC098117)  
Survey No.404 At & Post Balasar,  
Kadi-Detroj Road, Kadi  
Mahesana-382715, Gujarat.

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

Based on my verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2024 (‘Audit Period’) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2024 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under.
- ii. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowing.
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (not applicable to the company during the audit period);
- (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2021 (not applicable to the company during the audit period)
- (f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (not applicable to the company during the audit period);
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (not applicable to the company during the audit period);
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (not applicable to the company during the audit period);
- (i) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

I have relied on the representations made by the Company and its officers for systems and mechanism formed by the Company for compliances system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the provisions The Factories Act, 1948, The Minimum Wages Act, 1948, and rules made there under.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India;
- (ii) The Uniform Listing Agreement entered into by the Company with National Stock Exchange of India Limited (NSE Emerge).

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

**I further report that**

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

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

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

**I further report that**

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

**I further report that there were no other instances of:**

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

**For, Khandelwal Devesh & Associates,**  
Company secretaries,

**Devesh Khandelwal**

Proprietor

FCS: 6897

COP No.:4202

UDIN:F006897F001168607

PR No.:863/2020

Date: 07/09/2024

Place: Ahmedabad

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



## Annexure to Secretarial Audit Report

To,  
The Members,  
**Pashupati Cotspin Limited**  
(CIN: L17309GJ2017PLC098117)  
Survey No.404 At & Post Balasar,  
Kadi-Detroj Road, Kadi  
Mahesana-382715, Gujarat.

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

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

**For, Khandelwal Devesh & Associates,**  
Company Secretaries,

**Devesh Khandelwal**

Proprietor

FCS: 6897

COP No.:4202

UDIN:F006897F001168607

PR No. : 863/2020

Date: 07/09/2024

Place: Ahmedabad

**Annexure-“B”**

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

| Sr.No. | Requirements                                                                                                                                                                                                                                                                                                                                       | Disclosure           |             |
|--------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|-------------|
|        |                                                                                                                                                                                                                                                                                                                                                    |                      |             |
| I.     | The ratio of the remuneration of each director to the median remuneration of the employees for the financial year                                                                                                                                                                                                                                  | WTD                  | 0.00 times  |
| II.    |                                                                                                                                                                                                                                                                                                                                                    | CFO                  | 10.09 times |
| III.   | The percentage increase in remuneration of each director, CFO, CEO, CS in the financial year                                                                                                                                                                                                                                                       | No increase          |             |
| IV.    | The percentage increase in the median remuneration of employees in the financial year                                                                                                                                                                                                                                                              | No increase          |             |
| V.     | The number of permanent employees on the rolls of the Company as on 31 <sup>st</sup> March, 2024                                                                                                                                                                                                                                                   | 342                  |             |
| VI.    | Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration | Nil                  |             |
| VII.   | Affirmation that the remuneration is as per the remuneration policy of the company                                                                                                                                                                                                                                                                 | Yes, it is confirmed |             |

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

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

Date: 07/09/2024  
Place: Ahmedabad

## Annexure-“C”

# MANAGEMENT DISCUSSION AND ANALYSIS REPORT

## GLOBAL ECONOMIC OVERVIEW

The Global economy journey has been eventful, starting with supply-chain disruptions in the aftermath of the pandemic, an energy and food crisis triggered by Russia's war on Ukraine, a considerable surge in inflation, followed by a globally synchronized monetary policy tightening. Despite gloomy predictions, the global economy remains remarkably resilient, with steady growth and inflation slowing almost as quickly as it rose. Many large emerging market economies are performing strongly, increasing their footprint on the global economy. Despite these welcome developments, numerous challenges remain, and decisive actions are needed.

## INDIAN ECONOMIC PROSPECTIVE

According to a report by IMF India's economy is projected to grow by 6.8% in 2024, which noted that multinationals extending their manufacturing processes into the country to diversify their supply chains will have a positive impact on Indian exports. The expansion in 2023 was driven by strong public investment outlays as well as the vitality of the services sector which benefited from robust local demand for consumer services and firm external demand for the country's business services exports. These factors are expected to continue to support growth in India in 2024.

## TEXTILE INDUSTRY GLOBAL

The Global Textile market is anticipated to rise at a considerable rate due to factors such as the continued increase in global population and urbanization, the rapid expansion of e-commerce, heightened expenditure on leisure activities, the growing retail penetration, increased internet accessibility and smartphone usage, and a rising preference for contactless delivery solutions. Notable trends expected in the forecast period include a shift towards adopting digital textile printing, focus on utilizing nonwoven fabrics, an emphasis on the use of organic fibers, a spotlight on sustainable fibers, adoption of digital platforms for textile supply chain management.

## INDIA

Adverse economic conditions prevailed in major importing Countries, coupled with the Red Sea crisis are impacting the export of Indian textile products, including ready-made garments, to foreign destinations. However, with the US market showing signs of revival, experts believe exports to improve in the upcoming months. The domestic market, which accounts for around three-fourths of the overall demand, continues to witness a steady growth. Demand ahead of the spring-summer season in the West is likely to boost the off take of garments from India, thereby supporting the growth of the entire value chain. With better consumer demand big retailers in the overseas markets will have to restock inventory, improving order flow from Indian exporters. A favourable landscape marked by easing cost pressures and demand revival is likely to support the growth of Indian

textiles in 2024. Addressing structural challenges and leveraging policy support are pivotal for the textile industry's sustained growth.

## COTTON

Cotton is one of the most important cash crops in India. As a raw material for the textile industry, cotton contributes significantly to the agricultural and industrial economics of India and exerts considerable influence on India's economy. India is one of the major cotton producing as well as cotton consuming countries in the world. The area under cotton crop in India is the largest, constituting nearly one fourth of the world cotton area. Pashupati Cotspin Limited is in industry of procuring the the best available cotton (Shankar 6) from various vendors and from the said procured cotton the Company is processing the raw cotton and convert them into cotton bales. The said cotton bales are directly sold to the company's customer and a substantial quantity of the cotton bales are used by the spinning division of the Company for manufacturing of cotton yarn which is the final product of the Company.

## YARN

The Global cotton yarn market size has grown strongly in recent years due to the growth of the textile industry, the preference for natural fibers, trends in global cotton production, innovations in cotton yarn, and the increased affordability and accessibility of textile materials. However the year under review has witnessed an unprecedented lower margin due to drop in yarn prices on account of fluctuation in cotton prices and lesser demand. The surge in the power cost has also impacted its margin.

## RISKS AND THREATS

### Risk relating to Raw Materials

Indian Cotton production during the cotton season 2023-24 is 6% lesser than the previous season, as area for alternative crops was favoured over cotton by the Farmers. Cotton production is also affected by pink bollworm and inadequate monsoon in many parts. Global cotton production is expected to be higher by 3%. The main issue during this year will be demand and not supply. Currently, Indian cotton prices are at par with the International prices. If the international prices decline, Indian cotton will become expensive. The Government of India has announced an increase in the Minimum Support Price (MSP) for unginned cotton (Kapas), potentially boosting earnings for Indian farmers.

### Market Risks / Industry Risks:

The textile industry is facing a number of challenges due to the massive fluctuations in cotton prices, high inflation, Ukraine war, low demand in Europe and the US, supply chain disruptions and competition from neighbouring countries, high power cost etc. These factors are putting pressures on margin. However, the industry also has a number of opportunities. The industry has grown significantly, tapping into current trends while facing challenges. There are some

signs of improvement in the global textile industry. Order cancellations have decreased and inventory levels are under control. Overall, with the remarkable advances and backed by solid domestic consumption and healthy export demand, the future for the Indian textile industry seems to be bright. It is hoped that with the unstinted support from all the Stakeholders Pashuapti Cotspin Limited would be able to manage such risk.

### Labour Shortage

India has acquired recognition as a desirable outsourcing location, primarily because of the large labour force availability. The textile industry is the only sector in India that offers skilled and unskilled labourers a significant amount of employment; However, there is a shortage of skilled labour. More than 70% of Indian workers are either illiterate or have just a basic education. The skill shortage in the Indian textile manufacturing is unable to take its skillset forward, or help the sector grow beyond a certain point. The need of the hour is for encouraging education and knowledge transfer through activities like vocational training programs that will also aid in creating job prospects in rural regions. Considering the industry's growth potential and employment generation, in the recent years, the government introduced the Integrated Skill Development Service (ISDS) Scheme to address the skilled labour required to run the diverse textiles sector and its segments.

### OUR COMPETITIVE STRENGTHS:

#### Manufacturing facility with locational advantage and state-of-the-art machinery to deliver quality products

Our manufacturing facility located in Kadi taluka in Gujarat which

enjoys locational advantage since Kadi is a major and one of the best quality cotton growing and processing areas in India that produces one of the best cotton. It is also a major centre for cotton breeding in western zone. Our Kadi unit is located near mehsana so the connectivity to the big ciies such as Ahmedabad, and ports such as kandla and Mundra are easy to reachout which helps in saving logistics cost for export operations.

### Quality control measures

Our Company has implemented stringent quality control measures to produce superior quality yarn for our domestic as well as international customers. As the quality of our products depends on the raw material quality, so we source the superior quality raw material from farmers/ suppliers. Bale management system is followed for consistent superior yarn quality, and for this, cotton stock is maintained for 5-6 months. In auto coner utmost care is taken for achieving 85% splice strength with defect-free packages. Further, apart from in process inspection system, our mill has adopted stringent final inspection procedure before dispatching yarn to its customers.

### Experienced management team with strong industry expertise

Our Company's Managing Director, Mr. Saurin Jagdish Bhai Parikh, has been instrumental in developing Ginning business of our Company. He has in depth knowledge in selection of Kapas and Cotton. Mr. Tushar Rameshchandra Trivedi, Whole-Time Director of Company, has vast experience in manufacturing of best quality cotton yarn. He also looks after the day-to-day affairs of the Company.

### KEY RATIOS

| Sr. No. | Particular                                                                                                                                                                                                                                                                                                                                                                                        | Ratio For F.Y. |               | Variance                                                            |
|---------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|---------------|---------------------------------------------------------------------|
|         |                                                                                                                                                                                                                                                                                                                                                                                                   | 2023-24        | 2022-23       |                                                                     |
| 1.      | <b>Debtors Turnover Ratio</b><br><b>Formula:</b> Debtors Turnover Ration= Net Credit Sales/Average Account Receivable<br><b>Definition:</b> The Debtors Turnover Ratio also called as Receivables Turnover Ratio shows how quickly the credit sales are converted into the cash. This ratio measures the efficiency of a firm in managing and collecting the credit issued to the customers.      | 9.49<br>Times  | 6.56<br>Times | 44.76%<br>Increase in ginning unit sales compare to previous year   |
| 2.      | <b>Inventory Turnover Ratio</b><br><b>Formula:</b> Inventory Turnover= Sales/Inventory<br><b>Definition:</b> Inventory turnover is a ratio showing how many times a company has sold and replaced inventory during a given period. A company can then divide the days in the period by the inventory turnover formula to calculate the days it takes to sell the inventory on hand.               | 15.51<br>Times | 7.61<br>Times | 103.88%<br>Increase in ginning unit sales compare to previous year. |
| 3.      | <b>Current Ratio</b><br><b>Formula:</b> Current Ratio=Current assets/ Current liability<br><b>Definition:</b> The current ratio is a liquidity ratio that measures whether a firm has enough resources to meet its short-term obligations. It compares a firm's current assets to its current liabilities, and is expressed as follows: The current ratio is an indication of a firm's liquidity. | 1.24<br>Times  | 1.16<br>Times | 6.27%                                                               |

|    |                                                                                                                                                                                                                                                                                                                                                    |               |               |                                                                                                |
|----|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|---------------|------------------------------------------------------------------------------------------------|
| 4. | <b>Debt Equity Ratio</b><br><b>Formula:</b> Debt Equity Ratio = Debt/Total Equity<br><b>Definition:</b> The debt-to-equity ratio is a financial ratio indicating the relative proportion of shareholders' equity and debt used to finance a company's assets. Closely related to leveraging, the ratio is also known as risk, gearing or leverage. | 1.27<br>Times | 1.56<br>Times | -18.34%                                                                                        |
| 5. | <b>Net Profit Margin Ratio</b><br><b>Formula:</b> Net Profit Margin= Net Profit/ Sales<br><b>Definition:</b> The net profit percentage is the ratio of after-tax profits to net sales. It reveals the remaining profit after all costs of production, administration, and financing have been deducted from sales, and income taxes recognized.    | 1.40%         | 1.11%         | 25.90%<br>Increase in net profits due to better operating margins in line with revenue growth. |

## FINANCIAL AND OPERATIONAL PERFORMANCE

(Standalone) (Amount in lakh. Except EPS)

| Particulars for the year ended                    | March 31,2024    | March 31,2023    |
|---------------------------------------------------|------------------|------------------|
| <b>Net revenue from Operations (Sales)</b>        | <b>65,837.68</b> | <b>44,273.28</b> |
| <b>Profit Before Depreciation and Tax</b>         | <b>2,250.19</b>  | <b>1,481.67</b>  |
| Less: Depreciation                                | 1,133.02         | 867.64           |
| <b>Profit Before Extra ordinary Items and Tax</b> | <b>1,117.17</b>  | <b>614.03</b>    |
| Extra Ordinary Items                              | 0.00             | 0.00             |
| <b>Profit Before Tax</b>                          | <b>614.03</b>    | <b>614.03</b>    |
| Tax Expense                                       |                  |                  |
| -Current Tax                                      | 23.02            | 40.47            |
| Less: MAT Credit Receivable                       | 0.00             | 0.00             |
| -Deferred Tax                                     | 263.76           | 162.79           |
| <b>Profit After Tax</b>                           | <b>830.39</b>    | <b>410.77</b>    |
| EPS (Basic) (In Rs.)                              | 5.43             | 2.69             |
| EPS (Diluted) (In Rs.)                            | 5.43             | 2.69             |

## CAUTIONARY STATEMENT

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

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

Date: 07/09/2024  
Place: Ahmedabad

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

Annexure-“D”

**CONSERVATION OF ENERGY**

The information under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 for the year ended March 31, 2024 is given here below and forms part of the Director's Report.

▲ **The steps taken for conservation of energy:**

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

**The steps taken in this direction are as under:**

The Company jointly with its group entities had installed solar roof top plant with the installation capacity of 2.7 MW. Additionally the Company had made an investment for establishment of 9.50 MW ground mounted solar which is approximately generating 19 million units. In addition to the above specified solar power generation units, the Company had made an investment for establishment of 2.7 MW hybrid wind mill and 2.7 MW standalone windmill which is approximately generating 17 million units.

**Benefits of Installation of Solar Roof Top Plant:**

- Reduction in Electricity bill.
- Reduction in Pollution.
- Sustainable source of energy generation.

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

• **Generation of Green Energy**

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

• **The capital investment on energy conservation equipments :**

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

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

Sd/-

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

Date: 07/09/2024  
Place: Ahmedabad

Annexure-"E"

## FORM NO. AOC-2

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

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

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

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

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

| Sr. No. | Name(s) of the related party and nature of relationship           | Nature of Contracts/ Arrangements/ Transactions | Duration of The Contracts/ Arrangements/ Transactions | Salient terms of the contracts or arrangements or transactions including the value, if any | Date(s) of approval by the Board                                                                                                         | Amount paid as advances, if any: |
|---------|-------------------------------------------------------------------|-------------------------------------------------|-------------------------------------------------------|--------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|
|         | (a)                                                               | (b)                                             | (c)                                                   | (d)                                                                                        | (e)                                                                                                                                      | (f)                              |
| 1.      | Pashupati Cotton Industries                                       | Sale of Goods                                   | For 5 years                                           | Rs.4,439.08 Lacs                                                                           | Board of Directors has enhanced the existing limits on 26.10.2021 and Shareholders through postal ballot on 10.12.2021 upto Rs.500 Crore | -                                |
| 2.      | Pashupati Cotton Industries                                       | Purchase of Goods                               | For 5 years                                           | Rs. 1,654.68 Lacs                                                                          | Board of Directors has enhanced the existing limits on 26.10.2021 and Shareholders through postal ballot on 10.12.2021 upto Rs.500 Crore | -                                |
| 3.      | PashupatiCotyarn LLP (Formerly Known as Pashupati Oil Industries) | Sale of Goods                                   | For 5 years                                           | -                                                                                          | Board of Directors has enhanced the existing limits on 26.10.2021 and Shareholders through postal ballot on 10.12.2021 upto Rs.500 Crore | -                                |
| 4.      | PashupatiCotyarn LLP (Formerly Known as Pashupati Oil Industries) | Purchase of Goods                               | For 5 years                                           | -                                                                                          | Board of Directors on 28.03.2019 and Shareholders in AGM held on 26.09.2019 upto Rs.200 Crores                                           | -                                |
| 5.      | PashupatiCotyarn LLP (Formerly Known as Pashupati Oil Industries) | Machinery Rent                                  | For 5 years                                           | Rs. 72.00 Lacs                                                                             | Board of Directors on 18.05. 2019 and Shareholders in AGM held on 21.09.2020 upto Rs.3Crores                                             | -                                |
| 6.      | RV Enterprises                                                    | Purchase of Goods                               | For 5 years                                           | Rs. 25,344.55Lacs                                                                          | Board of Directors on 18.05. 2019 and Shareholders in AGM held on 21.09.2020 upto Rs.400 Crores                                          | -                                |



| Sr. No. | Name(s) of the related party and nature of relationship                     | Nature of Contracts/ Arrangements/ Transactions | Duration of The Contracts/ Arrangements/ Transactions | Salient terms of the contracts or arrangements or transactions including the value, if any | Date(s) of approval by the Board                                                               | Amount paid as advances, if any: |
|---------|-----------------------------------------------------------------------------|-------------------------------------------------|-------------------------------------------------------|--------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|----------------------------------|
|         | (a)                                                                         | (b)                                             | (c)                                                   | (d)                                                                                        | (e)                                                                                            | (f)                              |
| 7.      | RV Enterprises                                                              | Sale of Goods                                   | For 5 years                                           | Rs. 4,024.48 Lacs                                                                          | Board of Directors on 18.05.2019 and Shareholders in AGM held on 21.09.2020 upto Rs.400 Crores | -                                |
| 8.      | S Raja Export Pvt Ltd                                                       | For Commission Income                           | For 5 years                                           | -                                                                                          | Board of Directors on 28.03.2019 and Shareholders in AGM held on 26.09.2019 upto Rs.350 Crores | -                                |
| 9.      | PashupatiTexspin Export LLP (Formerly Known as Shree Pashupati Fabric LLP)  | Purchase of Goods                               | For 5 years                                           | Rs. 2,701.15 Lacs                                                                          | Board of Directors on 28.03.2019 and Shareholders in AGM held on 26.09.2019 upto Rs.200 Crore  | -                                |
| 10.     | PashupatiTexspin Export LLP (Formerly Known as Shree Pashupati Fabric LLP)  | Sale of Goods                                   | For 5 years                                           | Rs. 17,891.82 Lacs                                                                         | Board of Directors on 28.03.2019 and Shareholders in AGM held on 26.09.2019 upto Rs.200 Crore  | -                                |
| 11.     | Pashupati Texspin Export LLP (Formerly Known as Shree Pashupati Fabric LLP) | Reimbursement of Expenses                       | For 5 years                                           | 195.79 Lacs                                                                                | Board of Directors on 28.03.2019 and Shareholders in AGM held on 26.09.2019 upto Rs.200 Crore  | -                                |

### Annexure-“F” FORM NO. AOC-1

Statement containing salient features of the financial statement of subsidiaries/ joint ventures pursuant to first proviso to sub-Section (3) of section 129 of the Companies Act, 2013, read with rule 5 of Companies (Accounts) Rules, 2014:

#### Part “A”: Subsidiaries

| Particulars                                                                                                                 | Details                         |
|-----------------------------------------------------------------------------------------------------------------------------|---------------------------------|
| Name of the Subsidiaries                                                                                                    | M/s. Pashupati Cotyarn LLP      |
| The date since when subsidiary was acquired.                                                                                | 12 <sup>th</sup> January, 2022  |
| Reporting period for the subsidiary concerned, if different from the holding company's reporting period                     | April 1, 2023 to March 31, 2024 |
| Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries | N.A.                            |
| Share Capital / Partners Contribution                                                                                       | Rs. 10,00,000/-                 |
| Reserves and Surplus                                                                                                        |                                 |
| Total Assets                                                                                                                |                                 |
| Total Liabilities                                                                                                           |                                 |
| Investments                                                                                                                 |                                 |
| Turnover                                                                                                                    |                                 |
| Profit Before Taxation                                                                                                      |                                 |
| Provision for Taxation                                                                                                      |                                 |
| Profit After Taxation                                                                                                       |                                 |
| Proposed Dividend                                                                                                           |                                 |
| % of shareholding                                                                                                           | 99.00%                          |

#### Notes:

- There is no subsidiary which is yet to commence its operation.
- The amounts given in the table above are from the annual accounts made for the respective financial year end for each of the company.

#### Part “B”: Associates / Joint Ventures –None

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

Date: 07/09/2024  
Place: Ahmedabad

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

# 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, 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                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Measurement and Recognition of State Subsidy Receivable</b><br><br>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.<br><br>The Government of Gujarat, made certain amendments to modalities for sanction and disbursement of the refund of such taxes under the new GST regime. | <b>Principal Audit Procedures</b><br><br>We have performed the following procedures in relation to the Recognition of State Subsidy Receivable with respect to State Tax (SGST): <ul style="list-style-type: none"> <li>➤ 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.</li> <li>➤ Discussion with company's legal team, management and external legal counsel, as applicable for their assessment of entitlement of benefits under such scheme.</li> <li>➤ 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.</li> <li>➤ 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.</li> </ul> |

### 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 policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief are necessary for the purpose of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement, dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid 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

Place: Ahmedabad  
Date: 25/05/2024

Membership No.-045706  
UDIN: 24045706BKAJVP9429

**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, in the basis of valuation of inventories, effects of exchange rate fluctuations, etc. during the course of audit.
- 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.
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 :
- c) Inventory and Trade Receivables:- Mainly due to change

- (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 |
|------------------------------------------------------------------------------------|-------------|---------------------|
| <b>(A) Aggregate amount granted / provided during the year:</b>                    |             |                     |
| - Subsidiaries                                                                     | 16.00       | -                   |
| - Associate Firm                                                                   | 4,235.95    | 19,579              |
| - Others (employees including KMP)                                                 | -           | -                   |
| <b>(B) Balance outstanding as at balance sheet date in respect of above cases:</b> |             |                     |
| - 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.
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.

(Amount in lakhs)

| Particulars                                                                | Corporate Guarantee |
|----------------------------------------------------------------------------|---------------------|
| <b>(A) Aggregate amount Corporate Guarantee/ provided during the year:</b> |                     |
| - 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.
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

Place: Ahmedabad  
Date:25/05/2024

Membership No.-045706  
UDIN: 24045706BKAJVP9429

## 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 or procedures may deteriorate.

## Opinion

In our opinion, to the best of our information and according to explanations given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as on March 31, 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

# BALANCE SHEET

AS AT 31<sup>st</sup> March, 2024

(₹ in Lakhs)

| PARTICULARS                                                                | Note No. | As at 31.03.2024 | As at 31.03.2023 |
|----------------------------------------------------------------------------|----------|------------------|------------------|
| <b>A EQUITY &amp; LIABILITIES</b>                                          |          |                  |                  |
| <b>1 SHARE HOLDERS FUND</b>                                                |          |                  |                  |
| (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)     | -                | -                |
| <b>2 NON CURRENT LIABILITIES</b>                                           |          |                  |                  |
| (a) Long Term Borrowings                                                   | 3        | 4,583.80         | 5,116.11         |
| (b) Deferred Tax Liability                                                 | 4        | 879.89           | 616.13           |
| (c) Other Long Term Liabilities                                            | 5        | 15.02            | 15.77            |
| (d) Long Term Provisions                                                   | 6        | 134.54           | 107.82           |
| <b>3 CURRENT LIABILITIES</b>                                               |          |                  |                  |
| (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            |
| <b>Total</b>                                                               |          | <b>31,011.93</b> | <b>30,747.37</b> |
| <b>B ASSETS</b>                                                            |          |                  |                  |
| <b>1 NON CURRENT ASSETS</b>                                                |          |                  |                  |
| (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           |
| <b>2 CURRENT ASSETS</b>                                                    |          |                  |                  |
| (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           |
| <b>Total</b>                                                               |          | <b>31,011.93</b> | <b>30,747.37</b> |
| 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 31<sup>st</sup> 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 |
|----------------------------------------------------------|----------|----------------------------------------------|----------------------------------------------|
| <b>INCOME</b>                                            |          |                                              |                                              |
| 1 Revenue from Operations (Gross)                        | 20       | 65,837.68                                    | 44,273.28                                    |
| Less: Excise Duty                                        |          | -                                            | -                                            |
| <b>Revenue from Operations (Net)</b>                     |          | <b>65,837.68</b>                             | <b>44,273.28</b>                             |
| 2 Other Income                                           | 21       | 923.54                                       | 753.39                                       |
| <b>3 Total Revenue</b>                                   |          | <b>66,761.22</b>                             | <b>45,026.68</b>                             |
| <b>4 EXPENDITURE</b>                                     |          |                                              |                                              |
| (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                                     |
| <b>Total Expenses</b>                                    |          | <b>65,644.05</b>                             | <b>44,412.66</b>                             |
| <b>5 Profit/(Loss) Before Tax &amp; Exceptional Item</b> |          | <b>1,117.17</b>                              | <b>614.02</b>                                |
| Exceptional Item                                         |          | -                                            | -                                            |
| <b>6 Profit/ (Loss) Before Tax</b>                       |          | <b>1,117.17</b>                              | <b>614.02</b>                                |
| <b>Tax Expense:</b>                                      |          |                                              |                                              |
| (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                                        |
| <b>7 Profit/(Loss) After Tax</b>                         |          | <b>830.39</b>                                | <b>410.77</b>                                |
| <b>Earnings per equity share:</b>                        |          |                                              |                                              |
| (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

# CASH FLOW STATEMENT

FOR THE YEAR ENDED 31<sup>st</sup> March, 2024

| Particulars                                                   | 2023-24       |                   | 2022-23       |                   |
|---------------------------------------------------------------|---------------|-------------------|---------------|-------------------|
|                                                               | Rupees        | Rupees            | Rupees        | Rupees            |
| <b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>                 |               |                   |               |                   |
| Net Profit before tax as per Profit & Loss A/c                |               | 1,117.17          |               | 614.02            |
| <b>Adjustments:</b>                                           |               |                   |               |                   |
| 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          |
| <b>Operating Profit before working capital</b>                |               | <b>3,336.05</b>   |               | <b>1,912.03</b>   |
| <b>Adjusted for :</b>                                         |               |                   |               |                   |
| 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          |
| <b>Cash generated from operations</b>                         |               | <b>5,215.38</b>   |               | <b>7,053.53</b>   |
| Extraordinary Income                                          |               |                   |               |                   |
| Direct Tax Paid                                               |               | (29.40)           |               | (512.94)          |
| <b>Net Cash from Operating Activities (a)</b>                 |               | <b>5,185.98</b>   |               | <b>6,540.59</b>   |
| <b>B) Cash Flow from Investing Activities :</b>               |               |                   |               |                   |
| Purchase of Fixed Assets                                      | (840.94)      |                   | (6,081.09)    |                   |
| Sale of Fixed Assets                                          | -             |                   | -             |                   |
| Loans Given                                                   | -             |                   | -             |                   |
| Investment In Corporate Entities                              | (962.04)      |                   | 491.66        |                   |
| <b>Interest Received</b>                                      | <b>652.56</b> |                   | <b>550.44</b> |                   |
| <b>Net Cash used in Investing Activities (b)</b>              |               | <b>(1,150.42)</b> |               | <b>(5,038.99)</b> |
| <b>C) Cash Flow from Financing Activities</b>                 |               |                   |               |                   |
| 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)      |                   |
| <b>Net Cash from financing Activities</b>                     |               | <b>(4,086.23)</b> |               | <b>(1,512.19)</b> |
| <b>Net Increase in cash &amp; cash equivalents (a+b+c)</b>    |               | <b>(50.67)</b>    |               | <b>2,625.59</b>   |
| Opening Balance of Cash & Cash equivalents                    |               | 249.88            |               | 286.15            |
| Closing Balance of Cash & Cash equivalents                    |               | 199.21            |               | 249.88            |
| <b>Net Increase/(Decrease) in cash &amp; cash equivalents</b> |               | <b>(50.67)</b>    |               | <b>(36.28)</b>    |

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

**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      |
| <b>Authorised Share Capital</b>         |                      |                 |                     |                 |
| Equity Shares of Rs 10/- each           | 15,500,000           | 1,550.00        | 15,500,000          | 1,550.00        |
| <b>Issued</b>                           |                      |                 |                     |                 |
| Equity Shares of Rs 10/- each           | 15,284,000           | 1,528.40        | 15,284,000          | 1,528.40        |
| <b>Subscribed &amp; Paid up</b>         |                      |                 |                     |                 |
| Equity Shares of ₹ 10/- each fully paid | 15,284,000           | 1,528.40        | 15,284,000          | 1,528.40        |
| <b>Total</b>                            | <b>15,284,000</b>    | <b>1,528.40</b> | <b>15,284,000</b>   | <b>1,528.40</b> |

### 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                     | -                    | -               | -                   | -               |
| <b>Shares outstanding at the end of the year</b>       | <b>15,284,000</b>    | <b>1,528.40</b> | <b>15,284,000</b>   | <b>1,528.40</b> |

### 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         |
| Bhavesbhai 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 |
|--------------------------------|-----------------|-------------------|--------------------------|
| DaksheshJayantilal Patel       | 525000          | 525000            | -                        |
| BhaveshkumarJayantilal Patel   | 791000          | 5.18              | -                        |
| FalguniMitesh Parikh           | 1733000         | 11.34             | -                        |
| HariprabhaAravindbhai Parikh   | 1583000         | 10.36             | -                        |
| SaurinJagdish Bhai Parikh      | 2333000         | 15.26             | -                        |
| Ashish Rameshchandra Trivedi   | 904000          | 5.91              | -                        |
| TusharRameshchandra Trivedi    | 339000          | 2.22              | -                        |
| RenukabenJagdishchandra Parikh | 1583000         | 10.36             | -                        |
| Patel MinabenDaksheshbhai      | 266000          | 1.74              | -                        |
| PashupatiTexspin Export LLP    | 1080000         | 7.07              | -                        |
| NiraliRajendra Desai           | 25600           | 0.17              | -                        |
| <b>Total</b>                   | <b>11163000</b> | <b>73.03</b>      |                          |

## 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 |
|--------------------------------|-----------------|-------------------|--------------------------|
| DaksheshJayantilal 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              | -                        |
| <b>Total</b>                   | <b>11163000</b> | <b>73.03</b>      |                          |

## 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<br>31 March, 2024 | As at<br>31 March, 2023 |
|--------------------------------------------------------|-------------------------|-------------------------|
| <b>(i) Share Securities Premium</b>                    |                         |                         |
| As per Last Balance Sheet                              | 4,259.60                | 4,259.60                |
| (+) Additions during the year                          | -                       | -                       |
| (-) Utilised during the year                           | -                       | -                       |
| <b>Closing Balance (a)</b>                             | <b>4,259.60</b>         | <b>4,259.60</b>         |
| <b>(iii) Surplus in Statement of Profit &amp; Loss</b> |                         |                         |
| 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)                |
| <b>Closing Balance (b)</b>                             | <b>6,067.41</b>         | <b>5,351.66</b>         |
| <b>Total (a)+(b)</b>                                   | <b>10,327.01</b>        | <b>9,611.26</b>         |

## NOTE 3: LONG TERM BORROWINGS

(₹ in Lakhs)

| Particulars                                | As at<br>31 March, 2024 | As at<br>31 March, 2023 |
|--------------------------------------------|-------------------------|-------------------------|
| <b>Term Loans (Secured)*</b>               |                         |                         |
| a) From Banks                              | 6,905.70                | 7,756.17                |
| Less: Current Maturities of long term debt | (2,321.90)              | (2,640.06)              |
| <b>Total</b>                               | <b>4,583.80</b>         | <b>5,116.11</b>         |

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

## NOTE 4: DEFERRED TAX LIABILITY

(₹ in Lakhs)

| Particulars                       | As at<br>31 March, 2024 | As at<br>31 March, 2023 |
|-----------------------------------|-------------------------|-------------------------|
| Deferred Tax Liability            | 616.13                  | 453.34                  |
| Add/Less: Deferred Tax Obligation | 263.76                  | 162.79                  |
| <b>Total</b>                      | <b>879.89</b>           | <b>616.13</b>           |

## NOTE 5: OTHER LONG TERM LIABILITIES

(₹ in Lakhs)

| Particulars   | As at<br>31 March, 2024 | As at<br>31 March, 2023 |
|---------------|-------------------------|-------------------------|
| Staff Deposit | 15.02                   | 15.77                   |
| <b>Total</b>  | <b>15.02</b>            | <b>15.77</b>            |

## NOTE 6: LONG TERM PROVISIONS

(₹ in Lakhs)

| Particulars                               | As at<br>31 March, 2024 | As at<br>31 March, 2023 |
|-------------------------------------------|-------------------------|-------------------------|
| <b>Provision- From Employment Benefit</b> |                         |                         |
| Gratuity                                  | 134.54                  | 107.82                  |
| <b>Total</b>                              | <b>134.54</b>           | <b>145.97</b>           |

# Notes forming part of the Financial Statements

## NOTE 7: SHORT TERM BORROWINGS

(₹ in Lakhs)

| Particulars                                | As at<br>31 March, 2024 | As at<br>31 March, 2023 |
|--------------------------------------------|-------------------------|-------------------------|
| <b>Secured</b>                             |                         |                         |
| Current Maturities of Long Term Borrowings | 2,321.89                | 2,640.06                |
| Working Capital Loan From Bank (Secured)   | 8,153.61                | 9,572.54                |
| <b>Total</b>                               | <b>10,475.50</b>        | <b>12,212.61</b>        |

\*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<br>31 March, 2024 | As at<br>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                  |
| <b>Total</b>                                                               | <b>2,685.26</b>         | <b>774.18</b>           |

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         | -                | -            | -         | -                 | -               |
| <b>TOTAL BILLED AND DUE (A)</b>     | <b>2,655.44</b>  | <b>29.82</b> | <b>-</b>  | <b>-</b>          | <b>2,685.26</b> |
| UNBILLED DUES (B)                   | -                | -            | -         | -                 | -               |
| <b>TOTAL TRADE PAYABLES (A + B)</b> | <b>2,655.44</b>  | <b>29.82</b> | <b>-</b>  | <b>-</b>          | <b>2,685.26</b> |

### 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         | -                | -            | -           | -                 | -             |
| <b>TOTAL BILLED AND DUE (A)</b>     | <b>744.53</b>    | <b>29.61</b> | <b>0.03</b> | <b>-</b>          | <b>774.18</b> |
| UNBILLED DUES (B)                   | -                | -            | -           | -                 | -             |
| <b>TOTAL TRADE PAYABLES (A + B)</b> | <b>744.53</b>    | <b>29.61</b> | <b>0.03</b> | <b>-</b>          | <b>774.18</b> |

## NOTE 9: OTHER CURRENT LIABILITIES

(₹ in Lakhs)

| Particulars           | As at<br>31 March, 2024 | As at<br>31 March, 2023 |
|-----------------------|-------------------------|-------------------------|
| Statutory Remittances | 112.71                  | 321.51                  |
| Other Payables        | 121.26                  | 146.33                  |
| Advance from Customer | 42.72                   | 229.06                  |
| <b>Total</b>          | <b>276.69</b>           | <b>696.91</b>           |

# Notes forming part of the Financial Statements

## NOTE 10: SHORT TERM PROVISIONS

(₹ in Lakhs)

| Particulars                            | As at<br>31 March, 2024 | As at<br>31 March, 2023 |
|----------------------------------------|-------------------------|-------------------------|
| <b>Provision for Employee Benefits</b> |                         |                         |
| Gratuity                               | 43.55                   | 20.55                   |
| Bonus                                  | 62.27                   | 47.63                   |
| <b>Total</b>                           | <b>105.82</b>           | <b>68.18</b>            |

## NOTE - 11 : Property Plant & Equipment :

(₹ in Lakhs)

|    | Particulars                      | Gross Block At Cost                        |                                 |                                                                      |                                             | Depreciation                               |                                                        |                                                 |                                             | Net Block                                   |                                             |
|----|----------------------------------|--------------------------------------------|---------------------------------|----------------------------------------------------------------------|---------------------------------------------|--------------------------------------------|--------------------------------------------------------|-------------------------------------------------|---------------------------------------------|---------------------------------------------|---------------------------------------------|
|    |                                  | Opening<br>Balance<br>As on 1-Apr-<br>2023 | Additions<br>During the<br>Year | Adjustment \<br>Deductions \<br>Reclassifications<br>During the year | Closing<br>Balance<br>as on 31-Mar-<br>2024 | Opening<br>Balance<br>As on 1-Apr-<br>2023 | Depreciation<br>for the<br>period up to<br>31-Mar-2024 | Adjustment<br>\Deductions<br>During the<br>year | Closing<br>Balance<br>as on 31-<br>Mar-2024 | Closing<br>Balance<br>as on 31-<br>Mar-2024 | Closing<br>Balance<br>as on 31-<br>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                                        |
|    | <b>Total</b>                     | <b>20,949.86</b>                           | <b>3,477.11</b>                 | <b>-</b>                                                             | <b>24,426.97</b>                            | <b>9,783.98</b>                            | <b>1,133.02</b>                                        | <b>-</b>                                        | <b>10,917.00</b>                            | <b>13,509.97</b>                            | <b>11,165.88</b>                            |

## NOTE 12 : Non Current Investment

(₹ in Lakhs)

| Particulars                       | As at<br>31 March, 2024 | As at<br>31 March, 2023 |
|-----------------------------------|-------------------------|-------------------------|
| <b>Other Investment</b>           |                         |                         |
| Investment in Corporate Entities# | 110.35                  | 110.35                  |
| Investment in Shares              | 12.50                   |                         |
| <b>Total</b>                      | <b>122.85</b>           | <b>110.35</b>           |

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

(₹ in Lakhs)

| Name of the Company         | As at<br>31 March, 2024 | As at<br>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<br>31 March, 2024 | As at<br>31 March, 2023 |
|-----------------------------------|-------------------------|-------------------------|
| <b>Unsecured, Considered Good</b> |                         |                         |
| Deposits others                   | 0.55                    | 0.34                    |
| Capital Advances                  | 650.00                  | 850.00                  |
| <b>Total</b>                      | <b>650.55</b>           | <b>850.34</b>           |

## NOTE 14: INVENTORIES

(At Lower of Cost or Net Realisable Value)

(₹ in Lakhs)

| Particulars                        | As at<br>31 March, 2024 | As at<br>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                  |
| <b>Total</b>                       | <b>4,138.37</b>         | <b>3,526.45</b>         |

## NOTE 15 : CURRENT INVESTMENT

(₹ in Lakhs)

| Particulars                      | As at<br>31 March, 2024 | As at<br>31 March, 2023 |
|----------------------------------|-------------------------|-------------------------|
| <b>Other Investment</b>          |                         |                         |
| Investment in Corporate Entities | 4,216.55                | 3,303.24                |
| <b>Total</b>                     | <b>3,303.24</b>         | <b>3,303.24</b>         |

\*\* 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<br>31 March, 2024 | As at<br>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<br>31 March, 2024 | As at<br>31 March, 2023 |
|--------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>Unsecured, Considered Good</b>                                                                      |                         |                         |
| 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                   |
| <b>Unsecured, Considered Doubtful</b>                                                                  |                         |                         |
| 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)                  |
| <b>Total</b>                                                                                           | <b>6,204.10</b>         | <b>6,205.71</b>         |



# 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     | -                  | -                 | -            | -         | -                 | -               |
| <b>TOTAL BILLED AND DUE (A)</b>                         | <b>6,127.29</b>    | <b>61.83</b>      | <b>14.97</b> | <b>-</b>  | <b>0.98</b>       | <b>6,205.07</b> |
| <b>UNBILLED DUES (B)</b>                                | <b>-</b>           | <b>-</b>          | <b>-</b>     | <b>-</b>  | <b>-</b>          | <b>-</b>        |
| <b>TOTAL TRADE RECEIVABLES (A + B)</b>                  | <b>6,127.29</b>    | <b>61.83</b>      | <b>14.97</b> | <b>-</b>  | <b>0.98</b>       | <b>6,205.07</b> |
| Less: Provision for Expected Credit Loss                | -                  | -                 | -            | -         | -0.98             | -0.98           |
| <b>TOTAL NET TRADE RECEIVABLES</b>                      | <b>6,127.29</b>    | <b>61.83</b>      | <b>14.97</b> | <b>-</b>  | <b>-</b>          | <b>6,204.10</b> |

## 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     | -                  | -                 | -           | -           | -                 | -               |
| <b>TOTAL BILLED AND DUE (A)</b>                         | <b>6,160.79</b>    | <b>41.35</b>      | <b>3.55</b> | <b>0.07</b> | <b>0.98</b>       | <b>6,206.69</b> |
| <b>UNBILLED DUES (B)</b>                                | <b>-</b>           | <b>-</b>          | <b>-</b>    | <b>-</b>    | <b>-</b>          | <b>-</b>        |
| <b>TOTAL TRADE RECEIVABLES (A + B)</b>                  | <b>6,160.79</b>    | <b>41.35</b>      | <b>3.55</b> | <b>0.07</b> | <b>0.98</b>       | <b>6,206.69</b> |
| Less: Provision for Expected Credit Loss                | -                  | -                 | -           | -           | -0.98             | -0.98           |
| <b>TOTAL NET TRADE RECEIVABLES</b>                      | <b>6,160.79</b>    | <b>41.35</b>      | <b>3.55</b> | <b>0.02</b> | <b>-</b>          | <b>6,205.71</b> |

## NOTE 17: CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

| Particulars                       | As at 31 March, 2024 | As at 31 March, 2023 |
|-----------------------------------|----------------------|----------------------|
| <b>Balances with Banks</b>        |                      |                      |
| In Current Accounts               | 1.39                 | 1.39                 |
| Cash on Hand                      | 0.47                 | 0.38                 |
| <b>Fixed Deposits Under Lien#</b> |                      |                      |
| Against Borrowings                | 0.00                 | 25.29                |
| Against Guarantees                | 197.32               | 222.82               |
| <b>Total</b>                      | <b>199.18</b>        | <b>249.88</b>        |

# 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 |
|-----------------------------------------------|----------------------|----------------------|
| <b>Unsecured, Considered Good</b>             |                      |                      |
| 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              |
| <b>Total</b>                                  | <b>1,218.44</b>      | <b>1,998.01</b>      |

# Notes forming part of the Financial Statements

## NOTE 19: OTHER CURRENT ASSETS

(₹ in Lakhs)

| Particulars                | As at<br>31 March, 2024 | As at<br>31 March, 2023 |
|----------------------------|-------------------------|-------------------------|
| Textile Benefit Receivable | 751.92                  | 701.31                  |
| <b>Total</b>               | <b>751.92</b>           | <b>701.31</b>           |

## NOTE 20: REVENUE FROM OPERATIONS

(₹ in Lakhs)

| Particulars                               | For the year<br>2023-24 | For the year<br>2022-23 |
|-------------------------------------------|-------------------------|-------------------------|
| <b>Sale of Goods</b>                      |                         |                         |
| 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                |
| <b>Total</b>                              | <b>65,335.14</b>        | <b>42,854.11</b>        |
| <b>Less : Rebate &amp; Goods Returned</b> | <b>-273.77</b>          | <b>-229.83</b>          |
|                                           | <b>65,061.37</b>        | <b>42,624.28</b>        |
| <b>Sale of Services</b>                   |                         |                         |
| Other Operating Revenues                  | 776.31                  | 1,649.00                |
| <b>Total</b>                              | <b>65,837.68</b>        | <b>44,273.28</b>        |

## NOTE 21: OTHER INCOME

(₹ in Lakhs)

| Particulars               | For the year<br>2023-24 | For the year<br>2022-23 |
|---------------------------|-------------------------|-------------------------|
| Interest Income           | 652.56                  | 550.44                  |
| Other Income              | 270.98                  | 177.25                  |
| Share of profit from firm | -                       | 25.70                   |
| <b>Total</b>              | <b>923.54</b>           | <b>753.39</b>           |

## NOTE 22.a: COST OF MATERIALS CONSUMED

(₹ in Lakhs)

| Particulars         | For the year<br>2023-24 | For the year<br>2022-23 |
|---------------------|-------------------------|-------------------------|
| Opening Stock       | 586.37                  | 2,645.33                |
| Add: Purchases      | 56,088.30               | 35,399.60               |
| Less: Closing Stock | -622.00                 | -586.37                 |
| <b>Total</b>        | <b>56,052.67</b>        | <b>37,458.56</b>        |

# Notes forming part of the Financial Statements

## NOTE 22.b: CHANGES IN INVENTORIES OF FINISHED GOODS

(₹ in Lakhs)

| Particulars                                      | For the year<br>2023-24 | For the year<br>2022-23 |
|--------------------------------------------------|-------------------------|-------------------------|
| <b>Inventories at the End of the Year:</b>       |                         |                         |
| Finished Goods                                   | 2,481.78                | 2,165.80                |
| Stores, Spares & Packing Material                | 494.13                  | 404.89                  |
| Work in process                                  | 540.46                  | 369.39                  |
|                                                  | <b>3,516.36</b>         | <b>2,940.08</b>         |
| <b>Inventories at the Beginning of the Year:</b> |                         |                         |
| Finished Goods                                   | 2,165.80                | 2,829.40                |
| Stores, Spares & Packing Material                | 404.89                  | 290.84                  |
| Work in process                                  | 369.39                  | 395.51                  |
|                                                  | <b>2,940.08</b>         | <b>3,515.75</b>         |
| <b>Total</b>                                     | <b>-576.28</b>          | <b>575.67</b>           |

## NOTE 23: EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

| Particulars                                | For the year<br>2023-24 | For the year<br>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                   |
| <b>Total</b>                               | <b>1,558.97</b>         | <b>1,213.94</b>         |

## NOTE 24: FINANCE COST

(₹ in Lakhs)

| Particulars          | For the year<br>2023-24 | For the year<br>2022-23 |
|----------------------|-------------------------|-------------------------|
| Interest Expense     | 1,624.03                | 949.21                  |
| Other Borrowing Cost | 78.16                   | 31.60                   |
| <b>Total</b>         | <b>1702.19</b>          | <b>980.81</b>           |

# Notes forming part of the Financial Statements

## NOTE 25: OTHER EXPENSES

(₹ in Lakhs)

| Particulars                                 | For the year<br>2023-24 | For the year<br>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                       | -                       | -                       |
| <b>Repairing &amp; Maintenance:-</b>        |                         |                         |
| 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                  |
| <b>Total</b>                                | <b>3,506.85</b>         | <b>3,316.03</b>         |

### Note: 25.1: Auditors Remuneration

(₹ in Lakhs)

| Particulars                                 | For the year<br>2023-24 | For the year<br>2022-23 |
|---------------------------------------------|-------------------------|-------------------------|
| <b>Payments to the Auditors comprises :</b> |                         |                         |
| As Auditors - Statutory Audit               | 3.00                    | 3.00                    |
| Taxation Matters                            | -                       | -                       |
| Out of pocket expenses                      | -                       | -                       |
| <b>Total</b>                                | <b>3.00</b>             | <b>3.00</b>             |

## 26. Contingent Liabilities:

- Bank guarantees amounting to ₹ 23.51 Lakhs(PY:₹144.82 Lakhs) in favour of DGFT & Customs, . 444.53 Lakhs (PY:₹.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<br>March 31, 2024 | As at<br>March 31, 2023 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each period:</b>                                                                                                                                                                    |                         |                         |
| 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:

(Amount in 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 RELATIONSHIP WITH 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<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|-------------------------------------------------|----------------------|--------------------------------------|--------------------------------------|
| <b>Purchase of goods:</b>                       |                      |                                      |                                      |
| 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                             |
| <b>Total</b>                                    |                      | <b>29,700.38</b>                     | <b>27,172.73</b>                     |
| <b>Sale of goods:</b>                           |                      |                                      |                                      |
| 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                             |
| <b>Total</b>                                    |                      | <b>26,551.17</b>                     | <b>12,508.16</b>                     |
| <b>For various expenses</b>                     |                      |                                      |                                      |
| 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                                 |
| <b>Total</b>                                    |                      | <b>72.14</b>                         | <b>99.14</b>                         |
| <b>For Rent Income</b>                          |                      |                                      |                                      |
| Uniza Lifecare Private Limited                  | Associate Firm       | 3.33                                 | 4.85                                 |
| <b>Total</b>                                    |                      | <b>4.85</b>                          | <b>-</b>                             |
| <b>Interest Income</b>                          |                      |                                      |                                      |
| 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                            |
| <b>Total</b>                       |                 | <b>300.04</b>                     | <b>539.55</b>                     |
| <b>Remuneration:</b>               |                 |                                   |                                   |
| 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                              |
| <b>Total</b>                       |                 | <b>11.40</b>                      | <b>12.77</b>                      |
| <b>Donation Expenditure</b>        |                 |                                   |                                   |
| Pashupati Healthcare Foundation    | Associate Firm  | 3.72                              | 1.65                              |
| <b>Investment- Current Capital</b> |                 |                                   |                                   |
| 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)                          | -                                 |
| <b>Total</b>                       |                 | <b>562.86</b>                     | <b>(1,031.21)</b>                 |
| <b>Investment:</b>                 |                 |                                   |                                   |
| 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                            |
| <b>Total</b>                       |                 | <b>4,276.48</b>                   | <b>3,413.59</b>                   |
| <b>Trade Receivables:</b>          |                 |                                   |                                   |
| 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                            | -                                 |
| <b>Total</b>                       |                 | <b>2,294.55</b>                   | <b>2,459.73</b>                   |
| <b>Advance from Debtors:</b>       |                 |                                   |                                   |
| R V Enterprises                    | Associate Firm  | -                                 | 152.56                            |
| <b>Total</b>                       |                 | <b>-</b>                          | <b>152.56</b>                     |
| <b>Advance to Creditors:</b>       |                 |                                   |                                   |
| R V Enterprises                    | Associate Firm  | -                                 | 674.00                            |
| <b>Total</b>                       |                 | <b>-</b>                          | <b>674.00</b>                     |
| <b>Trade Payables</b>              |                 |                                   |                                   |
| R V Enterprises                    | Associate Firm  | 382.16                            | -                                 |
| Pashupati Cotton Industries        | Associate Firm  | 413.69                            | -                                 |
| Pashupati Cotyarn LLP              | Subsidiary Firm | 6.96                              | -                                 |
| <b>Total</b>                       |                 | <b>802.81</b>                     | <b>-</b>                          |

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 1<sup>st</sup> 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<br>To: 31/03/2024 | From: 01/04/2022<br>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<br>To: 31/03/2024 | From: 01/04/2022<br>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<br>To: 31/03/2024 | From: 01/04/2022<br>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<br>To: 31/03/2024 | From: 01/04/2022<br>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<br>To: 31/03/2024                     | From: 01/04/2022<br>To: 31/03/2023                     |
|---------------------------------------------------|--------------------------------------------------------|--------------------------------------------------------|
| Normal Retirement Age                             | 60 Years                                               | 60 Years                                               |
| Salary                                            | Last drawn<br>qualifying salary                        | Last drawn<br>qualifying salary                        |
| Vesting Period                                    | 5 Years of service                                     | 5 Years of service                                     |
| Benefits on Normal Retirement                     | 15/26 * Salary * Past<br>Service (yr)                  | 15/26 * Salary * Past<br>Service (yr)                  |
| Benefit on early exit due to death and disability | As above except<br>that no vesting<br>conditions apply | As above except<br>that no vesting<br>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            |
| <b>Total Liability</b>            | <b>178.09</b>     | <b>128.37</b>     |

**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<br>To: 31/03/2024 | From: 01/04/2021<br>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)                                  | -                                  | -                                  |
| <b>Closing gross defined benefit liability/ (asset)</b> | <b>178.09</b>                      | <b>128.37</b>                      |

# 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 | -           | -           |
| <b>TOTAL</b>          | <b>3.00</b> | <b>3.00</b> |

## 34. Details of Goods Imported:-

(₹ in Lakhs)

|                                        | 2023-24         | 2022-23         |
|----------------------------------------|-----------------|-----------------|
| <b>1. CIF value of goods imported:</b> |                 |                 |
| (a) Cotton                             | -               | -               |
| (b) Stores and Spares                  | 57.71           | 50.37           |
| (c) Plant and Machinery                | -               | -               |
| <b>TOTAL</b>                           | <b>57.71</b>    | <b>50.37</b>    |
| <b>2. Consumption:-</b>                |                 |                 |
| (a.) Raw Materials:                    |                 |                 |
| (i) Imported goods                     | -               | -               |
| (ii) Indigenous goods:                 |                 |                 |
| Cotton                                 | 56052.67        | 37458.56        |
| Cotton yarn                            | -               | -               |
| <b>TOTAL</b>                           | <b>56052.67</b> | <b>55515.06</b> |
| Imported                               | 0%              | 0%              |
| Indigenous                             | 100%            | 100%            |
| (b.) Stores and Spares:                |                 |                 |
| (i) Imported goods                     | 68.75           | 50.37           |
| (ii) Indigenous goods                  | 20.48           | 63.38           |
| <b>TOTAL</b>                           | <b>89.23</b>    | <b>114.05</b>   |
| 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         | -        |
| <b>TOTAL</b>                | <b>658.45</b> | <b>-</b> |

## 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         |
| <b>TOTAL</b>                                  | <b>73.49</b> | <b>51.59</b> |

## 37. 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<br>Guarantee given by Promoter group. | 60 months | 8.30% p.a.       |
| 2       | Punjab National Bank | Cash Credit        | 4,686                         | <b>Primary Security:</b><br>1 <sup>st</sup> 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                          | 2 <sup>nd</sup> 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.<br>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.<br>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                         | <p><b>Primary Security:</b></p> <ol style="list-style-type: none"> <li>Pari passu charge 1<sup>st</sup> charge with PNB by way of hypothecation of Stock, receivables and entire current assets of the unit. Hypothecation of Stock &amp; Receivables.</li> <li>Pari passu charge 2<sup>nd</sup> 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.</li> <li>Pari passu charge 2<sup>nd</sup> 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.</li> <li>Hypothecation (Sole Charge) over Plant &amp; Machinery purchased out of (Hybrid Project). Bank Finance</li> </ol> <p><b>Collateral Security:</b></p> <ol style="list-style-type: none"> <li>Pari passu charge 1<sup>st</sup> charge with PNB on Residential property Plot No: A-1 of Someshwar Park Co-op Housing Society bearing Revenue S No: 320/1 of Town Kadi, District: Mehsana.</li> <li>Pari passu charge 1<sup>st</sup> charge with PNB on Residential Property Plot No: 4 with construction of one Bungalow of Shurbhi Society bearing No: 1389 of Town Kadi, Ta. Kadi District Mehsana.</li> <li>Pari passu charge 1<sup>st</sup> 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.</li> <li>Pari passu charge 1<sup>st</sup> 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 sim village hansalpur Ta. Mandal District Ahmedabad.</li> <li>Pari passu charge 1<sup>st</sup> charge with PNB on Residential property of land of Plot No: 4 of Royal View Co-op Housing Society with construction of one Bungalow bearing Revenue S No: 342/1 is situated in Ta. Kadi Dist. Mehsana.</li> </ol> <p>Guarantee given by Promoter group.</p> | -      | 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                         | <p>Exclusive charge by way of Equitable mortgage on immovable collateral security</p> <p>(1) Industrial Godown, Survey No. 919/1, Kadi Detroj road, Kadi (Old Survey 404/1) in the name of Pashupati Cotspin Limited.</p> <p>(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</p> <p>(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.</p> <p>Exclusive charge by way of Hypothecation on Solar Assets acquired by the Company out of mentioned term loan.</p> <p>Guarantee given by Promoter group.</p>                                                                                                                                                                  | 72 months                 | 9.38% p.a.               |
| 6       | Punjab National Bank<br>State Bank of India | Term Loan          | 4732                          | <p>EM of factory land &amp; building (Spinning unit) at S. No. 404/2 adm. 52500 sq. Mt at Balasar, Ta-Kadi, Distt. Mehsana</p> <p>EM of factory land &amp; building (Ginning unit) at S. No. 404/1 adm. 25000 Sq. Mt at Balasar, Ta-Kadi, Distt. Mehsana</p> <p><b>Collateral Security:</b></p> <p>Hypothecation/Mortgage of Block Assets Residential House property of Directors and other guarantors</p> <p>Guarantee given by Promoter group.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 60 months<br>60 months    | 8.30% p.a.<br>8.30% p.a. |
| 7       | State Bank of India                         | Term Loan          | 2,458                         | <p>1. Pari passu charge 1<sup>st</sup> charge with PNB by way of hypothecation of Stock, receivables and entire current assets of the unit. Hypothecation of Stock &amp; Receivables</p> <p>2. Pari passu charge 2<sup>nd</sup> 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.</p> <p>3. Pari passu charge 2<sup>nd</sup> 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.</p> <p>4. Hypothecation (Sole Charge) over Plant &amp; Machinery purchased out of Bank Finance (Hybrid Project). \Guarantee given by Promoter group.</p> <p>Guarantee given by Promoter group.</p> | 84 Months<br>[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                           | <ol style="list-style-type: none"> <li>1. Pari passu charge 1<sup>st</sup> Khata no 328 of Block No 28,(Old Block No.97 Paiki1) Near Fuji Hotel, Nr.Crystal Complex, Viramgam Becharaji Road, Hansalpur, Ta-Mandal, Dist Ahmedabad-382120. Gujarat. (15220.00 Sq Yards)</li> <li>2. Pari passu charge 2<sup>nd</sup> Khata no 327 of Block No 60, (Old Block No.87) Near Fuji Hotel, Nr.Crystal Complex, Viramgam Becharaji Road, - Hansalpur, Ta Mandal,DistAhmedabad. 382120Gujarat. (15049.00 Sq Yards)</li> <li>3. .Pari passu charge 3<sup>rd</sup> Khata no 1126 of Block No 683, (Old Block No.649) Near Fuji Hotel, Nr.Crystal Complex, ViramgamBecharaji Road, Sitapur, Ta-Mandal, Dist Ahmedabad, Gujarat. (23111.00 Sq Yards)</li> <li>4. Pari passu charge 4<sup>th</sup> Khata no 326 of Block No.38,(Old Block No.91) Near Fuji Hotel, Nr.Crystal Complex, Viramgam Becharaji Road, Hansalpur, Ta-Mandal, Dist - Ahmedabad, Gujarat (25130.00 Sq Yards)</li> </ol> <p>Guarantee given by Promoter group.</p> |        |                  |

**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:

- 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 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 31 <sup>st</sup> March 2024 | Ratio as on 31 <sup>st</sup> March 2023 | Ratio as on 31 <sup>st</sup> 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 in operation. |
|        | 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                                    |                                          |                                         |                                         |             |                                                                                                                           |
|        | Profit 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:-

- Provision of expenses being not considered in statements submitted to bank,
- Amounts of trade payables and trade receivables are shown net off advances to suppliers and advances from customers respectively in statements submitted to bank.
- 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 referred 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                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Measurement and Recognition of State Subsidy Receivable</b><br><p>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.</p> <p>The Government of Gujarat, made certain amendments to modalities for sanction and disbursement of the refund of such taxes under the new GST regime.</p> | <b>Principal Audit Procedures</b><br><p>We have performed the following procedures in relation to the Recognition of State Subsidy Receivable with respect to State Tax (SGST):</p> <ul style="list-style-type: none"> <li>➤ 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.</li> <li>➤ 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.</li> <li>➤ 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.</li> <li>➤ 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.</li> </ul> |

### 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 policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 consolidated 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. 177.09 Lakhs 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 Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement, dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid 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 or 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

Place: Ahmedabad  
Date: 25.05.2024

Membership No.-045706  
UDIN:24045706BKAJVQ3661



# BALANCE SHEET

AS AT 31<sup>st</sup> March, 2024

(₹ in Lakhs)

| PARTICULARS                                                                | Note No. | As at 31.03.2024 | As at 31.03.2023 |
|----------------------------------------------------------------------------|----------|------------------|------------------|
| <b>A EQUITY &amp; LIABILITIES</b>                                          |          |                  |                  |
| <b>1 SHARE HOLDERS FUND</b>                                                |          |                  |                  |
| (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)     | -                | -                |
| <b>2 MINORITY INTEREST</b>                                                 |          | <b>64.19</b>     | <b>73.76</b>     |
| <b>3 NONCURRENT LIABILITIES</b>                                            |          |                  |                  |
| (a) Long Term Borrowings                                                   | 3        | 4,583.80         | 5,116.11         |
| (b) Deferred Tax Liability                                                 | 4        | 879.89           | 616.13           |
| (c) Other Long Term Liabilities                                            | 5        | 15.02            | 15.77            |
| (d) Long Term Provisions                                                   | 6        | 134.54           | 107.82           |
| <b>4 CURRENT LIABILITIES</b>                                               |          |                  |                  |
| (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            |
| <b>Total</b>                                                               |          | <b>31,104.95</b> | <b>30,878.87</b> |
| <b>B ASSETS</b>                                                            |          |                  |                  |
| <b>1 NON CURRENT ASSETS</b>                                                |          |                  |                  |
| (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           |
| <b>2 CURRENT ASSETS</b>                                                    |          |                  |                  |
| (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           |
| <b>Total</b>                                                               |          | <b>31,104.95</b> | <b>30,878.87</b> |
| 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

**For Pashupati Cotspin Limited**

**Saurinbhai J. Parikh**

Managing Director

(DIN: 02136530)

**Hareshkumar Shah**

Chief Financial Officer

**Tushar R. Trivedi**

Whole Time Director

(DIN: 06438707)

**Nisarg Shah**

Company Secretary

Place: Ahmedabad

Date: 25/05/2024

Place: Ahmedabad

Date: 25/05/2024

Place: Ahmedabad

Date: 25/05/2024

# STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31<sup>st</sup> 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 |
|----------------------------------------------------------|----------|----------------------------------------------|----------------------------------------------|
| <b>INCOME</b>                                            |          |                                              |                                              |
| 1 Revenue from Operations (Gross)                        | 20       | 66,067.98                                    | 44,282.74                                    |
| Less: Excise Duty                                        |          | -                                            | -                                            |
| <b>Revenue from Operations (Net)</b>                     |          | <b>66,067.98</b>                             | <b>44,282.74</b>                             |
| 2 Other Income                                           | 21       | 841.07                                       | 904.76                                       |
| <b>3 Total Revenue</b>                                   |          | <b>45,187.51</b>                             | <b>45,187.51</b>                             |
| <b>4 EXPENDITURE</b>                                     |          |                                              |                                              |
| (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                                     | 1,131.41                                     |
| (f) Depreciation                                         | 11       | 1,182.35                                     | 926.25                                       |
| (g) Other Expenses                                       | 25       | 3,605.51                                     | 3,220.36                                     |
| <b>Total Expenses</b>                                    |          | <b>65,792.05</b>                             | <b>44,596.63</b>                             |
| <b>5 Profit/(Loss) Before Tax &amp; Exceptional Item</b> |          | <b>1,117.00</b>                              | <b>590.88</b>                                |
| Exceptional Item                                         |          | -                                            | -                                            |
| <b>6 Profit/ (Loss) Before Tax</b>                       |          | <b>1,117.00</b>                              | <b>590.88</b>                                |
| <b>Tax Expense:</b>                                      |          |                                              |                                              |
| (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                                         |
| <b>7 Profit/(Loss) After Tax</b>                         |          | <b>830.22</b>                                | <b>387.62</b>                                |
| <b>Share of Loss of Minority Interest</b>                |          | <b>-0.17</b>                                 | <b>-0.23</b>                                 |
| <b>Profit for the Year</b>                               |          | <b>830.39</b>                                | <b>387.86</b>                                |
| <b>Earnings per equity share:</b>                        |          |                                              |                                              |
| (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



# CASH FLOW STATEMENT

FOR THE YEAR ENDED 31<sup>st</sup> March, 2024

| Particulars                                                   | Year ended<br>on 2023-24 | Year ended<br>on 2022-23 |
|---------------------------------------------------------------|--------------------------|--------------------------|
| <b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>                 |                          |                          |
| Net Profit before tax as per Profit & Loss A/c                | 1117.00                  | 590.88                   |
| <b>Adjustments:</b>                                           |                          |                          |
| 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                 |
| <b>Adjusted for :</b>                                         |                          |                          |
| 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                    |
| <b>Cash generated from operations</b>                         | <b>5584.95</b>           | <b>6,428.33</b>          |
| Extraordinary Income                                          | (29.40)                  | (519.28)                 |
| Direct Tax Paid                                               |                          |                          |
| <b>Net Cash from Operating Activities (a)</b>                 | <b>5555.55</b>           | <b>5,909.05</b>          |
| <b>B) Cash Flow from Investing Activities :</b>               |                          |                          |
| Purchase of Fixed Assets                                      | (833.18)                 | (6,081.09)               |
| Investments                                                   | (1246.05)                | 1,194.02                 |
| Interest Received                                             | 568.68                   | 605.23                   |
| <b>Net Cash used in Investing Activities (b)</b>              | <b>(1,510.55)</b>        | <b>(4,281.83)</b>        |
| <b>C) Cash Flow from Financing Activities</b>                 |                          |                          |
| 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)                 |
| <b>Net Cash from financing Activities(c)</b>                  | <b>(4,095.64)</b>        | <b>(1,662.79)</b>        |
| <b>Net Increase in cash &amp; cash equivalents (a+b+c)</b>    | <b>(50.64)</b>           | <b>(35.57)</b>           |
| 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 and Pashupati Cotspin Limited's shareholding therein is as under:

**The reporting date for all the entities is 31<sup>st</sup> March 2024 except otherwise specified.**

| Sr. No. | Name of Company/Firm  | Country of Incorporation | Relationship | Shareholding at              |                              |
|---------|-----------------------|--------------------------|--------------|------------------------------|------------------------------|
|         |                       |                          |              | 31 <sup>st</sup> March' 2024 | 31 <sup>st</sup> March' 2023 |
| 1       | Pashupati Cotyarn LLP | India                    | Subsidiary   | 99.00%                       | 99.00%                       |

### [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 & 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 StraightLine 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 & 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 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.

# 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      |
| <b>Authorised Share Capital</b>         |                      |                 |                     |                 |
| Equity Shares of Rs 10/- each           | 15,500,000           | 1,550.00        | 15,500,000          | 1,550.00        |
| <b>Issued</b>                           |                      |                 |                     |                 |
| Equity Shares of Rs 10/- each           | 15,284,000           | 1,528.40        | 15,284,000          | 1,528.40        |
| <b>Subscribed &amp; Paid up</b>         |                      |                 |                     |                 |
| Equity Shares of ₹ 10/- each fully paid | 15,284,000           | 1,528.40        | 15,284,000          | 1,528.40        |
| <b>Total</b>                            | <b>15,284,000</b>    | <b>1,528.40</b> | <b>15,284,000</b>   | <b>1,528.40</b> |

### 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                     | -                    | -               | -                   | -               |
| <b>Shares outstanding at the end of the year</b>       | <b>15,284,000</b>    | <b>1,528.40</b> | <b>15,284,000</b>   | <b>1,528.40</b> |

### 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 |
|--------------------------------|-----------------|-------------------|--------------------------|
| DaksheshJayantilal Patel       | 525000          | 525000            | -                        |
| BhaveshkumarJayantilal Patel   | 791000          | 5.18              | -                        |
| FalguniMitesh Parikh           | 1733000         | 11.34             | -                        |
| HariprabhaAravindbhai Parikh   | 1583000         | 10.36             | -                        |
| SaurinJagdish Bhai Parikh      | 2333000         | 15.26             | -                        |
| Ashish Rameshchandra Trivedi   | 904000          | 5.91              | -                        |
| TusharRameshchandra Trivedi    | 339000          | 2.22              | -                        |
| RenukabenJagdishchandra Parikh | 1583000         | 10.36             | -                        |
| Patel MinabenDaksheshbhai      | 266000          | 1.74              | -                        |
| PashupatiTexspin Export LLP    | 1080000         | 7.07              | -                        |
| NiraliRajendra Desai           | 25600           | 0.17              | -                        |
| <b>Total</b>                   | <b>11163000</b> | <b>73.03</b>      |                          |

## 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 |
|--------------------------------|-----------------|-------------------|--------------------------|
| DaksheshJayantilal 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              | -                        |
| <b>Total</b>                   | <b>11163000</b> | <b>73.03</b>      |                          |

## 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<br>31 March, 2024 | As at<br>31 March, 2023 |
|--------------------------------------------------------|-------------------------|-------------------------|
| <b>(i) Share Securities Premium</b>                    |                         |                         |
| As per Last Balance Sheet                              | 4,259.60                | 4,259.60                |
| (+) Additions during the year                          | -                       | -                       |
| (-) Utilised during the year                           | -                       | -                       |
| <b>Closing Balance (a)</b>                             | <b>4,259.60</b>         | <b>4,259.60</b>         |
| <b>(iii) Surplus in Statement of Profit &amp; Loss</b> |                         |                         |
| 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)                |
| <b>Closing Balance (b)</b>                             | <b>6,089.16</b>         | <b>5,373.40</b>         |
| <b>Total (a)+(b)</b>                                   | <b>10,348.76</b>        | <b>9,633.00</b>         |

## NOTE 3: LONG TERM BORROWINGS

(₹ in Lakhs)

| Particulars                                | As at<br>31 March, 2024 | As at<br>31 March, 2023 |
|--------------------------------------------|-------------------------|-------------------------|
| <b>Term Loans (Secured)*</b>               |                         |                         |
| a) From Banks                              | 6,905.70                | 7,756.17                |
| Less: Current Maturities of long term debt | (2,321.90)              | (2,640.06)              |
| <b>Total</b>                               | <b>4,583.80</b>         | <b>5,116.11</b>         |

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

## NOTE 4: DEFERRED TAX LIABILITY

(₹ in Lakhs)

| Particulars                       | As at<br>31 March, 2024 | As at<br>31 March, 2023 |
|-----------------------------------|-------------------------|-------------------------|
| Deferred Tax Liability            | 616.13                  | 453.34                  |
| Add/Less: Deferred Tax Obligation | 263.76                  | 162.79                  |
| <b>Total</b>                      | <b>879.89</b>           | <b>616.13</b>           |

## NOTE 5: OTHER LONG TERM LIABILITIES

(₹ in Lakhs)

| Particulars   | As at<br>31 March, 2024 | As at<br>31 March, 2023 |
|---------------|-------------------------|-------------------------|
| Staff Deposit | 15.02                   | 15.77                   |
| <b>Total</b>  | <b>15.02</b>            | <b>15.77</b>            |

## NOTE 6: LONG TERM PROVISIONS

(₹ in Lakhs)

| Particulars                               | As at<br>31 March, 2024 | As at<br>31 March, 2023 |
|-------------------------------------------|-------------------------|-------------------------|
| <b>Provision- From Employment Benefit</b> |                         |                         |
| Gratuity                                  | 134.54                  | 107.82                  |
| <b>Total</b>                              | <b>134.54</b>           | <b>145.97</b>           |

# Notes forming part of the Financial Statements

## NOTE 7: SHORT TERM BORROWINGS

(₹ in Lakhs)

| Particulars                                | As at<br>31 March, 2024 | As at<br>31 March, 2023 |
|--------------------------------------------|-------------------------|-------------------------|
| <b>Secured</b>                             |                         |                         |
| Current Maturities of Long Term Borrowings | 2,321.89                | 2,640.06                |
| Working Capital Loan From Bank (Secured)   | 8,153.61                | 9,572.54                |
| <b>Total</b>                               | <b>10,475.50</b>        | <b>12,212.61</b>        |

\*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<br>31 March, 2024 | As at<br>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                  |
| <b>Total</b>                                                               | <b>2,692.83</b>         | <b>798.92</b>           |

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         | -                | -            | -         | -                 | -               |
| <b>TOTAL BILLED AND DUE (A)</b>     | <b>2,663.02</b>  | <b>29.82</b> | <b>-</b>  | <b>-</b>          | <b>2,692.83</b> |
| UNBILLED DUES (B)                   | -                | -            | -         | -                 | -               |
| <b>TOTAL TRADE PAYABLES (A + B)</b> | <b>2,663.02</b>  | <b>29.82</b> | <b>-</b>  | <b>-</b>          | <b>2,692.83</b> |

### 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         | -                | -            | -           | -                 | -             |
| <b>TOTAL BILLED AND DUE (A)</b>     | <b>769.27</b>    | <b>29.61</b> | <b>0.03</b> | <b>-</b>          | <b>798.92</b> |
| UNBILLED DUES (B)                   | -                | -            | -           | -                 | -             |
| <b>TOTAL TRADE PAYABLES (A + B)</b> | <b>769.27</b>    | <b>29.61</b> | <b>0.03</b> | <b>-</b>          | <b>798.92</b> |

## NOTE 9: OTHER CURRENT LIABILITIES

(₹ in Lakhs)

| Particulars           | As at<br>31 March, 2024 | As at<br>31 March, 2023 |
|-----------------------|-------------------------|-------------------------|
| Statutory Remittances | 133.96                  | 353.85                  |
| Other Payables        | 121.26                  | 146.33                  |
| Advance from Customer | 42.72                   | 236.06                  |
| <b>Total</b>          | <b>297.94</b>           | <b>736.24</b>           |



# Notes forming part of the Financial Statements

## NOTE 10: SHORT TERM PROVISIONS

(₹ in Lakhs)

| Particulars                                                      | As at<br>31 March, 2024 | As at<br>31 March, 2023 |
|------------------------------------------------------------------|-------------------------|-------------------------|
| Provision for Income Tax (Net of Advance Tax and TDS Receivable) | -                       | (6.34)                  |
| <b>Provision for Employee Benefits</b>                           |                         |                         |
| Gratuity                                                         | 43.55                   | 20.55                   |
| Bonus                                                            | 62.27                   | 47.63                   |
| <b>Total</b>                                                     | <b>105.82</b>           | <b>61.84</b>            |

## NOTE - 11 : Property Plant & Equipment :

(₹ in Lakhs)

|    | Particulars                      | Gross Block At Cost                        |                                 |                                                                      |                                             | Depreciation                               |                                                        |                                                 |                                             | Net Block                                   |                                             |
|----|----------------------------------|--------------------------------------------|---------------------------------|----------------------------------------------------------------------|---------------------------------------------|--------------------------------------------|--------------------------------------------------------|-------------------------------------------------|---------------------------------------------|---------------------------------------------|---------------------------------------------|
|    |                                  | Opening<br>Balance<br>As on 1-Apr-<br>2023 | Additions<br>During the<br>Year | Adjustment \<br>Deductions \<br>Reclassifications<br>During the year | Closing<br>Balance<br>as on 31-Mar-<br>2024 | Opening<br>Balance<br>As on 1-Apr-<br>2023 | Depreciation<br>for the<br>period up to<br>31-Mar-2024 | Adjustment<br>\Deductions<br>During the<br>year | Closing<br>Balance<br>as on 31-<br>Mar-2024 | Closing<br>Balance<br>as on 31-<br>Mar-2024 | Closing<br>Balance<br>as on 31-<br>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                                        |
|    | <b>Total</b>                     | <b>21,385.52</b>                           | <b>3,477.11</b>                 | <b>7.75</b>                                                          | <b>24,854.87</b>                            | <b>9,842.58</b>                            | <b>1,182.35</b>                                        | <b>-</b>                                        | <b>11,024.92</b>                            | <b>13,829.96</b>                            | <b>11,542.96</b>                            |

## NOTE 12 : Non Current Investment

(₹ in Lakhs)

| Particulars                       | As at<br>31 March, 2024 | As at<br>31 March, 2023 |
|-----------------------------------|-------------------------|-------------------------|
| <b>Other Investment</b>           |                         |                         |
| Investment in Corporate Entities# | 110.45                  | 115.30                  |
| Investment in Shares              | 12.50                   |                         |
| <b>Total</b>                      | <b>122.95</b>           | <b>115.30</b>           |

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

(₹ in Lakhs)

| Name of the Company          | As at<br>31 March, 2024 | As at<br>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<br>31 March, 2024 | As at<br>31 March, 2023 |
|-----------------------------------|-------------------------|-------------------------|
| <b>Unsecured, Considered Good</b> |                         |                         |
| Deposits others                   | 0.55                    | 0.34                    |
| Capital Advances                  | 650.00                  | 850.00                  |
| <b>Total</b>                      | <b>650.55</b>           | <b>850.34</b>           |

## NOTE 14: INVENTORIES

(At Lower of Cost or Net Realisable Value)

(₹ in Lakhs)

| Particulars                        | As at<br>31 March, 2024 | As at<br>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                  |
| <b>Total</b>                       | <b>4,138.37</b>         | <b>3,526.45</b>         |

## NOTE 15 : CURRENT INVESTMENT

(₹ in Lakhs)

| Particulars                      | As at<br>31 March, 2024 | As at<br>31 March, 2023 |
|----------------------------------|-------------------------|-------------------------|
| <b>Other Investment</b>          |                         |                         |
| Investment in Corporate Entities | 3,808.11                | 2,595.93                |
| <b>Total</b>                     | <b>3,808.11</b>         | <b>2,595.93</b>         |

\*\* 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<br>31 March, 2024 | As at<br>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<br>31 March, 2024 | As at<br>31 March, 2023 |
|--------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>Unsecured, Considered Good</b>                                                                      |                         |                         |
| 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                   |
| <b>Unsecured, Considered Doubtful</b>                                                                  |                         |                         |
| 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)                  |
| <b>Total</b>                                                                                           | <b>6,212.75</b>         | <b>6,398.95</b>         |

# 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     | -                  | -                 | -            | -         | -                 | -               |
| <b>TOTAL BILLED AND DUE (A)</b>                         | <b>6,135.94</b>    | <b>61.82</b>      | <b>15.95</b> | <b>-</b>  | <b>0.01</b>       | <b>6,213.73</b> |
| <b>UNBILLED DUES (B)</b>                                | <b>-</b>           | <b>-</b>          | <b>-</b>     | <b>-</b>  | <b>-</b>          | <b>-</b>        |
| <b>TOTAL TRADE RECEIVABLES (A + B)</b>                  | <b>6,135.94</b>    | <b>61.82</b>      | <b>15.95</b> | <b>-</b>  | <b>0.01</b>       | <b>6,213.73</b> |
| Less: Provision for Expected Credit Loss                | -                  | -                 | -            | -         | -0.98             | -0.98           |
| <b>TOTAL NET TRADE RECEIVABLES</b>                      | <b>6,135.94</b>    | <b>61.82</b>      | <b>15.95</b> | <b>-</b>  | <b>-0.96</b>      | <b>6,212.73</b> |

**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     | -                  | -                 | -           | -           | -                 | -               |
| <b>TOTAL BILLED AND DUE (A)</b>                         | <b>6,354.03</b>    | <b>41.35</b>      | <b>3.55</b> | <b>0.07</b> | <b>0.93</b>       | <b>6,399.93</b> |
| <b>UNBILLED DUES (B)</b>                                | <b>-</b>           | <b>-</b>          | <b>-</b>    | <b>-</b>    | <b>-</b>          | <b>-</b>        |
| <b>TOTAL TRADE RECEIVABLES (A + B)</b>                  | <b>6,354.03</b>    | <b>41.35</b>      | <b>3.55</b> | <b>0.07</b> | <b>0.93</b>       | <b>6,399.93</b> |
| Less: Provision for Expected Credit Loss                | -                  | -                 | -           | -           | -0.98             | -0.98           |
| <b>TOTAL NET TRADE RECEIVABLES</b>                      | <b>6,354.03</b>    | <b>41.35</b>      | <b>3.55</b> | <b>0.07</b> | <b>-0.05</b>      | <b>6,398.95</b> |

## NOTE 17: CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

| Particulars                       | As at 31 March, 2024 | As at 31 March, 2023 |
|-----------------------------------|----------------------|----------------------|
| <b>Balances with Banks</b>        |                      |                      |
| In Current Accounts               | 2.15                 | 2.09                 |
| Cash on Hand                      | 0.47                 | 0.38                 |
| <b>Fixed Deposits Under Lien#</b> |                      |                      |
| Against Borrowings                | 0.00                 | 25.29                |
| Against Guarantees                | 197.32               | 222.82               |
| <b>Total</b>                      | <b>199.18</b>        | <b>250.58</b>        |

# 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 |
|-----------------------------------------------|----------------------|----------------------|
| <b>Unsecured, Considered Good</b>             |                      |                      |
| 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             |
| <b>Total</b>                                  | <b>1,400.42</b>      | <b>2,260.87</b>      |

# Notes forming part of the Financial Statements

## NOTE 19: OTHER CURRENT ASSETS

(₹ in Lakhs)

| Particulars                | As at<br>31 March, 2024 | As at<br>31 March, 2023 |
|----------------------------|-------------------------|-------------------------|
| Textile Benefit Receivable | 751.92                  | 701.31                  |
| <b>Total</b>               | <b>751.92</b>           | <b>701.31</b>           |

## NOTE 20: REVENUE FROM OPERATIONS

(₹ in Lakhs)

| Particulars                               | For the year<br>2022-23 | For the year<br>2021-22 |
|-------------------------------------------|-------------------------|-------------------------|
| <b>Sale of Goods</b>                      |                         |                         |
| 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               |
| <b>Total</b>                              | <b>65,335.14</b>        | <b>37,011.11</b>        |
| <b>Less : Rebate &amp; Goods Returned</b> | <b>-43.47</b>           | <b>-230.37</b>          |
|                                           | <b>65,291.67</b>        | <b>36,780.74</b>        |
| <b>Sale of Services</b>                   |                         |                         |
| Other Operating Revenues                  | 776.31                  | 7,502.00                |
| <b>Total</b>                              | <b>66,067.98</b>        | <b>44,282.74</b>        |

## NOTE 21: OTHER INCOME

(₹ in Lakhs)

| Particulars               | For the year<br>2023-24 | For the year<br>2022-23 |
|---------------------------|-------------------------|-------------------------|
| Interest Income           | 568.69                  | 605.23                  |
| Other Income              | 272.38                  | 273.83                  |
| Share of profit from firm | -                       | 25.70                   |
| <b>Total</b>              | <b>841.07</b>           | <b>904.76</b>           |

## NOTE 22.a: COST OF MATERIALS CONSUMED

(₹ in Lakhs)

| Particulars         | For the year<br>2023-24 | For the year<br>2022-23 |
|---------------------|-------------------------|-------------------------|
| Opening Stock       | 586.37                  | 2,655.58                |
| Add: Purchases      | 56,088.30               | 35,399.60               |
| Less: Closing Stock | 622.00                  | -586.37                 |
| <b>Total</b>        | <b>56,052.67</b>        | <b>37,468.81</b>        |

# Notes forming part of the Financial Statements

## NOTE 22.b: CHANGES IN INVENTORIES OF FINISHED GOODS

(₹ in Lakhs)

| Particulars                                      | For the year<br>2023-24 | For the year<br>2022-23 |
|--------------------------------------------------|-------------------------|-------------------------|
| <b>Inventories at the End of the Year:</b>       |                         |                         |
| Finished Goods                                   | 2,481.78                | 2,165.80                |
| Stores, Spares & Packing Material                | 494.13                  | 404.89                  |
| Work in process                                  | 540.46                  | 369.39                  |
|                                                  | <b>3,516.37</b>         | <b>2,940.08</b>         |
| <b>Inventories at the Beginning of the Year:</b> |                         |                         |
| Finished Goods                                   | 2,165.80                | 2,889.58                |
| Stores, Spares & Packing Material                | 404.89                  | 290.84                  |
| Work in process                                  | 369.39                  | 395.51                  |
|                                                  | <b>2,940.08</b>         | <b>3,515.75</b>         |
| <b>Total</b>                                     | <b>-576.28</b>          | <b>635.85</b>           |

## NOTE 23: EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

| Particulars                                | For the year<br>2023-24 | For the year<br>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                   |
| <b>Total</b>                               | <b>1,558.97</b>         | <b>1,213.94</b>         |

## NOTE 24: FINANCE COST

(₹ in Lakhs)

| Particulars          | For the year<br>2023-24 | For the year<br>2022-23 |
|----------------------|-------------------------|-------------------------|
| Interest Expense     | 1,624.03                | 1,099.79                |
| Other Borrowing Cost | 78.16                   | 31.62                   |
| <b>Total</b>         | <b>1702.19</b>          | <b>1,131.41</b>         |

# Notes forming part of the Financial Statements

## NOTE 25: OTHER EXPENSES

(₹ in Lakhs)

| Particulars                                 | For the year<br>2023-24 | For the year<br>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                       | -                       | -                       |
| <b>Repairing &amp; Maintenance:-</b>        |                         |                         |
| 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                  |
| <b>Total</b>                                | <b>3,605.51</b>         | <b>3,220.36</b>         |

### Note: 25.1: Auditors Remuneration

(₹ in Lakhs)

| Particulars                                 | For the year<br>2023-24 | For the year<br>2022-23 |
|---------------------------------------------|-------------------------|-------------------------|
| <b>Payments to the Auditors comprises :</b> |                         |                         |
| As Auditors - Statutory Audit               | 3.00                    | 3.00                    |
| Taxation Matters                            | -                       | -                       |
| Out of pocket expenses                      | -                       | -                       |
| <b>Total</b>                                | <b>3.00</b>             | <b>3.00</b>             |

# Notes forming part of the Financial Statements

## 26. Contingent Liabilities:

- 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.
- 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.
- In respect of Goods and Service Tax Liability of Rs. 566.47 Lakhs (FY 17-18 & FY 18-19 Related to case for Income difference between income shown on portal and income disclosed in books of accounts & wrongly availed Input Tax Credit.)
- Corporate guarantees amounting to Rs. 19,579 in Lakhs in 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<br>March 31, 2024 | As at<br>March 31, 2023 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each period:</b>                                                                                                                                                                    |                         |                         |
| 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.                                                                                                                                                                                                           | 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 Group owes, 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:

(Amount in 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 |
| Bhavesbhai Jayantibhai Patel   | Relative of Partner                    |
| Dakeshbhai Jayantibhai 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  |
| RV 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 |
|---------------------------------------------------------|----------------------|-----------------------------------|-----------------------------------|
| <b>Purchase of goods:</b>                               |                      |                                   |                                   |
| Pashupati Texspin Export LLP                            | Associate Firm       | 2,701.15                          | 119.70                            |
| RV Enterprises                                          | Associate Firm       | 25,344.55                         | 15,287.62                         |
| Pashupati Cotton Industries                             | Associate Firm       | 1,654.68                          | 1,709.08                          |
| <b>Total</b>                                            |                      | <b>29,700.38</b>                  | <b>17,116.40</b>                  |
| <b>Sale of goods:</b>                                   |                      |                                   |                                   |
| Pashupati Texspin Export LLP (Reimbursement of expense) | Associate Firm       | 195.79                            | -                                 |
| Pashupati Texspin Export LLP                            | Associate Firm       | 17891.82                          | 7,380.81                          |
| RV Enterprises                                          | Associate Firm       | 4,024.48                          | 3,121                             |
| Pashupati Cotton Industries                             | Associate Firm       | 4,439.08                          | 2,005.96                          |
| <b>Total</b>                                            |                      | <b>26,551.17</b>                  | <b>12,508.16</b>                  |
| <b>For various expenses</b>                             |                      |                                   |                                   |
| Bhavesbhai Jayantibhai Patel                            | Relative Of Partner  | -                                 | 10.00                             |
| Daksheshbhai Jayantibhai Patel                          | Relative of Director | -                                 | 8.00                              |
| <b>Total</b>                                            |                      | <b>-</b>                          | <b>18.00</b>                      |
| <b>For Brokerage Income</b>                             |                      |                                   |                                   |
| S Raja Export Private Limited                           | Associate Firm       | -                                 | 261.37                            |
| <b>Total</b>                                            |                      | <b>-</b>                          | <b>261.37</b>                     |



## 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 |
|------------------------------------|----------------|-----------------------------------|-----------------------------------|
| <b>For Rent Income</b>             |                |                                   |                                   |
| Uniza Lifecare Private Limited     | Associate Firm | 3.33                              | 4.85                              |
| <b>Total</b>                       |                | <b>3.33</b>                       | <b>4.85</b>                       |
| <b>Interest Income</b>             |                |                                   |                                   |
| 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                            |
| <b>Total</b>                       |                | <b>220.15</b>                     | <b>398.10</b>                     |
| <b>Remuneration:</b>               |                |                                   |                                   |
| Tusharbhai Rameshchandra Trivedi   | KMP            | 2.40                              | 2.23                              |
| Hareshkumar Rameshchandra Shah     | KMP            | 6.00                              | 6.00                              |
| Nisarg Shah                        | KMP            | 3.00                              | 4.54                              |
| <b>Total</b>                       |                | <b>11.40</b>                      | <b>12.77</b>                      |
| <b>Donation Expenditure</b>        |                |                                   |                                   |
| Pashupati Healthcare Foundation    | Associate Firm | 3.72                              | 1.65                              |
| <b>Investment- Current Capital</b> |                |                                   |                                   |
| 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)                          | -                                 |
| <b>Total</b>                       |                | <b>926.75</b>                     | <b>(275.50)</b>                   |
| <b>Investment:</b>                 |                |                                   |                                   |
| 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                            |
| <b>Total</b>                       |                | <b>3,858.14</b>                   | <b>2,711.24</b>                   |
| <b>Trade Receivables:</b>          |                |                                   |                                   |
| 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                            | -                                 |
| <b>Total</b>                       |                | <b>2,294.55</b>                   | <b>2,459.73</b>                   |
| <b>Advance from Debtors:</b>       |                |                                   |                                   |
| R V Enterprises                    | Associate Firm | -                                 | 152.56                            |
| <b>Total</b>                       |                | <b>-</b>                          | <b>152.56</b>                     |
| <b>Advance to Creditors:</b>       |                |                                   |                                   |
| R V Enterprises                    | Associate Firm | -                                 | 674.00                            |
| <b>Total</b>                       |                | <b>-</b>                          | <b>674.00</b>                     |
| <b>Trade Payables</b>              |                |                                   |                                   |
| R V Enterprises                    | Associate Firm | 382.16                            | -                                 |
| Pashupati Cotton Industries        | Associate Firm | 413.69                            | -                                 |
| <b>Total</b>                       |                | <b>795.85</b>                     | <b>-</b>                          |

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 1<sup>st</sup> 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<br>To: 31/03/2024 | From: 01/04/2022<br>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<br>To: 31/03/2024 | From: 01/04/2022<br>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<br>To: 31/03/2024 | From: 01/04/2022<br>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<br>To: 31/03/2024 | From: 01/04/2022<br>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<br>To: 31/03/2024                     | From: 01/04/2022<br>To: 31/03/2023                     |
|---------------------------------------------------|--------------------------------------------------------|--------------------------------------------------------|
| Normal Retirement Age                             | 60 Years                                               | 60 Years                                               |
| Salary                                            | Last drawn<br>qualifying salary                        | Last drawn<br>qualifying salary                        |
| Vesting Period                                    | 5 Years of service                                     | 5 Years of service                                     |
| Benefits on Normal Retirement                     | 15/26 * Salary * Past<br>Service (yr)                  | 15/26 * Salary * Past<br>Service (yr)                  |
| Benefit on early exit due to death and disability | As above except<br>that no vesting<br>conditions apply | As above except<br>that no vesting<br>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            |
| <b>Total Liability</b>            | <b>178.09</b>     | <b>128.37</b>     |

**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<br>To: 31/03/2024 | From: 01/04/2021<br>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)                                  | -                                  | -                                  |
| <b>Closing gross defined benefit liability/ (asset)</b> | <b>178.09</b>                      | <b>128.37</b>                      |

# 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 | -           | -           |
| <b>TOTAL</b>          | <b>5.00</b> | <b>5.00</b> |

## 34. Details of Goods Imported:-

(₹ in Lakhs)

|                                        | 2023-24         | 2022-23         |
|----------------------------------------|-----------------|-----------------|
| <b>1. CIF value of goods imported:</b> |                 |                 |
| (a) Cotton                             | -               | -               |
| (b) Stores and Spares                  | 57.71           | 50.37           |
| (c) Plant and Machinery                | -               | -               |
| <b>TOTAL</b>                           | <b>57.71</b>    | <b>50.37</b>    |
| <b>2. Consumption:-</b>                |                 |                 |
| (a.) Raw Materials:                    |                 |                 |
| (i) Imported goods                     | -               | -               |
| (ii) Indigenous goods:                 |                 |                 |
| Cotton                                 | 56052.67        | 37458.56        |
| Cotton yarn                            | -               | -               |
| <b>TOTAL</b>                           | <b>56052.67</b> | <b>55515.06</b> |
| Imported                               | 0%              | 0%              |
| Indigenous                             | 100%            | 100%            |
| (b.) Stores and Spares:                |                 |                 |
| (i) Imported goods                     | 68.75           | 50.37           |
| (ii) Indigenous goods                  | 20.48           | 63.38           |
| <b>TOTAL</b>                           | <b>89.23</b>    | <b>114.05</b>   |
| 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         | -        |
| <b>TOTAL</b>                | <b>658.45</b> | <b>-</b> |

## 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         |
| <b>TOTAL</b>                                  | <b>73.49</b> | <b>51.59</b> |

## 37. 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 Equitable 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<br>Guarantee given by Promoter group. | 60 months | 8.30% p.a.       |
| 2       | Punjab National Bank | Cash Credit        | 4,686                         | <b>Primary Security:</b><br>1 <sup>st</sup> 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                          | 2 <sup>nd</sup> 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.<br>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.<br>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                         | <b>Primary Security:</b> <ol style="list-style-type: none"> <li>Pari passu charge 1<sup>st</sup> charge with PNB by way of hypothecation of Stock, receivables and entire current assets of the unit. Hypothecation of Stock &amp; Receivables.</li> <li>Pari passu charge 2<sup>nd</sup> 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.</li> <li>Pari passu charge 2<sup>nd</sup> 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.</li> <li>Hypothecation (Sole Charge) over Plant &amp; Machinery purchased out of (Hybrid Project). Bank Finance</li> </ol> <b>Collateral Security:</b> <ol style="list-style-type: none"> <li>Pari passu charge 1<sup>st</sup> charge with PNB on Residential property Plot No: A-1 of Someshwar Park Co-op Housing Society bearing Revenue S No: 320/1 of Town Kadi, District: Mehsana.</li> <li>Pari passu charge 1<sup>st</sup> charge with PNB on Residential Property Plot No: 4 with construction of one Bungalow of Shurbhi Society bearing No: 1389 of Town Kadi, Ta. Kadi District Mehsana.</li> <li>Pari passu charge 1<sup>st</sup> 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.</li> <li>Pari passu charge 1<sup>st</sup> 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 sim village hansalpur Ta. Mandal District Ahmedabad.</li> <li>Pari passu charge 1<sup>st</sup> charge with PNB on Residential property of land of Plot No: 4 of Royal View Co-op Housing Society with construction of one Bungalow bearing Revenue S No: 342/1 is situated in Ta. Kadi Dist. Mehsana.</li> </ol> Guarantee given by Promoter group. | -         | 10.80% p.a.      |
| 5       | HDFC Bank Ltd       | Term Loan          | 2,020                         | Exclusive charge by way of Equitable mortgage on immovable collateral security<br>(1) Industrial Godown, Survey No. 919/1, Kadi Detroj road, Kadi (Old Survey 404/1) in the name of Pashupati Cotspin Limited.<br>(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<br>(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.<br>Exclusive charge by way of Hypothecation on Solar Assets acquired by the Company out of mentioned term loan.<br>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 National Bank<br>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.       |
|         |                                             |                    |                               | <b>Collateral Security:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                           |                  |
|         |                                             |                    |                               | 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                         | <ol style="list-style-type: none"> <li>Pari passu charge 1<sup>st</sup> charge with PNB by way of hypothecation of Stock, re ceivables and entire current assets of the unit. Hypothecation of Stock &amp; Receivables</li> <li>Pari passu charge 2<sup>nd</sup> 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.</li> <li>Pari passu charge 2<sup>nd</sup> 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.</li> <li>Hypothecation (Sole Charge) over Plant &amp; Machinery purchased out of Bank Finance (Hybrid Project). \Guarantee given by Promoter group.</li> </ol>                                        | 84 Months<br>[28 Quarter] | 10.80% p.a.      |
| 8.      | Shree Kadi Nagarik Sahakari Bank Ltd.       | Term Loan          | 500                           | <ol style="list-style-type: none"> <li>Pari passu charge 1<sup>st</sup> Khata no 328 of Block No 28,(Old Block No.97 Paiki1) Near Fuji Hotel, Nr.Crystal Complex, Viramgam Becharaji Road, Hansalpur, Ta-Mandal, Dist Ahmedabad-382120. Gujarat. (15220.00 Sq Yards)</li> <li>Pari passu charge 2<sup>nd</sup> Khata no 327 of Block No 60, (Old Block No.87) Near Fuji Hotel, Nr.Crystal Complex, Viramgam Becharaji Road, - Hansalpur, Ta Mandal,DistAhmedabad. 382120Gujarat. (15049.00 Sq Yards)</li> <li>Pari passu charge 3<sup>rd</sup> Khata no 1126 of Block No 683, (Old Block No.649) Near Fuji Hotel, Nr.Crystal Complex, ViramgamBecharaji Road, Sitapur, Ta-Mandal, Dist Ahmedabad, Gujarat. (23111.00 Sq Yards)</li> <li>Pari passu charge 4<sup>th</sup> Khata no 326 of Block No.38,(Old Block No.91) Near Fuji Hotel, Nr.Crystal Complex, Viramgam Becharaji Road, Hansalpur, Ta-Mandal, Dist - Ahmedabad, Gujarat (25130.00 Sq Yards)</li> </ol> | 84 Months                 | 9.50%            |
|         |                                             |                    |                               | Guarantee given by Promoter group.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                           |                  |

# 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



**ROUTE MAP OF THE VENUE OF THE 06TH ANNUAL GENERAL MEETING**



**PASHUPATI COTSPIN LIMITED**

**CIN: L17309GJ2017PLC098117**

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

**\*ATTENDANCE SLIP\***  
**PASHUPATI COTSPIN LIMITED**

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

CIN: L17309GJ2017PLC098117

Phone No. +91-02764-262200 Email: [cfo@pashupaticotspin.com](mailto:cfo@pashupaticotspin.com) Website: [www.pashupaticotspin.com](http://www.pashupaticotspin.com)

DPID/ CLIENT ID: \_\_\_\_\_

Registered Folio No.: \_\_\_\_\_

No of Shares: \_\_\_\_\_

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

|  |
|--|
|  |
|  |
|  |
|  |

I, Certify that I am a Shareholder/ Proxy of the Shareholder of the Company. I/We hereby accord my/our presence at the Annual General Meeting of the Company being held on Monday, September 30, 2024 at 04.00 PM at the registered office of the Company at Survey No.404 at & Post Balasar, Kadi-Detroj Road, Kadi Mahesana-382715.

\_\_\_\_\_  
Signature of Shareholder/ Proxy

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

**PASHUPATI COTSPIN LIMITED**

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

CIN: L17309GJ2017PLC098117

Phone No. +91-02764-262200 Email: [cfo@pashupaticotspin.com](mailto:cfo@pashupaticotspin.com) Website: [www.pashupaticotspin.com](http://www.pashupaticotspin.com)

**FORM MGT-11**

**PROXY FORM**

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

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

Name of the member(s):

Registered address:

Email Id:

Folio No./Client Id:

DP ID:

I/We, being the member (s) of ..... shares of the abovenamed company, hereby appoint

|    |            |  |
|----|------------|--|
| 1. | Name:      |  |
|    | Address:   |  |
|    | E-mail Id: |  |
|    | Signature: |  |
| 2. | Name:      |  |
|    | Address:   |  |
|    | E-mail Id: |  |
|    | Signature: |  |
| 3. | Name:      |  |
|    | Address:   |  |
|    | E-mail Id: |  |
|    | Signature: |  |

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as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the company, to be held on Monday, 30th September, 2024 at 04.00 P.M. at the registered office of the Company situated at Survey No. 404 At & Post Balasar, Kadi-Detroj Road, Kadi Mahesana-382715, Gujarat and at any adjournment thereof in respect of such resolutions as are indicated below:

| Resolution No. | Particulars                                                                                                                                                                                                           |
|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.             | To receive, consider and adopt the Standalone and Consolidated audited Financial Statement of the Company for the financial year ended March 31, 2024 and the reports of the Board of Directors and Auditors thereon; |
| 2.             | To appoint a Director in place of Mr. Dakshesh Jayantilal Patel (DIN: 07859419) who retires by rotation and being eligible, offers himself for re-appointment.                                                        |
| 3.             | To declare Final Dividend of Rs. 0.75 (Seventy-Five Paise Only) (7.5%) per equity share for the Financial Year ended March 31, 2024, as recommended by the Board of Directors.                                        |
|                | Ratification of Remuneration of Cost Auditor of the Company.                                                                                                                                                          |

Signed this..... day of..... 2024.

Signature of shareholder\_\_\_\_\_

Signature of Proxy holder(s)\_\_\_\_\_

**Notes:**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting. The Proxy need not be a member of the Company.
2. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.  
\*\* This is only optional. Please put 'X' in the appropriate Column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' Column blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.
3. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.

# PASHUPATI

## COTSPIN LIMITED

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



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