



LAXMI COTSPIN LIMITED
(A Govt. Recognized Star Export House & NSE-SME Listed Company)



Regd. Off.: Gut No. 399, Samangaon - Kajala Phata, Jalna-Ambad Road,
Opp. Meenatai Thakare Vridhashram, JALNA - 431 203. (M.S.) India.
Off. 09765999633 E-mail: admin@laxmicotspin.com • Web Site: www.laxmicotspin.com
CIN NO - L17120MH2005PLC156866

Ref. No.

Date :

Date: 02/08/2022

To
The Manager
Listing & Compliance Department,
National Stock Exchange of India Limited
Exchange Plaza, sth Floor, Plot No. C/1,
G Block, Bandra-Kurla Complex, Bandra,
Mumbai- 400051.

(Company ID: Symbol - LAXMICOT, ISIN - INE801V01019)

Sub: Submission of Notice of the 17th Annual General Meeting of the Company and Annual Report for the year ended on 31st March. 2022.

Dear Sir/Madam,

In compliance with Regulation 34 of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) we hereby submit copy of the Annual Report for the financial year 2021-22 along with Notice of the 17th Annual General Meeting scheduled to be held on 25th August, 2022.

In pursuant to compliance of MCA circular No. 14/2020, 17/2020, 22/2020, 33/2020, 39/2020, 10/2021, 20/2021, 21/2021 and 02/2022 dated 8th April, 2020, 13th April, 2020, 15th June, 2020, 28th September, 2020, 31st December, 2020, 23rd June, 2021, 8th December, 2021, 14th December, 2021 and 5th May, 2022 and all other relevant circulars issued from time to time, the 17th Annual General Meeting (AGM) of Laxmi Cotspin Limited will be held on Thursday, 25th August, 2022 at 12:30 P.M. via. Video conference (VC)/other audio-visual means (OAVM).

The details on the manner of attending the AGM and casting votes by the shareholders via. Electronic Mode is set out in the notice of the AGM attached herewith.

The annual report will be sent to the shareholders of company whose email ids are registered with the company/Depository participant. The shareholders whose email ids are not registered with the company may demand copy of the Annual Report through email complianceofficer@laxmicotspin.com

The Annual report is also available at the website of company at www.laxmicotspin.com

We request you to please take on record aforesaid information.

Thanking you,
Yours faithfully,

FOR LAXMI COTSPIN LIMITED

SANJAY
KACHRULAL
RATHI

Sanjay Rathi
Managing Director
DIN - 00182739





LAXMI COTSPIN LIMITED
(CIN: - L17120MH2005PLC156866)

Cotton Bales and Yarn

ANNUAL REPORT 2021-22
17th ANNUAL GENERAL MEETING

On Thursday, the 25th day of August 2022 at 12:30 P.M.

Through Video Conferencing ("VC") /
Other Audio Visual Means ("OAVM")

Registered Office:

**GUT NO.399, SAMANGAON-KAJLA ROAD, IN FRONT OF MEENATAI THAKARE
VRIDHASHRAM, SAMANGAON JALNA MH 431203**

Contact No: - 09765999633

Website: - www.laxmicotspin.com

E-Mail Id: - complianceofficer@laxmicotspin.com



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COMPANY INFORMATION

BOARD OF DIRECTORS AS ON 31.03.2022

- Chairman & Managing Director : MR.SANJAY KACHRULAL RATHI
- Whole Time Director : MRS. PRAFULLATA SANJAYKUMAR & Women Director RATHI
- Whole Time Director : MR. RAJESH PURANMAL BANSAL
- Independent Director : MR. PIYUSH AGRAWAL
- Independent Director : MR. GOPAL MUNDADA
- Independent Director : MR. KAILASH BIYANI
- Chief Financial Officer : MR. ANUPKUMAR ASHOKRAO GINDODIYA
E-mail: cfo@laxmicotspin.com
- Company Secretary & Compliance Officer : CS. SAGAR SANDEEP PAGARIYA
complianceofficer@laxmicotspin.com
- Registered Office : GUT NO.399, SAMANGAON-KAJLA ROAD
IN FRONT OF MEENATAI THAKARE
VRIDHASHRAM, SAMANGAON,
JALNA-431203, MH, IN
Website: www.laxmicotspin.com
E-mail: laxmicotspin@gmail.com
- Corporate Office : GUT NO.399, SAMANGAON-KAJLA ROAD,
IN FRONT OF MEENATAI THAKARE,
VRIDHASHRAM, SAMANGAON,
JALNA-431203, MH IN
E-mail:- laxmicotspin@gmail.com
- Statutory Auditor : **M/s Singh Mundada & Associates.**
Chartered Accountants, 102, Kalpataru, Plot
No 51/52, Aditya Nagar, Sutgiri Chowk,
Aurangabad – 431005,
- Secretarial Auditor : **A R JOSHI & ASSOCIATES**
Bharat Bazar Commercial Complex, E Wing,
API Corner, MIDC, Chikhalthana,
Aurangabad-431001
- Shares listed with : National Stock Exchange of India Limited,
Company migrated its share from SME platform to Main board on 12th November, 2021
- Registrar & Share Transfer Agents : LINK INTIME INDIA PVT LTD
C101,247 PARK,LBS MARG,
VIKHOLOLI(WEST)MUMBAI-40083
- Bankers : HDFC Bank Limited & SVC Co Bank



BOARD COMMITTEES AS ON 31.03.2022

- **Audit Committee**

Mr. Piyush Agrawal (ID) : Chairman
Mr. Sanjay Kachrulal Rathi : Member
Mr. Kailash Biyani (ID) : Member

- **Nomination and Remuneration Committee**

Mr. Piyush Agrawal (ID) : Chairman
Mr. Rajesh Puranmal Bansal : Member
Mr. Gopal Mundada (ID) : Member

- **Stakeholders Relationship Committee**

Mr. Rajesh Puranmal Bansal : Chairman
Mr. Sanjay Kachrulal Rathi : Member
Mr. Kailash Biyani (ID) : Member



LETTER TO SHAREHOLDERS

Dear Shareholders,

On behalf of the board of director of your company, it is great pleasure for me to extend a very warm welcome to each one of you at the 17th Annual General Meeting of your company.

We take immense pleasure by sharing with you about the performance of your company and present the Annual Report for the financial year 2021-2022. The company during the current Financial Year has taken a approval from its shareholders in the month of August through postal ballot for migration of Security from SME (NSE) to Main board (NSE), which will be a great milestone and also will benefit investor in long run.

We would like to state that your company is progressing to achieve new milestones in its journey towards growth through total excellence.

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

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

Financial year 2021-22 was good year in the history of company, revenue and profits improved as compared to the last year.

The whole textile industry performs well in the FY 2021-22, as exports of textiles also achieved record figures in India.

We have added 4 TFO Machines for doubling the yarn, so this adds another product mix with value addition of the existing yarn. Along with this we have also added 2 compact attachments in existing ring frames. This will enhance the productivity of 2 Ring frames to some extent with good quality of yarn.

In the FY 2021-22 we have accredited as a training provider under National skill Development Corporation. (Skill India)



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

I would like to thank our employees for their persistent efforts, Board for their guidance and support and all our stakeholders for their consistent support and encouragement in all our endeavours. We continue to look forward to your guidance and support, motivating us to reach newer heights.

With warm regards

Yours Sincerely

Sd/
Rajesh Bansal
Chairman



NOTICE OF THE 17th ANNUAL GENERAL MEETING

To,
The Members of
LAXMI COTSPIN LIMITED
(CIN: L17120MH2005PLC156866)
Gut No.399, Samangaon-Kajla Road,
In Front of Meenatai Thakare Vridhashram,
Samangaon, Jalna - 431203

Notice is hereby given that the **17th ANNUAL GENERAL MEETING** of **LAXMI COTSPIN LIMITED** will be held on Thursday, 25th August, 2022 at 12.30 P.M. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business.

A) ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial statements including Profit and Loss Account Balance Sheet, for the year ended on 31st March, 2022 along with Directors Report and Audited Report of the Company.

RESOLVED THAT pursuant to the applicable provision of companies act, 2013 and rules made there under (including any modification and re-enactment thereof), the Audited Financial Statement of the company for period ended on 31st March, 2022 along with notes to accounting policies attached thereto and draft audit report as placed before board be and are approved."

RESOLVED FURTHER THAT, members of the company be and are hereby approved the Audited Financial Statements of the company for the period ended 31st March, 2022 along with the notes and accounting policies attached thereto and Audit Report.

RESOLVED FURTHER THAT, any one director of the company be and is here by authorised to sign the Audited Financial Statements of the company and to do all acts, things deed which are necessary to give effect the above resolution."

2. To Approve and consider appointment of M/s. DMKH AND CO, Chartered Accountants, Mumbai, as Statutory Auditor of the company for the five years i.e. from F.Y. 2022 to 2027 in the Board Meeting that was appointed due to reason of casual vacancy of Singh Mundada & Associates in the company and to fix their remuneration and in this regard to consider and if thought fit to pass the following resolution as an Ordinary Resolution.



“RESOLVED THAT pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications or amendments or re-enactments thereof for the time being in force) **M/s DMKH AND CO**, having Firm’s Registration No. 116886W, Chartered Accountants, be and are hereby appointed as the Statutory Auditors of the Company for a period of 5 years to conduct the Statutory Audit from Financial Year 2022-2023 to Financial year 2026-2027 and to hold office from the conclusion of 17th Annual General Meeting till the conclusion of Annual General Meeting to be held for the financial year 2026-2027, on such remuneration & terms of engagement, as may be mutually agreed between the Board/ Audit Committee and the Auditors of the Company from time to time.”

3. Mrs. Prafullata Rathi who retire by rotation and being eligible for reappointment, offers himself for re-appointment.

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT Mr. Prafullata Rathi who retires by rotation at this meeting and being eligible has offered herself for re-appointment

B) SPECIAL BUSINESS

4. Regularisation of Mr. Kailash Shrikisan Biyani as Independent Director of the company, who was appointed as additional director as on 16th October, 2021.

To consider and if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of section 160, 161 and other applicable provisions of the Companies Act, 2013 and the rules made there under, **Mr. Kailash Shrikisan Biyani**, who was appointed as additional independent director of the Company on **16th October, 2021**. and who holds office till the date of this Annual General Meeting and whose candidature is proposed for directorship of the Company be and is hereby appointed as Independent director.

RESOLVED FURTHER THAT pursuant to provisions of Section 196, 197, 198 and 203 and schedule V of the Companies Act, 2013 and any other applicable provisions, of the Companies Act, 2013 and the Rules made there under (including statutory modification(s) or re-enactment thereof for the time being in force) the approval of the Company be and is hereby accorded for the appointment of **Mr. Kailash Shrikisan Biyani** as a Independent Director of the Company for a period of five years with effect from Date of appointment i.e. 16th October, 2021.



RESOLVED FURTHER THAT the Board of directors of the Company will have the power to revise the terms of remuneration subject to the limits specified in Schedule V of the Companies Act, 2013 and subject to the compliance of the provisions of the other rules and regulations as will be applicable to the Company from time to time.”

5. Regularisation of Mr. Gopal Satyanarayan Mundada as Independent Director of the company, who was appointed as additional director as on 16th October, 2021.

To consider and if thought fit, to pass the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of section 160, 161 and other applicable provisions of the Companies Act, 2013 and the rules made there under, **Mr. Gopal Satyanarayan Mundada**, who was appointed as additional independent director of the Company on **16th October, 2021**. and who holds office till the date of this Annual General Meeting and whose candidature is proposed for directorship of the Company be and is hereby appointed as Independent director.

RESOLVED FURTHER THAT pursuant to provisions of Section 196, 197, 198 and 203 and schedule V of the Companies Act, 2013 and any other applicable provisions, of the Companies Act, 2013 and the Rules made there under (including statutory modification(s) or re-enactment thereof for the time being in force) the approval of the Company be and is hereby accorded for the appointment of **Mr. Gopal Satyanarayan Mundada** as a Independent Director of the Company for a period of five years with effect from Date of appointment i.e. 16th October, 2021

RESOLVED FURTHER THAT the Board of directors of the Company will have the power to revise the terms of remuneration subject to the limits specified in Schedule V of the Companies Act, 2013 and subject to the compliance of the provisions of the other rules and regulations as will be applicable to the Company from time to time.”

6. Regularisation of Mr. Shivratn Shrigopal Mundada as director of the company, who was appointed as additional director as on 05th April, 2022.

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of section 160, 161 and other applicable provisions of the Companies Act, 2013 and the rules made there under, **Mr. Shivratn Shrigopal Mundada**, who was appointed as additional director of the Company on 05th April, 2022 and who holds office till the date of this Annual General Meeting and whose candidature is proposed for directorship of the Company be and is hereby appointed as director, who is liable to retire by rotation.



RESOLVED FURTHER THAT pursuant to provisions of Section 196, 197, 198 and 203 and schedule V of the Companies Act, 2013 and any other applicable provisions, of the Companies Act, 2013 and the Rules made there under (including statutory modification(s) or re-enactment thereof for the time being in force) the approval of the Company be and is hereby accorded for the appointment of **Mr. Shivratn Shrigopal Mundada** as a Director of the Company who is liable to retire by rotation, for a period of five years with effect from 25th August, 2022.

RESOLVED FURTHER THAT the Board of directors of the Company will have the power to revise the terms of remuneration subject to the limits specified in Schedule V of the Companies Act, 2013 and subject to the compliance of the provisions of the other rules and regulations as will be applicable to the Company from time to time.”

7. Regularisation of Mr. Ramesh Gopikishan Mundada as director of the company, who was appointed as additional director as on 1st July, 2022.

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of section 160, 161 and other applicable provisions of the Companies Act, 2013 and the rules made there under, **Mr. Ramesh Gopikishan Mundada**, who was appointed as additional director of the Company on 1st July, 2022 and who holds office till the date of this Annual General Meeting and whose candidature is proposed for directorship of the Company be and is hereby appointed as director, who is liable to retire by rotation.

RESOLVED FURTHER THAT pursuant to provisions of Section 196, 197, 198 and 203 and schedule V of the Companies Act, 2013 and any other applicable provisions, of the Companies Act, 2013 and the Rules made there under (including statutory modification(s) or re-enactment thereof for the time being in force) the approval of the Company be and is hereby accorded for the appointment of **Mr. Ramesh Gopikishan Mundada** as a Director of the Company who is liable to retire by rotation, for a period of five years with effect from 25th August, 2022.

RESOLVED FURTHER THAT the Board of directors of the Company will have the power to revise the terms of remuneration subject to the limits specified in Schedule V of the Companies Act, 2013 and subject to the compliance of the provisions of the other rules and regulations as will be applicable to the Company from time to time.”
or of the Company, liable to retire by rotation.”

8. To approve the re-appointment as considered in board Meeting and Increase in remuneration payable to Mr. Sanjay Rathi as a Managing director of the company from Rs. 4,00,000 Per Month to Rs.6,00,000 Per Month with effect from 1st August 2022.



To consider and if thought fit, to pass, with or without modification(s), the following resolution as Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections , 196, 197 and 203 read with Schedule V and Article of Association of the Company as amended from time to time and all other applicable provisions of the Companies Act 2013 and the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 (Including any statutory modification or re-enactment(s) thereof for the time being in force), the consent of the members/shareholders of the Company be and is hereby accorded to approve the re-appointment of Mr. Sanjay Rathi (DIN: 00182739) as a Managing Director of the Company, for a period of five years with effect from 30th December, 2021 to 29th December, 2026.

RESOLVED FURTHER THAT consent of the members be and is hereby accorded for revising the terms of remuneration payable to Mr Sanjay Rathi, as may be fixed by the Board from time to time on recommendation of the Nomination and Remuneration Committee, including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year such that the remuneration payable to him shall Rs. 6,00,000 Per Month with effect from 1st August, 2022 onwards, on the terms and conditions, as set out in the Explanatory Statement annexed to the Notice convening this meeting, with liberty to the Directors / Nomination and Remuneration Committee and Board of Directors in its meeting to alter and vary the terms and conditions of the said appointment in such manner as may be agreed between the Directors and Mr. Sanjay Rathi, such variation or increase in the aforesaid remuneration may be beyond the permissible limits as under the relevant provisions of Section 196, 197 of the Companies Act, 2013 pursuant to notification issued by Ministry of Corporate Affairs (MCA) dated 12 September 2018.

RESOLVED FURTHER THAT the Ministry of Corporate Affairs (MCA) through its notification dated 12 September 2018 under notified provisions of the Companies (Amendment) Act, 2017 (Amendment Act, 2017) and amended schedule V of Companies Act, 2013. Respectively to the same, the Central Government amends Schedule V of Companies Act, 2013 vide Notification dated 12th September, 2018 and amends Part I and Part II related to conditions to be fulfilled for the Appointments and Remuneration of a Managing or Whole-time director or a Manager without the approval of the Central Government but by the approval of members in the general meeting via special resolution

RESOLVED FURTHER THAT in the event, the Company has no profits or its profits are inadequate during the aforesaid tenure, the managerial remuneration aforesaid consisting of salary, perquisites, allowance, amenities and performance based incentive shall be paid to Mr. Sanjay Rathi, Managing Director as the minimum remuneration as per applicable provisions of the Companies Act, 2013.



RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) and / or Company Secretary of the Company, be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

9. To increase the overall managerial remuneration of the Directors of the company under regulation 17(6)(e)(ii) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015: -

To consider and if thought fit, to pass, with or without modification(s), the following resolution as Special Resolution:

"RESOLVED THAT in accordance with the provisions of Section 197 of the Companies Act, 2013 as amended by the Companies (Amendment) Act, 2017, read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the recommendation of Nomination and Remuneration Committee, approval of the members of the Company be and is hereby accorded to increase the overall limit of managerial remuneration payable beyond specified limits under Section 197 of Companies Act 2013 in respect of any financial year as per notification issued by Ministry of Corporate Affairs (MCA) dated 12 September 2018 under notified provisions of the Companies (Amendment) Act, 2017 (Amendment Act, 2017) and amended schedule V of Companies Act, 2013 thereby Part I and Part II related to conditions to be fulfilled for the Appointments and Remuneration of a Managing or Whole-time director or a Manager without the approval of the Central Government but by the approval of members in the general meeting via special resolution .

RESOLVED FURTHER THAT where in any Financial Year, the Company has no profits or profits are inadequate, the overall managerial remuneration paid to Directors shall not exceed Rs. 1,00,00,000 (Rupees One Crore Only).

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) and / or Company Secretary of the Company, be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

**For and On behalf of the Board of Directors
Laxmi Cotspin Limited**

**Place - Jalna
Date - 01/08/2022**

**Sd/-
Sagar Pagariya
Company Secretary &
Compliance Officer**

**NOTES:**

1. GE
 NERAL INSTRUCTIONS FOR ACCESSING AND PARTICIPATING IN THE 2ndAGM THROUGH VC/OAVM FACILITY AND VOTING THROUGH ELECTRONIC MEANS INCLUDING REMOTE E-VOTING.
 - A. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs (“MCA”), vide its General Circular Nos 14/2020, 17/2020, 22/2020, 33/2020, 39/2020, 10/2021, 20/2021, 21/2021 and 02/2022 dated 8th April, 2020, 13th April, 2020, 15th June, 2020, 28th September, 2020, 31st December, 2020, 23rd June, 2021, 8th December, 2021, 14th December, 2021 and 5th May, 2022 respectively (“MCA Circulars”) and applicable circulars issued by the Securities and Exchange Board of India (“SEBI”), allowed the Companies to conduct the AGM through Video Conferencing (VC) or Other Audio Visual Means (OAVM) whose AGMs are due in year 2022 The detailed procedure for participation in the meeting through VC/OAVM is available at the Company’s website viz. www.laxmicotspin.com
 - B. In terms of the MCA Circulars since the physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by Members under Section 105 of the Act will not be available for the 17th AGM. However, in pursuance of Section 112 and Section 113 of the Act, representatives of the Members may be appointed for the purpose of voting through remote e-Voting, for participation in the 2ndAGM through VC/OAVM Facility and e-Voting during the 17th AGM.
 - C. In line with the MCA Circulars and SEBI Circular, the Notice of the 17th AGM will be available on the website of the Company at www.laxmicotspin.com and on the website of **LIPL** at <https://instavote.linkintime.co.in>
 - D. Since the AGM will be held through VC/OAVM Facility, the Route Map is not annexed in this Notice.
 - E. LinkIntime India Private Limited will be providing facility for voting through remote e-Voting, for participation in the 17^h AGM through VC/OAVM Facility and e-Voting during the 17th AGM.
 - F. Members may note that the VC/OAVM Facility, provided by **LIPL**, allows participation on a on a first-come-first-served basis. The large shareholders (i.e. shareholders holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee,



- G. Nomination and Remuneration Committee and Stakeholders Relationship Committee, auditors, etc. can attend the 17th AGM without any restriction on account of first-come first-served principle.
- H. Attendance of the Members participating in the 17th AGM through VC/OAVM Facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- I. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (“ICSI”) and Regulation 44 of Listing Regulations read with MCA Circulars and SEBI Circular, the Company is providing remote e-Voting facility to its Members in respect of the business to be transacted at the 17th AGM and facility for those Members participating in the 17th AGM to cast vote through e-Voting system during the 17th AGM .
- J. In line with the aforesaid Ministry of Corporate Affairs (MCA) Circulars, the Notice of AGM along with Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Member may note that Notice and Annual Report 2021-22 has been uploaded on the website of the Company at www.laxmicotspin.com. The Notice can also be accessed from the websites of the Stock Exchange i.e. National Stock Exchange of India Limited at www.nseindia.com respectively
- K. Members may join the 17th AGM through VC/OAVM Facility by following the procedure as mentioned below which shall be kept open for the Members from 12.15 PM. IST i.e. 15 minutes before the time scheduled to start the 17th AGM and the Company may close the window for joining the VC/OAVM Facility 30 minutes after the scheduled time to start the 17th AGM.
2. All the documents referred to in the accompanying notice and the annexures to it are open for inspection at the Registered Office of the Company between 11.00 a.m. to 1.00 p.m. Monday to Friday up to the date of this Annual General Meeting of the Company.
3. In-terms of Section 101 and 136 of the Companies Act, read together with Rules made there under electronic copy of the Annual Report and the notice of the Annual General Meeting of the Company along with attendance slip are being sent to all the members whose email IDs are registered with the Company/ Depository Participants(s) for communication purposes, unless any member has requested for a hard copy of the same on our e-mail ID complianceofficer@laxmicotspin.com For members who have not registered their email address, physical copies of the above documents are being sent in the permitted mode.



4. Members desiring any information relating to the Accounts are requested to write to the Company well in advance so as to enable management to keep the information ready.
5. Members are requested to notify any change in their addresses to the Company immediately. Members holding shares in electronic form are requested to advise change of addresses to their Depository Participants.
6. Members may also note that the notice of the Annual General Meeting and the Annual Report will also be available on the Company's website for their download www.laxmicotspin.com. The physical copies of the aforesaid documents will also be available at the Company's Registered Office at Gut No.399, Samangaon-Kajla Road, In Front Of Meenatai Thakare Vridhashram, Samangaon Jalna MH 431203, during office hours on working days between 11.00 a.m. to 1.00 p.m. for inspection. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost.
7. The Register of Directors and Key Managerial Personnel and their shareholding, under Section 170 of the Companies Act, 2013 ('Act') and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, will be available at the website of the Company.
8. Pursuant to provision of Section 91 of the Companies Act, 2013 and Listing Agreement, the Register Members and Share Transfer Book will remain closed from 19th August, 2022 to 25th August, 2022 (Both days inclusive).
9. Notice of AGM along with Annual Report 2021-22 is being sent by electronic mode to those members who is registered as a members as on 29th July, 2022 as per list provided by Registrar and Share Transfer Agent, LinkIntime India Private Limited ("LinkIntime").
10. SEBI & the Ministry of Corporate Affairs encourage paperless communication as a Contribution to greener environment. Members holding shares in physical mode are requested to register their e-mail ID's with the Link Intime India Private Limited ("Link Intime").., the Registrars & Share Transfer Agents of the Company and Members holding shares in de-mat mode are requested to register their e-mail ID's with their respective Depository Participants (DPs) in case the same is still not registered.
If there is any change in the e-mail ID already registered with the Company, members are requested to immediately notify such change to the Registrars & Share Transfer Agents of the Company in respect of shares held in physical form and to DPs in respect of shares held in electronic form.
11. The Board of Directors has appointed **CS Sandip Sharma** Practicing Company Secretary, Aurangabad as scrutinizer, to scrutinize the voting at the meeting and remote e-voting process in a fair transparent manner.



12. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have de-mat accounts.
13. Members are requested to bring their copy of Annual report of the meeting as the same shall not be circulated thereat.
14. Electronic copy of Notice of the AGM along with Annual Report 2021-22 including remote E Voting Instruction, attendance slip is being sent by electronic mode to those members who are registered as a member as on 29th July, 2022 on their registered E mail ID. For those shareholders whose name stands registered in the register of member as on Friday 29th July, 2022 and who have not registered mail Address, Physical copy of notice of the Annual general Meeting along with Annual reports, including Remote E voting instructions s being sent to them in the permitted mode.

Shareholders are also informed that voting shall be by E-voting.

15. The company has set Thursday, 18th August, 2022 as the Cutoff date for taking record of the shareholders of the company who will be eligible for casting their vote on the resolution to be passed in the ensuring AGM for both E-Voting and Physical mode through Polling Paper.
16. General Information of E Voting:-

The e-voting period commences on 22nd August, 2022 (9:00 am) and ends on 24th August, 2022 (5:00 pm). During this period shareholders' of the Company, may cast their vote electronically. The e-voting module shall also be disabled for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the **cut-off date** of Thursday, 18th August, 2022. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. Thursday, 18th August, 2022 may obtain the login ID and password by sending a request at <https://instavote.linkintime.co.in> or complianceofficer@laxmicotspin.com.



Remote e-Voting Instructions for shareholders:

As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

Login method for Individual shareholders holding securities in demat mode is given below:

1. Individual Shareholders holding securities in demat mode with NSDL
 1. Existing IDeAS user can visit the e-Services website of NSDL viz... <https://eservices.nsd.com> either on a personal computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be re-directed to "InstaVote" website for casting your vote during the remote e-Voting period.
 2. If you are not registered for IDeAS e-Services, option to register is available at <https://eservices.nsd.com> Select "Register Online for IDeAS Portal" or click at <https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp>
 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://eservices.nsd.com> either on a personal computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.

2. Individual Shareholders holding securities in demat mode with CDSL
 1. Existing users who have opted for Easi / Easiest, can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <https://web.cdslindia.com/myeasi/home/login> or www.cdslindia.com and click on New System Myeasi.



2. After successful login of Easi/Easiest the user will be able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period.
 3. If the user is not registered for Easi/Easiest, option to register is available at <https://web.cdslindia.com/myeasi/Registration/EasiRegistration>.
 4. Alternatively, the user can directly access e-Voting page by providing demat account number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period.
3. Individual Shareholders (holding securities in demat mode) login through their depository participants. You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. 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 name i.e. LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period.

Login method for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode is given below:

Individual Shareholders of the company, holding shares in physical form / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

1. Open the internet browser and launch the URL: <https://instavote.linkintime.co.in>
2. Click on “**Sign Up**” under ‘**SHARE HOLDER**’ tab and register with your following details: -

A. User ID:

Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.

B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)



D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

Shareholders holding shares in **physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above*

Shareholders holding shares in **NSDL form, shall provide 'D' above*

- ▶ Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).
 - ▶ Click “confirm” (Your password is now generated).
3. Click on ‘Login’ under ‘**SHARE HOLDER**’ tab.
 4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on ‘**Submit**’.

Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select ‘**View**’ icon.
2. E-voting page will appear.
3. Refer the Resolution description and cast your vote by selecting your desired option ‘**Favour / Against**’ (If you wish to view the entire Resolution details, click on the ‘**View Resolution**’ file link).
4. After selecting the desired option i.e. Favour / Against, click on ‘**Submit**’. A confirmation box will be displayed. If you wish to confirm your vote, click on ‘**Yes**’, else to change your vote, click on ‘**No**’ and accordingly modify your vote.

Guidelines for Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as ‘**Custodian / Mutual Fund / Corporate Body**’. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the ‘**Custodian / Mutual Fund / Corporate Body**’ login for the Scrutinizer to verify the same.

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders:

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at enotices@linkintime.co.in or contact on: - Tel: 022 – 4918 6000.



Helpdesk for Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e. NSDL and CDSL.

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

Individual Shareholders holding securities in Physical mode has forgotten the password:

If an Individual Shareholders holding securities in Physical mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the “Forgot Password” option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- o Click on ‘Login’ under ‘SHARE HOLDER’ tab and further Click ‘forgot password?’
- o Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on “SUBMIT”.

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain minimum 8 characters, at least one special character (@!#\$%&), at least one numeral, at least one alphabet and at least one capital letter.*

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.



- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular “Event”.

InstaVote Support Desk
Link Intime India Private Limited

Helpdesk for Individual Shareholders holding securities in demat mode:

In case shareholders/ members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/ CDSL, they may contact the respective helpdesk given below:

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

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders & e-voting service Provider is LINKINTIME.

In case shareholders/ members holding securities in physical mode/ Institutional shareholders have any queries regarding e-voting, they may refer the **Frequently Asked Questions ('FAQs')** and **InstaVote e-Voting manual** available at <https://instavote.linkintime.co.in>, under **Help** section or send an email to enotices@linkintime.co.in or contact on: - Tel: 022 -4918 6000.

Process and manner for attending the Annual General Meeting through InstaMeet:

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>



► Select the “**Company**” and ‘**Event Date**’ and register with your following details: -

A. Demat Account No. or Folio No: Enter your 16 digit Demat Account No. or Folio No

- Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
- Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
- Shareholders/ members holding shares in **physical form shall provide Folio Number** registered with the Company

B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/Company shall use the sequence number provided to you, if applicable.

C. Mobile No.: Enter your mobile number.

D. Email ID: Enter your email id, as recorded with your DP/Company.

► Click “Go to Meeting” (You are now registered for InstaMeet and your attendance is marked for the meeting).

Please refer the instructions (annexure) for the software requirements and kindly ensure to install the same on the device which would be used to attend the meeting. Please read the instructions carefully and participate in the meeting. You may also call upon the InstaMeet Support Desk for any support on the dedicated number provided to you in the instruction/ InstaMEET website.

Instructions for Shareholders/ Members to Speak during the Annual General Meeting through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request 3 days in advance with the company on the specific email id created for the general meeting.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.



Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Instructions for Shareholders/ Members to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer/ moderator during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting “Cast your vote”
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.
3. After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.
4. Cast your vote by selecting appropriate option i.e. “Favour/Against” as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.



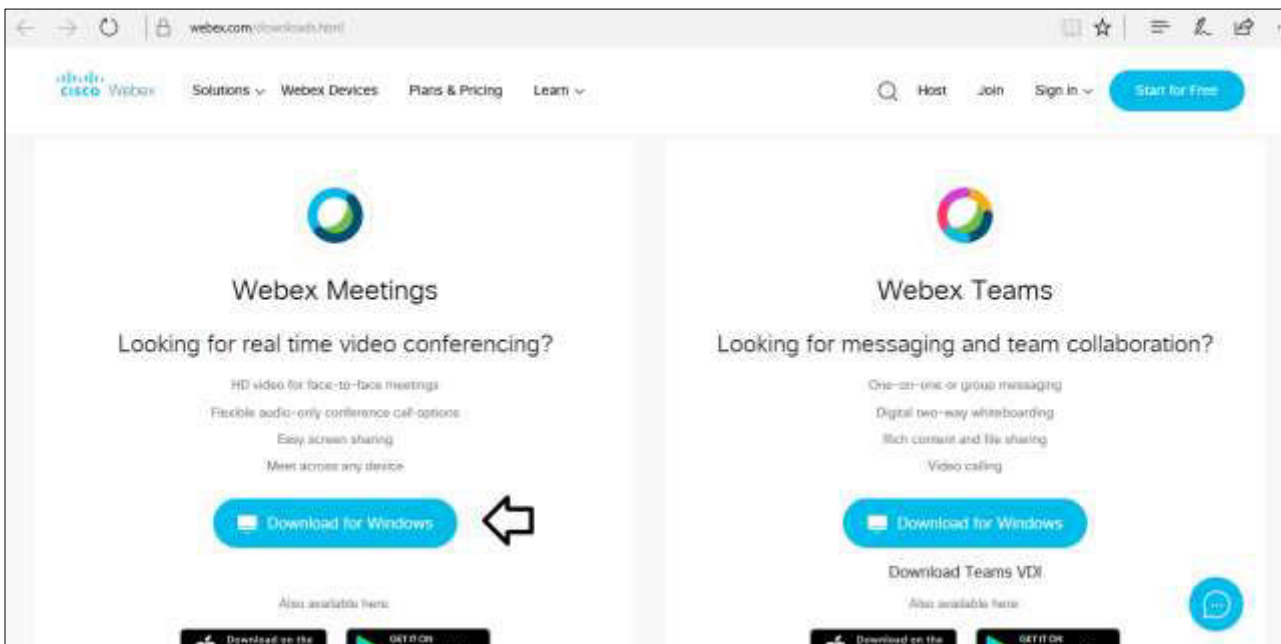
In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

Annexure

Guidelines to attend the AGM proceedings of Link Intime India Pvt. Ltd.: InstaMEET

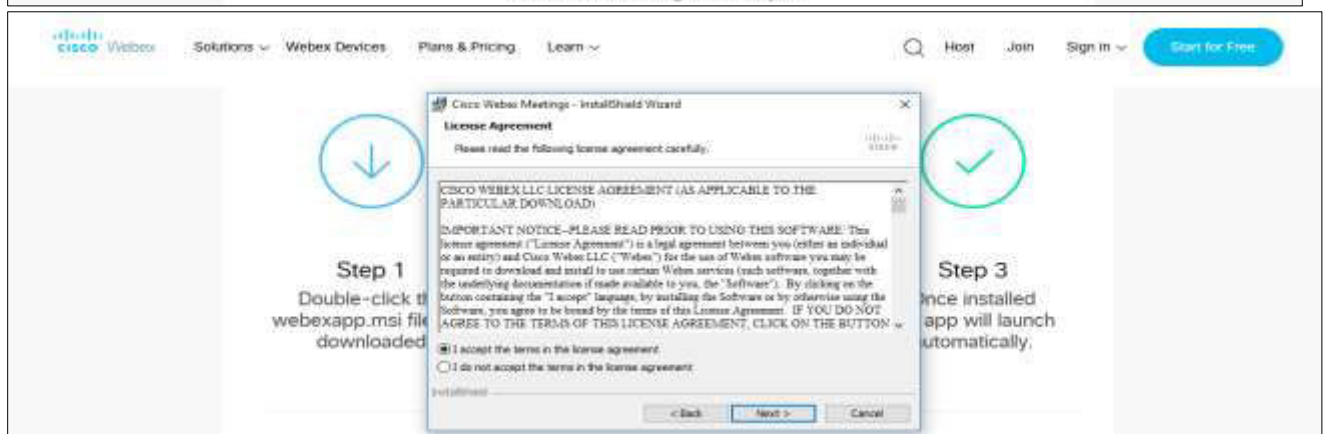
For a smooth experience of viewing the AGM proceedings of Link Intime India Pvt. Ltd. Insta MEET, shareholders/ members who are registered as speakers for the event are requested to download and install the Webex application in advance by following the instructions as under:

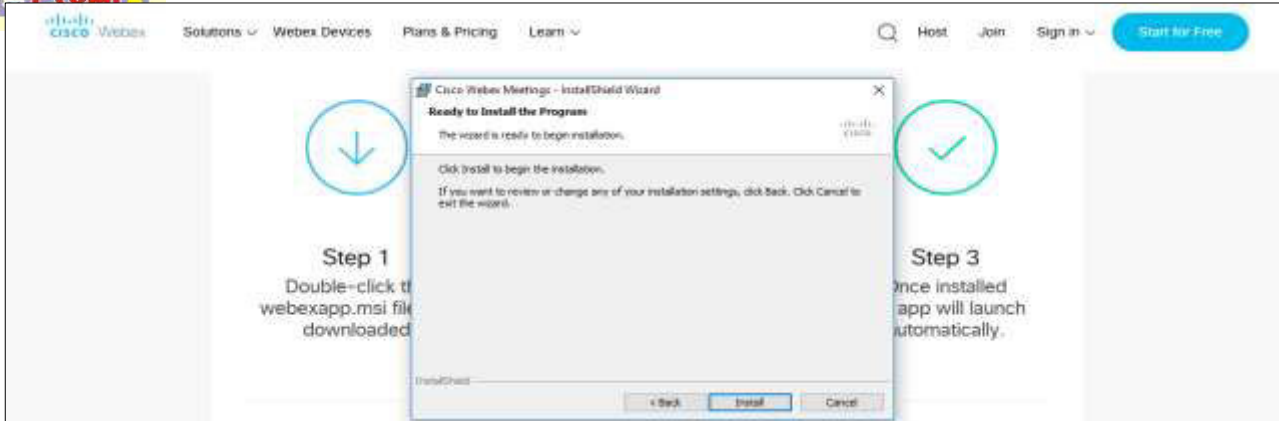
- a) Please download and install the Webex application by clicking on the link <https://www.webex.com/downloads.html/>





<https://meetingsapac30.webex.com/webappng/sites/meetingsapac30/dashboard?siteurl=meetingsapac30>

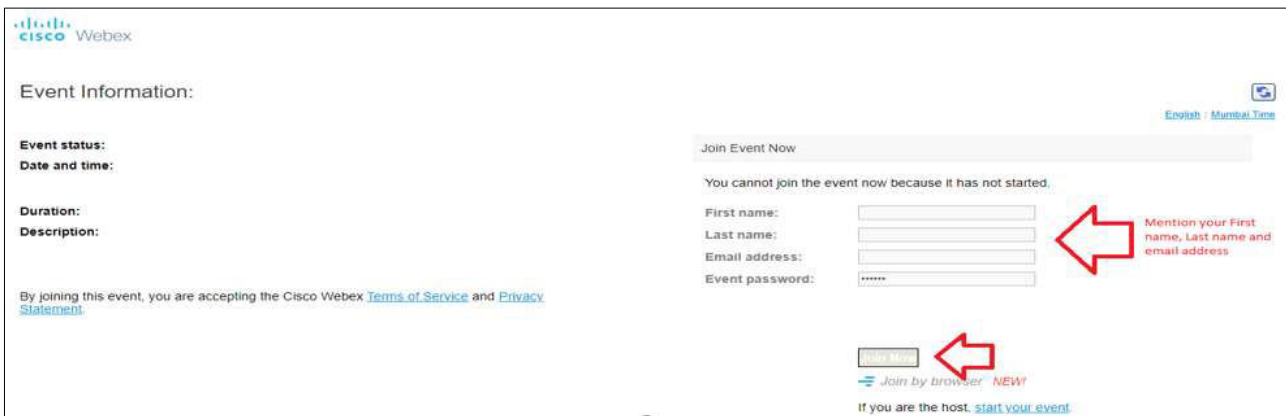




| | |
|---------------|---|
| Step 1 | Enter your First Name, Last Name and Email ID and click on Join Now. |
| 1 (A) | If you have already installed the Webex application on your device, join the meeting by clicking on Join Now |
| 1 (B) | If Webex application is not installed, a new page will appear giving you an option to either Add Webex to chrome or <u>Run a temporary application</u> . Click on <u>Run a temporary application</u> , an exe file will be downloaded. Click on this exe file to run the application and join the meeting by clicking on Join Now |

or

If you do not want to download and install the Webex application, you may join the meeting by following the process mentioned as under:



Link Intime India Pvt. Ltd

InStaMeet (VC-Platform) : Special Instructions

- Download and install the Webex application by clicking on the link <https://www.webex.com/downloads.html> and/or as per the instructions for InstaMeet attached.



• The following URLs need to be white-listed in your organisation's domain/your own laptop, desktop, tablet, smartphone etc. on the AGM date:

A. <https://camonview.com>

B. <https://instameet.linkintime.co.in>

- Members are encouraged to join the Meeting through tablets/laptops connected through broadband for better experience.
- Members are required to use internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Any internet outage or fluctuation in connectivity at your site will have an adverse impact on the audio/ video quality during the meeting. Link Intime will not be responsible for this.

- Members connecting from mobile devices/tablets/laptops via mobile hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid technical glitches.

- In case the members have both the computer and telephone audio active or the speakers on members' computers or telephones are too close to each other or there are multiple computers with active audio in the same conference room, there will be instances of audio echo or feedback in the meeting.

- In case two or more Members are joining the meeting through a Board Room/Common Location, proper arrangements of audio & video should be in place and Webex will be run on only one system.

- Your organization (Company Secretary) is required to share with us, a detailed flow of the meeting along with required documents and the script at least three days in advance before the scheduled date of event in the format attached.

- Members are encouraged to speak in the Meeting after un-muting themselves once their turn arrives as per the script/their name is announced. Once the member has finished communicating, he/she should mute themselves immediately. (Mute your side if you're not speaking. Your microphone can pick up a lot of background noise, so muting allows others to easily hear others)

- Guidelines to follow while participating in the meeting for a good audio-video experience:

- * Use your earphone for better sound quality.

- * Ensure no other background applications are running.

- * Ensure your Wi-Fi or Broadband is not connected to any other device.

- * Have proper lighting in the room and avoid the background sounds.

- * Ensure the background is bright.



* Do not use mask in the meeting.

Explanatory Statement

Annexure to the Item No.- 3 of the Notice

The following Explanatory Statement, as required under Section 102 of the Companies Act, 2013, set out all material facts relating to the business under Item No. 3 the accompanying Notice dated 01/08/2022

| | |
|---|--|
| Details of Directors seeking appointment and reappointment at the forthcoming Annual General Meeting. In pursuance of Regulation 36(3) of SEBI (LODR) Regulations, 2015: Name of Director | Mr. Prafullata Rathi (Whole Time Director) |
| Date of Birth | 25-Feb-1969 |
| Nationality | Indian |
| Date of appointment on the Board | 27/10/2020 |
| Qualifications | B.com |
| Expertise | she is having more than 15 years of Experience in various fields. |
| No. of Shares held in the company | 23,438 |
| List of the directorship held in other Company | 1. Vitthal Polypack Private Limited 2. Mahabaleshwar Alloys Private Limited |
| Chairman/Member in the committees of the board of other companies in which he/she is director. | Chairman - Nil Member - Nil |
| Relationship, if any, between director's inter se | Nil |

* Directorships includes Directorship of other Indian Public Companies and Committee Memberships includes only Audit Committee and Stake holders' Relationship Committee of Public Limited Company (whether Listed or not);
* Other required details are stated in Corporate Governance Report.

Details of Directors seeking re-appointment in the forthcoming Annual General Meeting. (In pursuance of Secretarial Standards on General Meetings [SS-2] and Regulation 36 of the Securities and Exchange Board of India [Listing Obligation and Disclosure Requirements] Regulations, 2015)

| | |
|-----------------------------|---|
| Name of the Director | Mr. Prafullata Rathi (Whole Time Woman Director) |
| Director Identification No | 03056379 |
| Category | (Non-executive Director) |
| Date of Birth | 25-Feb-1969 |
| Age | 53 Years |



| | |
|---|---|
| Date of First Appointment on the Board | 27/10/2020 |
| Relationship with Directors and KMPs | <u>NIL</u> |
| Qualifications | <u>B.com</u> |
| Expertise in specific functional area. | She is having more than 15 years of Experience in various fields, |
| Remuneration last drawn | NA |
| No. of Meetings of the Board attended during the year | 9 |
| Terms and Conditions of Appointment or re-appointment along with remuneration | Mrs Prafullata Rathi Has been appointed as Non-Executive Director and she will not be entitled to Sitting Fees for attending the Meetings of Board and Committees thereof |
| Board Membership of Companies as on 31 st March, 2022 | 3 |
| Chairman/Member of the Committee of the Board of Directors as on 31 st March, 2022 | 0 |
| Number of shares held in the Company as on 31 st March, 2022 | 23,438 |

Annexure to the Item No.- 4 of the Notice

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company, pursuant to the provisions of Section 149 and 161(1) of the Companies Act, 2013 (“the Act”) and the Articles of Association of the Company, appointed Mr. Kailash Shrikishan Biyani, as an Additional Independent Director of the Company with effect from October 16, 2021.

Regulation 25 (2A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 provides that the appointment, re-appointment of an Independent Director of a listed entity, shall be subject to the approval of Shareholders by way of a Special Resolution. Accordingly, based on recommendation of Nomination and Remuneration Committee and in terms of the provisions of Sections 149, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Kailash Shrikishan Biyani, being eligible for appointment as an Independent Director, is proposed to be appointed as an Independent Director for a term of 5 (five) Date of appointment i.e. 16th October, 2021

He is not restrained from acting as a Director by virtue of any Order passed by SEBI or any such authority and is eligible to be appointed as a Director in terms of Section 164 of the Act. He has also given his consent to act as a Director. The Company has also received



declaration from him that he meets the criteria for independence as prescribed under Section 149(6) of the Act read with rules framed thereunder and Regulation 25(8) of the SEBI Listing Regulations, 2015.

In NRC's and Board's opinion, Mr. Kailash Shrikishan Biyani's experience, expertise and skill sets will further strengthen the Board functioning and help the Company in achieving future growth. Mr. Kailash Shrikishan Biyani, fulfils the conditions specified under the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015 for his appointment as a Non-Executive Independent Director of the Company. Further the Board considers that continued association of Mr. Kailash Shrikishan Biyani, would be of immense benefit to the Company and it is desirable to avail services of Mr. Kailash Shrikishan Biyani, as an Independent Director.

Mr. Kailash Shrikishan Biyani, is interested in the resolution set out at Item No. 4 of the Notice with regard to his appointment. Relatives of Mr. Kailash Shrikishan Biyani, may be

deemed to be interested in the resolution to the extent of their shareholding, if any, in the Company.

Mr. Kailash Shrikishan Biyani, shall be paid sitting fee for attending the meetings of the Board or Committees thereof, reimbursement of expenses for participating in the Board and other meetings are within the limits stipulated under Section 197 of the Act, as may be decided by the Board of Directors, from time to time.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

Annexure to the Item No.- 5 of the Notice

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company, pursuant to the provisions of Section 149 and 161(1) of the Companies Act, 2013 ("the Act") and the Articles of Association of the Company, appointed Mr. Gopal Satyanarayan Mundada, as an Additional Independent Director of the Company with effect from October 16, 2021.

Regulation 25 (2A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 provides that the appointment, re-appointment of an Independent Director of a listed entity, shall be subject to the approval of Shareholders by way of a Special Resolution. Accordingly, based on recommendation of Nomination and



Remuneration Committee and in terms of the provisions of Sections 149, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Gopal Satyanarayan Mundada, being eligible for appointment as an Independent Director, is proposed to be appointed as an Independent Director for a term of 5 (five) Date of appointment i.e. 16th October, 2021.

He is not restrained from acting as a Director by virtue of any Order passed by SEBI or any such authority and is eligible to be appointed as a Director in terms of Section 164 of the Act. He has also given his consent to act as a Director. The Company has also received declaration from him that he meets the criteria for independence as prescribed under Section 149(6) of the Act read with rules framed thereunder and Regulation 25(8) of the SEBI Listing Regulations, 2015.

In NRC's and Board's opinion, Mr. Gopal Satyanarayan Mundada's experience, expertise and skill sets will further strengthen the Board functioning and help the Company in achieving future growth. Mr. Gopal Satyanarayan Mundada, fulfils the conditions specified under the Companies Act, 2013, the Companies (Appointment and Qualification of

Directors) Rules, 2014 and Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015 for his appointment as a Non-Executive Independent Director of the Company. Further the Board considers that continued association of Mr. Gopal Satyanarayan Mundada, would be of immense benefit to the Company and it is desirable to avail services of Mr. Gopal Satyanarayan Mundada, as an Independent Director.

Mr. Gopal Satyanarayan Mundada, is interested in the resolution set out at Item No. 4 of the Notice with regard to his appointment. Relatives of Mr. Gopal Satyanarayan Mundada, may be deemed to be interested in the resolution to the extent of their shareholding, if any, in the Company.

Mr. Gopal Satyanarayan Mundada, shall be paid sitting fee for attending the meetings of the Board or Committees thereof, reimbursement of expenses for participating in the Board and other meetings are within the limits stipulated under Section 197 of the Act, as may be decided by the Board of Directors, from time to time.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.



Annexure to the Item No.- 6 of the Notice

Mr. Shivratana Shrigopal Mundada, who was appointed as Additional Director of the Company on 05th April, 2022, vacates his position as additional director at the ensuing Annual General Meeting of the Company, has offered herself for reappointment. Under Section 160 of the Companies Act 2013, a notice in writing has been received from his signifying his intention to act as a Director of the Company.

Save and except the Mr. Shivratana Shrigopal Mundada, none of the other Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution

Your Directors recommend the resolution for your approval.

Annexure to the Item No.- 7 of the Notice

Mr. Ramesh Gopikishan Mundada, who was appointed as Additional Director of the Company on 1st July, 2022, vacates his position as additional director at the ensuing Annual General Meeting of the Company, has offered herself for reappointment. Under Section 160 of the Companies Act 2013, a notice in writing has been received from his signifying his intention to act as a Director of the Company.

Save and except the Mr. Ramesh Gopikishan Mundada, none of the other Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution

Your Directors recommend the resolution for your approval.

Annexure to the Item No.- 8 of the Notice

The board of directors at their meeting appointed Mr. Sanjay Kachrual Rathi as Managing director of the Company for a term of 5 years which is expired in Financial Year 2021. Mr. Sanjay Kachrual Rathi have a very rich and varied experience in the textile industry and has been involved in the operations of the Company since its incorporation. It would be in the interest of the Company to continue to avail of his considerable expertise as a Managing Director. Thus, the board hereby recommended to the members of the Company, on the recommendation of the Nomination and Remuneration Committee, to re-appoint him for a next term of 5 years w.e.f. 30/12/2021.

Further as required under regulation 17(6)(e)(i)&(ii) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 read with applicable provisions of the companies Act 2013 and as per the recommendation of Nomination and remuneration committee and the board of Directors of the Company, the consent of the members are also required to be accorded to the continuation of payment of remuneration as per existing terms and conditions during the Term re-Appointment i.e up to



29th December, 2026 to Mr. Sanjay Kachrual Rathi, Managing Director [DIN: 00182739] , notwithstanding that his annual remuneration will be Rs. 72 lakhs.

Save and except Mr. Sanjay Kachrual Rathi, being appointee, Mrs. Parfullata Sanjay Rathi, Whole Time Woman Director of the Company being relatives of the appointee and their relatives to the extent of their shareholding in the Company are interested in this Resolution, None of the other Directors/Key Managerial Personnel (KMP) of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at item no. 8 of the notice.

The Board of Directors recommends the Special Resolution as set out at item no. 8 of the Notice for approval by the shareholders.

Annexure to the Item No.- 9 of the Notice

As per Section 197 of the Companies Act, 2013, total managerial remuneration payable by the Company to its directors, including managing director and whole-time director and its manager in respect of any financial year may be given to maximum permissible limit as per the provisions laid down in Section 198 of the Companies Act, 2013, provided that the same has been approved by the shareholders of the Company by way of Special Resolution. Pursuant to the recommendation of Nomination and Remuneration Committee to increase in overall limit of managerial remuneration payable by the Company in respect of financial year 2022-23 and onwards beyond specified limits under Section 197 and computed in the manner laid down in Section 198 of the Companies Act, 2013. In FY 2021-22 company paid managerial remuneration Which is within the limit as prescribed as per scheduled V Part II Accordingly, the Board recommends the resolution set out at item no. 2 for approval of members as Special resolution.

None of the Directors/Key Managerial Personnel of the Company/their relatives, except Mr. Sanjay Rathi, Mrs. Shakintala Rathi, Mr Shivratana Munada and Mr. Ramesh Mundada is in any way concerned or interested, in the said resolution.

**For and On behalf of the Board of Directors
Laxmi Cotspin Limited**

**Place - Jalna
Date - 01/08/2022**

**Sd/-
Sagar Pagariya
Company Secretary &
Compliance Officer**



DIRECTOR'S REPORT

The Directors have a pleasure in presenting the **Seventeen Annual Report** and Audited Accounts for the financial year ended 31st March, 2022.

1. Financial Summary (Standalone)

| Particulars | Rs. In Lacs | |
|--|-----------------|------------------|
| | 2021-22 | 2020-21 |
| Turnover | | |
| a. Domestic | 18122.22 | 9485.08 |
| b. Export | 3472.08 | 2128.54 |
| Total Revenue from Operations | 21,594.31 | 11,613.63 |
| Other Income | 135.78 | 56.33 |
| Total Revenue | 21730.09 | 11,669.96 |
| Profit Before finance Cost , Depreciation and Tax (PBIDT) | 1359.44 | 763.32 |
| Less : Financial Expenses (Net) | 257.45 | 301.17 |
| Profit before Depreciation and Tax (PBDT) | | |
| Less: Depreciation | 323.28 | 314.8 |
| Profit Before Taxation (PBT) | 778.71 | 147.35 |
| Provision for Taxation | | |
| Less:- Current Tax (MAT) | 230.0 | 17.51 |
| Less:- Deferred Tax & Shortage /Excess Provision | 33.86 | -21.23 |
| Profit After Tax (PAT) | 543.34 | 108.6 |
| Profit Available for Appropriation | 543.34 | 108.6 |
| Earnings Per Equity Share –Annualized | | |
| (Basic and Diluted) | 3.17 | 0.63 |

During the year under review our company has achieved sales Turnover of Rs.21730.09 lakhs as against Rs. 11669.96 lakhs, achieved in the previous year. In the FY 2021-22 there is huge demand for cotton yarn, it was an extraordinary year for textile industry as compare to the previous years, Company earned a profit of Rs 543.34 lakhs as against the loss in the previous year amounting to Rs. 108.60 lakhs.



2. Change in the nature of Business, if any.

There has not been any change in the nature of business of the company during financial year 2021-2022

3. Share Capital

There is no change in Share Capital of the company during financial year 2021-2022.

4. Transfer to Reserve

Company has not declared any dividend and transferred Rs. 544.91 lac to general reserve.

5. Change of Name

The Company has not changed its name during financial year 2021-2022

6. Migration to the main board of national stock exchange of India limited [NSE]:

As the Members are aware, to provide various advantage/s like enhanced liquidity, better realization, brand image and value etc. to all the stakeholders including the Shareholders (members) of the company and prospective Investors at large. Your Company has passed resolution through postal ballot for migration of specified securities [equity shares] from SME Exchange [NSE EMERGE] to the Main Board [NSE]. Accordingly, on its application to NSE it has received approval for migration of equity shares of the company and they are listed and admitted to dealings on the Exchange(Capital Market Segment) w.e.f. 12th November, 2021.

7. Details of Directors or Key Managerial Personnel who were appointed or have resigned during the year:

- **Director Retiring by Rotation**

- Pursuant to Section 152 of the Companies Act, 2013 and in accordance with the Article of Association of the Company, Mrs. Prafullata Rathi, Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. The Board of Directors recommends his re-appointment.

- **Resignation of Director**

During the Financial year 2021-22 Mr Satish Bhakkad (DIN-07597811) resigned from the post of directorship as on 16th October, 2021



- **Appointment of Director**

During the Financial year 2021-22 following directors have appointed to the Board as an Independent Director Mr. Kailash Shrikisan Biyani (DIN - 02303810) and Mr. Gopal Satyanarayana Mundada (DIN -02891272) as on 16th October, 2021.

After closing of financial year Mr. Shivratana Shrigopal Mundada and Mr. Ramesh Mundada appointed as Additional Director of the company.

- **Company Secretary & Compliance Officer**

There is no change in Company Secretary and compliance officer.

8. Material Changes Between The Date Of The Board Report And End Of Financial Year

Appointment of Mr. Shivratana Shrigopal Mundada and Mr. Ramesh Mundada as Additional Director 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.

9. Adoption of Indian Accounting Standards [IND -AS];

The company has adopted Indian Accounting Standards [Ind -AS]; in place of IGAAP as required pursuant to migration of the securities of the company from SME [NSE Emerge] exchange of NSE of the Main Board of National Stock Exchange of India Limited and prepared the financial statements for the year ended 31st March 2022 in accordance with Ind AS for the first time.

10. Particulate of Employees

As required, no employee of the company was in receipt of remuneration exceeding the limit prescribe under rule 5 (2) of the companies (Appointment and Remuneration of managerial Personnel) Rules, 2014.

11. Meetings of Board of Director and Shareholders.

Eleven board meetings and Two shareholders meeting, were held during the Year 2021-22. Five Audit Committee Meetings and Three Nomination and Remuneration Committee Meetings and Two Stakeholders' Relationship Committee Meetings were also held during the year. The intervening gap between meetings was within the period prescribed under Secretarial Standards applicable to the company.



12. Board Evaluation

Pursuant to the provision of the companies Act, 2013, Listing regulation along with other rules and regulation applicable, if any, the company has carried out the annual performance evaluation of its own performance, the director individually as well as the evaluation of the working of its committees, A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspect of the board functioning such as adequacy of the composition of the board and its committees, board culture, execution and performance of specific duties, obligation and governance.

A separate exercise was carried out to evaluate the performance of the individual director including the Chairman of the Board, who were evaluated on parameter such as level of engagement and contribution, independence of judgment, Safeguarding interest of the company and its minority shareholders, etc. The performance evolution of Independent Director was carried out by entire board. The performance evolution of the chairman and non-Independent Director was carried out by the Independent Director who also reviewed the performance of the secretarial Department. The Director expresses their satisfaction with the evaluation process.

13. Company Policy on Director's Appointment and remuneration

The policy of the company on Director's appointment and remuneration including criteria for determining qualification, positive attributes, independence of Director and other matters provided under Sub - section (3) 178, is explained in the corporate governance report.

14. Disclosure Of Composition Of Audit Committee And Providing Vigil Mechanism:

The Audit Committee consists of the following members

| Names | Designation |
|--------------------------------|--------------------|
| Mr. Piyush Agrawal (ID) | Chairman |
| Mr. Sanjay Kachrual Rathi (MD) | Member |
| Mr. Kailash Biyani (ID) | Member |

The above composition of the Audit Committee consists of independent Directors.

Pursuant to the provisions of Section 177 (9) & (10) of the Companies Act, 2013 read with Rule 7 of Companies (Meetings of Board and its Powers) Rules, 2014 and SEBI (LODR) Regulations, 2015, the Company has in place a Whistle Blower Policy, which provides for a



vigil mechanism, that encourages and supports its Directors and employees to report instances of illegal activities, unethical behaviour, actual or suspected, fraud or violation of the Company's Code of Conduct or Ethics Policy. It also, provides for adequate safeguards against victimization of persons, who use this mechanism and direct access to the Chairman of the Audit Committee in exceptional cases. The details of the Vigil Mechanism Policy have posted on the website of the Company at following link:

<https://www.laxmicotspin.com/policies.php>

15. Declaration by an Independent director(s)

All the Independent Directors have given their declaration of Independence stating that they meet the criteria of independence as prescribed under section 149(6) of the Companies Act 2013. Further that the Board is of the opinion that all the independent directors fulfil the criteria as laid down under the Companies Act 2013 and the SEBI (LODR) Regulations 2015 during the year 2021-22, same is enclosed herewith as **Annexure "E"**

16. Separate Meeting of Independent Directors:

As stipulated by the Code of Independent Directors under the Companies Act 2013 a separate meeting of the Independent Directors of the Company was held on 6th December, 2021 to review the performance of Non Independent Directors (including the Chairman) and the entire Board. The Independent Directors also reviewed the quality content and timeliness of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties.

17. Board Independence

Our definition of 'Independence' of Directors is derived from Regulation 16 of SEBI (LODR) Regulations 2015 and Section 149(6) of the Companies Act 2013. The Company is having following independent directors:

- (i) Piyush Agrawal
- (ii) Kailash Biyani
- (iii) Gopal Mundada

As per provisions of the Companies Act 2013 Independent Directors were appointed for a term of 5 (five) consecutive years and shall not be liable to retire by rotation.

**18. Extracts of Annual Return in Form MGT-9 U/s 92 (3) of Companies Act, 2013**

Enclosed herewith Extracts of Annual Return in **Form MGT-9** as per **Annexure "C"**

19. Deposits:

The company has neither accepted any deposit from the public nor from its members.

20. Particulars of Loans, Guarantees and Investments:

The company has not given any loans or provided guarantees or made investments to third parties in which directors are interested as specified in section 185 of the Companies Act, 2013 during the year under review.

21. Reply to Adverse Remark Made by Statutory Auditor:

There are no adverse remarks made by the auditor of the company.

22. Internal Control Systems and Their Adequacy:

The Company has adequate Internal Control System, commensurate with the size, scale and complexity of its operations. The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company.

Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls.

23. Related Party Transactions:

All related party transactions that were entered during the financial year were on the arm's length basis and were in the ordinary course of business and do not attract the provisions of section 188 of the Companies Act 2013. Thus disclosure in form AOC-2 is not required. All Related Party Transactions were placed before the Audit Committee for approval. A policy on the related party transactions was framed & approved by the Board and posted on the Company's website at below link:

<https://www.laxmicotspin.com/policies.php>

However you may refer to Related Party Transactions as per the Accounting Standards in the Notes forming part of financial statements.



24. Investors Education And Protection Fund

During the financial year 2021-22 ended 31st March 2022 under review there were no amount/s which is required to be transferred to the Investor Education and Protection Fund by the Company. As such no specific details are required to be given or provided.

25. Prevention Of Insider Trading

In view of the SEBI (Prohibition of Insider Trading) Regulation 2015 the Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The details of the Insider Trading Policy have posted on the website of the Company. <https://www.laxmicotspin.com/policies.php>

The Code requires Trading Plan pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. However there were no such instances in the Company during the year 2021-22.

26. Holding, Subsidiary and Associate Relationship:

The Company does has Two wholly Owned subsidiaries.

- 1) Laxmi Spintex Private Limited (CIN: U17299MH2021PTC362557)
- 2) Laxmi Surgical Healthcare Private Limited (CIN: U33100MH2021PTC364930)

27. Risk Management Policy

The Management deals with timely identification, assessment and proper handling of various risks in the areas of Manufacturing, Marketing in particular And Infrastructure and Govt. Policies in General. The Managements is taking corrective steps from time to time.

28. Statutory Auditors & Auditor Reports

The Board of Director the Company had appointed M/s. DMKH AND CO , Chartered Accountants (Firms Registration No.: 116886w) for FY 2022-2023, Bombay as Statutory Auditors due to casual vacancy occurred on resignation of Singh Mundada & Associates (FRN - 122059) after issue of board report for the period FY 2021-2022. New auditor appointed in Board Meeting dated on 26th May 2022. Further appointment as a statutory auditor is subjected to Shareholder in the ensuing Annual General Meeting



29. Secretarial Audit report

In terms of Section 204 of the Companies Act, 2013 and rules made there under and on the recommendations of the Audit Committee of the Company, The Board of Directors has appointed M/s A. R Joshi and Associates, Practicing Company Secretary as a Secretarial Auditor for conducting the Secretarial Audit for the FY 2021-22.

The reports of secretarial are enclosed as **Annexure F** to this report.

30. Appointment of Cost Auditor:

As per the requirement of the Central Government and pursuant to section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules 2014 as amended from time to time your directors have appointed M/s Cheena & Associates, Practicing Cost Accountant for Conducting cost audit for a period 2022-23.

31. Internal Auditor

Pursuant to Section 138 of the Companies Act 2013 read with the Companies (Accounts) Rules 2014 (as amended) the Board of Directors on the recommendations of the Audit Committee of the Company has appointed M/s Mohini Malpani & Associates, Chartered Accountants, as an internal Auditor of the company for FY 2022-23.

The Internal Audit Finding/s and Report/s submitted by the said Internal Auditors during the financial year to the Audit Committee and Board of Directors of the Company do not contain any adverse remarks and qualifications hence do not call for any further explanation/s by the Company.

32. Retirement by Rotation:

Mr. Prafullata Rathi, Whole Time Women Director of the Company, retires under Section 152 of the Companies Act, 2013 at the ensuing Annual General Meeting, and being eligible offers himself for re-appointment.

33. Recognition to company as an Export House:

The directors have pleasure to inform you that our company LAXMI COTSPIN LIMITED has been recently recognized as a **STAR EXPORT HOUSE BY MINISTRY OF COMMERCE, GOVERNMENT OF INDIA.**



34. Certification

- 1) Laxmi Cotspin Ltd has accredited as a training provider under **National Skill Development corporation.**
- 2) Udyam Registration Certificate (MSME).
- 3) Ginning & Spinning unit certified by control union, for Organic processing and trading
- 4) Ginning & Pressing unit, 4 Star rating certified by Textiles Committee.
- 5) Organic Cotton Production Certified by NOCA.
- 6) Recognized as a Star Export House by Ministry of Commerce, Government India
- 7) Recognized as BCI Membership (BETTER COTTON INITIATIVE) by BCI Council

35. Membership:

-  Membership of Cotton Association of India
-  Membership of Texprocil of India

36. Corporate Social Responsibility

The board of Directors of the company confirms that, the provision of section 135(1) of the company act, 2013, is not applicable to your company during the year under review.

37. Corporate governance:

The Company being listed on the EMERGE Platform of National Stock Exchange of India Limited therefore pursuant to Regulation 15(2)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and Part C of Schedule V relating to compliance of Corporate Governance shall not applicable to the Company. Further The Company need not require complying with requirements as specified in Part E of Schedule II pursuant to Regulation 27(1) SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and submitting Compliance Report on Corporate Governance on quarterly basis pursuant to Regulation 27(2) SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. Hence no Corporate Governance Report is required to be disclosed with Annual Report. It is pertinent to mention that the Company follows majority of the provisions of the corporate governance voluntarily as a part of Good Corporate Governance.

38. Conservation of Energy

1. The Company ensures that the manufacturing operations are conducted in the manner whereby optimum utilization and maximum possible savings of energy is achieved.



- a) A comparative Statement showing consumption of Electricity per kg of yarn manufactured during the current and previous year is appended here with as **Annexure "A"**

39. Foreign Exchange Used and Earnings (IN INR)

| | | |
|-------------------------|---|--------------------|
| Foreign exchange earned | : | Rs. 27,12,32,997/- |
| Foreign exchange used | : | Rs. 48,44,502/- |

40. Disclosure Under Sexual Harassment Of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013

During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

41. Management Discussion and Analysis

The Management Discussion and Analysis forms part of this Annual report is annexed with **Annexure "H"**

42. Registrar and share transfer agent:

The Company has appointed Link Intime India Private Limited as its Registrar and Share Transfer Agent. The Corporate Office of Link Intime India Private Limited situated at "C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West) Mumbai MH 400083 IN"

43. Significant And Material Orders Passed By The Regulators Or Courts Or Tribunals Impacting The Going Concern Status And Company's Operations In Future

No significant or material orders were passed by the any Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

44. Enhancing shareholders value:

Your Company believes that its Members are among its most important stakeholders. Accordingly, your Company's operations are committed to the pursuit of achieving high levels of operating performance and cost competitiveness, consolidating and building or growth, enhancing the productive asset and resource base and nurturing overall corporate reputation. Your Company is also committed to creating value for its other stakeholders by ensuring that its corporate actions positively impact the socio-economic and environmental dimensions and contribute to sustainable growth and development.



45. Dematerialisation of Securities:

The Company equity shares are admitted in the system of Dematerialisation by both the Depositories namely NSDL and CDSL. As on 31st March, 2022, all 1,71,47,670 equity share dematerialized viz. National Securities Depository Limited and Central Depository Services (India) Limited which represents whole 100% of the total issued subscribed and paid up capital of the company as on that date. The ISIN allotted to your Company is INE801V01019. Status of the securities as on 31st March, 2022 hereunder:

| | CDSL | NSDL | TOTAL |
|-----------------|---------|----------|----------|
| Share in DEMAT | 2196939 | 14950731 | 17147670 |
| Physical Shares | NIL | NIL | NIL |

44. Compliances of Secretarial Standards:

The Board of Directors confirm that the Company has duly complied and is in compliance, with the applicable secretarial Standard/s, namely Secretarial Standard-1 (SS-1) on Meeting of the Board of Directors and Secretarial Standard-2 (SS-2) on General Meetings, during the financial year 2021-2022 ended 31st March 2022.

45. Suspension of Trading:

The equity shares of the company have been listed and actively traded on the SME Platform of National Stock Exchange of India Limited namely NSE EMERGE till 12th November, 2021 and w.e.f. 12th November, 2021 equity shares of the Company have been listed and actively traded on Main Board of National Stock Exchange of India Limited. There was no occasion wherein the equity shares of the Company have been suspended for trading during the FY 2021-2022.

46. Details of Application made or any proceeding pending under the IBC 2016:

During the year under review no application was made further no any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) against of the company.

47. Our Vision:

To be a most adorable global partner to all the stake holders in every aspects of textile manufacturing.

48. Our Mission:



By offering quality bales & premium yarns and timely service embedded with value driven culture resulting in finding new avenues to surpass global standards in every activity that needs to nurture the society to the better tomorrow.

49. Directors' Responsibility Statement as Per Section 134(5)

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are 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;
- (c) the directors had 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 had prepared the annual accounts for financial year ended on March 31, 2022 on a going concern;
- (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; and
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively

50. Acknowledgement

The Board of Directors acknowledges with gratitude for the co-operation and assistance received from National Stock Exchange of India Limited (NSE), Securities Exchange Board of India (SEBI), Auditors, advisors & consultants, other Intermediary service provider and other investor for their continuous support for the working of the company.

**For and On behalf of the Board of Directors
Laxmi Cotspin Limited**

**Place - Jalna
Date - 01/08/2022**

**Sd/-
Sagar Pagariya
Company Secretary &
Compliance Officer**



ANNEXURE – “A” TO DIRECTOR REPORT

The particulars required relating to energy conservation technology absorption u/s 134(3) (m) of the Companies Act 2013.

A. Energy Conservation

The company uses entire electricity consumption required which is provided by the MSEDCL.

SPINNING

| Particulars | 2021-22 | 2020-21 |
|--|-------------|-------------|
| Total Units | 1,53,67,111 | 1,27,79,582 |
| Total Cost | 7,15,74,590 | 5,74,45,320 |
| Rate per Unit | 4.66 | 4.50 |
| Total Production (in kgs) | 50,37,769 | 47,43,615 |
| Electricity consumed per unit of production (in units) | 14.20 | 12.11 |

GINNING

| Particulars | 2021-22 | 2020-21 |
|--|-----------|-----------|
| Total Units | 3,94,603 | 5,82,303 |
| Total Cost | 39,30,470 | 37,23,880 |
| Rate per Unit | 9.96 | 6.40 |
| Total Production (in kgs) | 18,48,735 | 40,52,608 |
| Electricity consumed per unit of production (in units) | 2.12 | 0.92 |

B. Technology Absorption

The company has undertaken necessary steps to increase the productivity and quality outputs of Yarn and necessary up gradation and modification is evaluated. The Company had installed pollution control equipment's to reduce the carbon emission.

**For and On behalf of the Board of Directors
Laxmi Cotspin Limited**

Place - Jalna
Date - 01/08/2022

Sd/-
**Sagar Pagariya
Company Secretary &
Compliance Officer**



ANNEXURE "B"

FORM NO. AOC-2

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

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 arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis

- (a) Name(s) of the related party and nature of relationship: **NA**
 (b) Nature of contracts/arrangements/transactions: **NA**
 (c) Duration of the contracts / arrangements/transactions: **NA**
 (d) Salient terms of the contracts or arrangements or transactions including the value, if any: **NA**
 (e) Justification for entering into such contracts or arrangements or transactions: **NA**
 (f) Date of approval by the Board: **NA**
 (g) Amount paid as advances, if any: **NA**
 (h) Date on which the special resolution was passed in general meeting as required under first proviso: **NA**

8) Details of material contracts or arrangement or transactions at arm's length basis

a) Name(s) of the related party and nature of relationship:

1. Name of related party :- Applicable

| Sr. No. | Name of Related party | Key Personnel |
|---------|-----------------------------------|------------------------|
| | SANJAY K RATHI | MANAGING DIRECTOR |
| | ANUPKUMAR GINDODIYA | CHIEF FINANCE OFFICER |
| | VITTHAL POLY PACK PRIVATE LIMITED | PROMOTER GROUP COMPANY |

b) Nature of contracts/arrangements/transactions:

| Nature of transaction | Name of Related party | Amount Rs. |
|--------------------------------|-----------------------------------|------------|
| Remuneration | SANJAY K RATHI | 48,00,000 |
| Remuneration | ANUPKUMAR GINDODIYA | 7,74,600 |
| Purchase of goods and services | VITTHAL POLY PACK PRIVATE LIMITED | 35,46,780 |



c) Duration of the contracts/arrangement/transactions : NA

d) Salient terms of the contract or arrangement or transactions including the value if any : NA

e) Dates of approval of the board, if any : NA

f) Amount paid as advances, if any: NA

**For and On behalf of the Board of Directors
Laxmi Cotspin Limited**

**Place - Jalna
Date - 01/08/2022**

**Sd/-
Sagar Pagariya
Company Secretary &
Compliance Officer**



Annexure C

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2022

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014

| | |
|--|---|
| CIN | L17120MH2005PLC156866 |
| Incorporation Date | 19.10.2005 |
| Name of the Company | Laxmi Cotspin Limited |
| Category/Sub-category of the Company | Public Company having Share Capital |
| Address of the Registered office & contact details | No.399, Samangaon-Kajla Road, In Front Of Meenatai Thakare Vridhashram, Samangaon, Jalna - 431203 |
| Whether listed company | Listed on NSE at Main board |
| Name, Address & contact details of the Registrar & Transfer Agent, if any. | C 101, 247 Park, L.B.S Marg, Vikhroli (West), Mumbai, Maharashtra 400083 (022) 25963838 25960320 |

I. REGISTRATION & OTHER DETAILS:

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

| S.No. | Name and Description of main products / services | NIC Code of the Product/service | % to total turnover of the company |
|-------|--|---------------------------------|------------------------------------|
| 1 | Cotton Yarn | 013111 | 99.37% |
| 2 | Other | - | 0.63% |



III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :

| S. NO | NAME AND ADDRESS OF THE COMPANY | CIN/GLN | HOLDING/ SUBSIDIARY/ ASSOCIATE | % of shares held | Applicable Section |
|-------|---|-----------------------|--------------------------------|------------------|--------------------|
| 1 | LAXMI SURGICAL HEALTHCARE PRIVATE LIMITED | U33100MH2021PTC364930 | Subsidiary | 99.99% | |
| 2 | LAXMI SPINTEX PRIVATE LIMITED | U17299MH2021PTC362557 | Subsidiary | 99.99% | |

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) :

i. Category-wise Share Holding

| Category of Shareholders | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year | | | | % Change during the year |
|--------------------------|---|----------|----------------|-------------------|---|----------|----------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual/HUF | 4258664 | | 4258664 | 24.84% | 4384164 | | 4384164 | 25.57% | + 0.74% |
| b) Central Govt | | | | | | | | | |
| c) State Govt (s) | | | | | | | | | |
| d) Bodies Corp. | 5458430 | | 5458430 | 31.83% | 5458430 | | 5458430 | 31.83% | - |
| e) Banks / FI | | | | | | | | | |
| f) Any Other.... | | | | | | | | | |
| Sub-total (A) | 9717094 | | 9717094 | 56.67% | 9842594 | | 9842594 | 57.40% | + 0.74% |
| (1):- | 4 | | 4 | % | 4 | | 4 | % | |
| (2) Foreign | | | | | | | | | |
| a) NRIs – Individuals | | | | | | | | | |
| b) Other – Individuals | | | | | | | | | |



| | | | | | | | | |
|---|---------------------|---------------------|--------------------|---------------------|---------------------|--------------------|--|--|
| c) Bodies Corp. | | | | | | | | |
| d) Banks / FI | | | | | | | | |
| e) Any Other.... | | | | | | | | |
| Sub-total (A) (2):- | | | | | | | | |
| Total shareholding of Promoter (A) = (A)(1)+(A)(2) | 971709 4 | 971709 4 | 56.67 % | 984259 4 | 984259 4 | 57.40 % | | |
| B. Public Shareholding | | | | | | | | |
| 1. Institutions | | | | | | | | |
| a) Mutual Funds | | | | | | | | |
| b) Banks / FI | | | | | | | | |
| c) Central Govt | | | | | | | | |
| d) State Govt(s) | | | | | | | | |
| e) Venture Capital Funds | | | | | | | | |
| f) Insurance Companies | | | | | | | | |
| g) FIIs | | | | | | | | |
| h) Foreign Venture Capital Funds | | | | | | | | |
| i) Others (specify) | | | | | | | | |
| Sub-total (B)(1):- | | | | | | | | |
| 2. Non- Institutions | | | | | | | | |
| a) Bodies Corp. | | | | | | | | |
| i) Indian | 319584 8 | 319584 8 | 18.64% | 302620 5 | 3026205 | 17.64% | | |
| ii) Overseas | | | | | | | | |
| b) Individuals | | | | | | | | |
| i) Individual shareholders holding nominal share capital upto Rs. 2 lakh | 234733 6 | 234733 6 | 13.69% | 282070 1 | 2820701 | 16.45% | | |



| | | | | | | | | | |
|--|----------------------|----------|----------------------|---------------------|----------------------|----------|----------------------|---------------------|--|
| ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh " | 140664 2 | | 140664 2 | 8.20% | 104679 3 | | 1046793 | 6.10% | |
| c) Others (specify) | | | | | | | | | |
| Non Resident Indians | | | | | | | 14926 | 0.087% | |
| Overseas Corporate Bodies | | | | | | | | | |
| Foreign Nationals | | | | | | | | | |
| Clearing Members | 6000 | | 6000 | 0.035 | | | 37441 | 17.55% | |
| HUF | 474750 | | 474750 | 2.76% | 359010 | | 359010 | 2.09% | |
| Trusts | | | | | | | | | |
| Foreign Bodies - D R | | | | | | | | | |
| Sub-total (B)(2):- | 743057 6 | - | 743057 6 | 43.33 | 730507 6 | | 7305076 | 42.60% | |
| Total Public Shareholding (B)=(B)(1)+(B)(2) | 743057 6 | - | 743057 6 | 43.33 | 730507 6 | | 730507 6 | 42.60 % | |
| C. Shares held by Custodian for GDRs & ADRs | | | | | | | | | |
| Grand Total (A+B+C) | 171476 70 | - | 171476 70 | 100.00 % | 171476 70 | - | 171476 70 | 100.00 % | |

(ii) Shareholding of Promoters

| Sl No. | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % change in share holding |
|--------|--------------------|---|-------------------|--------------------|-------------------------------------|-------------------|--------------------|---------------------------|
| | | No. of Shares | % of total Shares | % of Shares Pledge | No. of Shares | % of total Shares | % of Shares Pledge | |



| | | | of the compa ny | d / encum bered to total shares | | of the compa ny | d / encum bered to total shares | during the year |
|----|---|-------------|-----------------------|---|-------------|-----------------------|---|--------------------|
| 1 | Rameshbhai Chhotabhai Patel | 225156 3 | 13.1304 | | 225156 3 | 13.1304 | | - |
| 2 | Rajesh Puranmal Bansal | 913125 | 5.3251 | | 913125 | 5.3251 | | - |
| 3 | Sanjay Kachrulal Rathi | 288375 | 1.6817 | | 431875 | 2.5186 | | +0.84% |
| 4 | Bhavesh Rameshbhai Patel | 333188 | 1.9431 | | 333188 | 1.9431 | | - |
| 5 | Taraben Rameshbhai Patel | 187500 | 1.0934 | | 169500 | 0.9885 | | -0.105% |
| 6 | Vikas Rajesh Bansal | 81250 | 0.4738 | | 81250 | 0.4738 | | - |
| 7 | Shivratan Shrigopal Mundada | 71197 | 0.4152 | | 71197 | 0.4152 | | - |
| 8 | Rahul Rajeshkumar Bansal | 49063 | 0.2861 | | 49063 | 0.2861 | | - |
| 9 | Sarla Shivratan Mundada | 41250 | 0.2406 | | 41250 | 0.2406 | | - |
| 10 | Prafullata Rathi | 23438 | 0.1367 | | 23438 | 0.1367 | | - |
| 11 | Jagdish Rathi | 18715 | 0.1091 | | 18715 | 0.1091 | | - |
| 12 | Anand Vyapaar Private Limited | 339250 0 | 19.784 | | 339250 0 | 19.784 | | - |
| 13 | Ashva Multi Trade Private Limited | 206593 0 | 12.0479 | | 206593 0 | 12.0479 | | - |

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

| Sl. No. | Name | Particulars | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|------------|------|-------------|--|-------------------------|---|-------------------------|
| | | | No. of Shares | % of total Shares of | No. of Shares | % of total Shares of |



| | | | | | | |
|--|--|--|-----------|------------------------|--|------------------------|
| | | | | the company | | the company |
| | | At the beginning of the year | 97,17,094 | 56.67% | | |
| | | Increase / Decrease in Promoters Shareholding during the year specifying the reasons | 1,25,500 | +0.73% | | |
| | | At the End of the year | 98,42,594 | 57.40% | | |

(iv) Shareholding Pattern of top ten Shareholders

(OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS)

| | (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS): | Shareholding at the beginning of the year | | Shareholding at the end of the year | | Changes |
|---|---|---|----------------------------------|-------------------------------------|----------------------------------|---------|
| | | No. of Shares | % of total Shares of the company | No. of Shares | % of total Shares of the company | |
| 1 | SAFFORD MERCANTILE PRIVATE LIMITED | 22,85,450 | 13.33% | 22,85,450 | 13.33% | - |
| 2 | PRASAD COTTON INDUSTRIES PRIVATE LIMITED | 234000 | 1.36% | 234000 | 1.36% | |
| 3 | SAPTASHRUNGJI ALLOY PRIVATE LIMITED | 228000 | 1.32% | 228000 | 1.32% | |
| 4 | MAHENDRA GIRDHARILAL | - | - | 108000 | 0.6298 | |
| 5 | ASHABEN RAJESHKUMAR KHATRI | - | - | 96000 | 0.5598 | |
| 6 | AJAYKUMAR S PARASRAMPURIA | - | - | 91582 | 0.5341 | |
| 7 | MAULI FINANCIAL SERVICES PRIVATE LIMITED | - | - | 74398 | 0.4339 | |
| 8 | ANIL KUMAR | - | - | 61999 | 0.3616 | |



| | | | | | | |
|----|--|--------|--------|-------|--------|--|
| | LALWANI | | | | | |
| 9 | DINESH KANTILAL RATHI | - | - | 60660 | 0.3538 | |
| 10 | RAVI SHANKAR GUPTA | - | - | 60000 | 0.3499 | |
| 11 | ANKIT JAYANTIBHAI PATEL | 186000 | 1.0847 | - | - | |
| 12 | KIFS TRADE CAPITAL PRIVATE LIMITED | 162000 | 0.9447 | - | - | |
| 13 | MAHABALESHWAR ALLOYS PRIVATE LIMITED | 140000 | 0.8164 | - | - | |
| 14 | MAHENDRA GIRDHARILAL | 108000 | 0.6298 | - | - | |
| 15 | NIRAJ SEVANTILAL SHAH | 102000 | 0.5948 | - | - | |
| 16 | MANOJKUMAR SHANTARAM HAJARE | 78000 | 0.4549 | - | - | |
| 17 | MAULI FINANCIAL SERVICES PRIVATE LIMITED | 74398 | 0.4339 | - | - | |

(v) Shareholding of Directors and Key Managerial Personnel

| Sl. No. | Name | Designation | Shareholding at the beginning of the year | | Shareholding at the end of the year | |
|---------|--------------------------|----------------------|---|----------------------------------|-------------------------------------|----------------------------------|
| | | | No. of Shares | % of total Shares of the company | No. of Shares | % of total Shares of the company |
| 1 | SANJAY KACHRURAL RATHI | MANAGING DIRECTOR | 288375 | 1.68 | 431875 | 2.51 |
| 2 | RAJESH PURANMAL BANSAL | CHAIRMAN & DIRECTOR | 913125 | 5.32 | 913125 | 5.32 |
| 3 | PRAFULLATA SANJAY RATHI | DIRECTOR | 23438 | 0.13 | 23438 | 0.13 |
| 4 | PIYUSH AGRAWAL | INDEPENDENT DIRECTOR | - | - | - | - |
| 5 | KAILASH SHRIKISAN BIYANI | INDEPENDENT DIRECTOR | - | - | - | - |
| 6 | GOPAL SATYANARAYAN | INDEPENDENT | - | - | - | - |



| | | | | | | |
|---|--------------------------------|------------------------|-------|------|-------|------|
| | MUNDADA | DIRECTOR | | | | |
| 7 | SHIVRATAN SHRIGOPAL MUNDADA | ADDITIONAL DIRECTOR | 71197 | 0.42 | 71197 | 0.42 |
| 8 | ANUPKUMAR GINDODIYA | CFO | 6000 | | 12000 | |

V, INDEBTEDNESS :

Indebtedness of the Company including interest outstanding/accrued but not due for payment

| Particulars | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|----------------------------------|-----------------|----------|---------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 31,58,11,281 | | | 31,58,11,281 |
| ii) Interest due but not paid | 7,48,820 | | | 7,48,820 |
| iii) Interest accrued but not due | 0 | | | 0 |
| Total (i+ii+iii) | 31,65,60,101 | | | 31,65,60,101 |
| Change in Indebtedness during the financial year | | | | |
| Addition | 2,09,00,000 | | | 2,09,00,000 |
| Reduction | 10,83,83,899 | | | 10,83,83,899 |
| Net Change | 12,92,83,899 | | | 12,92,83,899 |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 44,58,44,000 | | | 44,58,44,000 |
| ii) Interest due but not paid | 5,76,000 | | | 5,76,000 |
| iii) Interest accrued but not due | 0 | | | 0 |
| Total (i+ii+iii) | 44,64,20,000 | | | 44,64,20,000 |

VI. Remuneration to Managing Director, Whole-time Directors and/or Manager

| Sl.no. | Name of MD/WT D/Manager | Gross salary | | | Stock Option | Sweat Equity | Commission | | Others | Total | Ceiling as per the Act |
|--------|-------------------------|-------------------|--------------|---------------------|--------------|--------------|----------------|--------|--------|-------|------------------------|
| | | (a) Salary as per | (b) Value of | (c) Profits in lieu | | | as % of profit | others | | | |



| | | provisions contained in section 17(1) of the Income-tax Act, 1961 | perquisites u/s 17(2) Income-tax Act, 1961 | of salary under section 17(3) Income-tax Act, 1961 | | | | | | | |
|----|--------------|---|--|--|---|---|---|---|---|---|-----------|
| 1. | Sanjay Rathi | 48,00,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 48,00,000 |

Remuneration to other directors

| Sl.no | Name of Directors | Independent Directors | | Total (1) | | Other Non-Executive Directors | | Total (2) | | Total (1+2) | Total Managerial Remuneration | Overall Ceiling as per the Act |
|-------|-------------------|--|------------|-----------|--------|--|------------|-----------|--|-------------|-------------------------------|--------------------------------|
| | | Fee for attending board / committee meetings | Commission | Others | Others | Fee for attending board committee meetings | Commission | Others | | | | |
| | | | | | | | | | | | | |

REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN



MD/MANAGER/WTD

| Sl.no. | Name of Key Managerial Personnel | Gross salary | | | Stock Option | Sweat Equity | Commission | | Others | Total |
|--------|----------------------------------|---|------------------------------------|--|--------------|--------------|----------------|--------|--------|----------|
| | | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | (b) Value of perquisites u/s 17(2) | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | | | as % of profit | others | | |
| 1. | Anup Gindodiya (CFO) | 7,74,600 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 7,74,600 |
| 2. | Sagar Pagariya CS | 3,84,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 384000 |

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES :

| Type | Section of the Companies Act | Brief Description | Details of Penalty /Punishment/ Compounding fees imposed | Authority [RD / NCLT/ COURT] | Appeal made, if any (give Details) |
|---------------------|------------------------------|-------------------|--|------------------------------|------------------------------------|
| A. COMPANY | | | | | |
| Penalty | | | | | |
| Punishment | | | | | |
| Compounding | | | | | |
| B. DIRECTORS | | | | | |
| Penalty | | | | | |
| Punishment | | | | | |
| Compounding | | | | | |



C. OTHER OFFICERS IN DEFAULT

| | | | | | |
|-------------|--|--|--|--|--|
| Penalty | | | | | |
| Punishment | | | | | |
| Compounding | | | | | |



ANNEXURE – D

STATEMENT OF PARTICULARS OF EMPLOYEES PURSUANT TO THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

| Sl. No. | Name | Designation/ Nature of Duties | Remuneration Received [Rs.] | Qualification | Experience in years | Age in years | Date of commencement of employment | Last employment held |
|---------|------|----------------------------------|-----------------------------|---------------|---------------------|--------------|------------------------------------|----------------------|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| N.A. | | | | | | | | |

Notes:

- All appointments are / were non-contractual
- Remuneration as shown above comprises of Salary, Leave Salary, Bonus, Gratuity where paid, Leave Travel Assistance, Medical Benefit, House Rent Allowance, Perquisites and Company's Contribution to Provident Fund and Superannuation Fund. Remuneration on Cash basis
- None of the above employees is related to any Director of the Company employed for part of the financial year.



ANNEXURE E
DECLARATION OF INDEPENDENCE
FROM INDEPENDENT DIRECTOR

To,
The Board of Directors
Laxmi Cotspin Limited
At Gut No.399, Samangaon-Kajla Road,
In Front Of Meenatai Thakare Vridhashram,
Samangaon Jalna - 431203

Subject: Declaration of independence under clause 49 of the Listing Agreement and sub-section (6) of section 149 of the Companies Act, 2013.

I, **Mr. Piyush Agrawal**, hereby certify that, I am an Independent Director of Laxmi Cotspin Limited, and comply with all the criteria of independent director as envisaged in Clause 49 of the Listing Agreement and the Companies Act, 2013.

I, certify that:

1. I possess relevant expertise and experience to be an independent director in the Company;
2. I am/was not a promoter of the company or its holding, subsidiary or associate company;
3. I am not related to promoters / directors / persons occupying management position at the board level or level below the board in the company, its holding, subsidiary or associate company;
4. Apart from receiving director sitting fees / remuneration, I have/had no pecuniary relationship / transactions with the company, its promoters, its directors, its senior management or its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial;
5. None of my relatives has or had any pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or Rs. 50 Lacs or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
6. Neither me nor any of my relatives:
 - a) holds or has held the position of a key managerial personnel or is or has been employee/executive of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year;



- B) Is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year of;
- I. firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
 - II. any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;
- c) holds together with my relatives 2% or more of the total voting power of the company; or
- d) is a Chief Executive or director, by whatever name called, of any non-profit organization that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or
7. I am not a material supplier, service provider or customer or a lessor or lessee of the company;
8. I am not less than 21 years of age.

DECLARATION

I undertake that, I shall seek prior approval of the Board, if and when, I have any such relationship / transactions, whether material or non-material. If I fail to do so, I shall cease to be an independent director from the date of entering in to such relationship / transactions.

Further, I do hereby declare and confirm that, the above said information's are true and correct to the best of my knowledge, as on the date of this declaration of independence and I shall take responsibility for its correctness and shall be liable for fine, if any imposed on the Company, its directors, if the same found wrong or incorrect in future.

I, further, undertake to intimate immediately upon changes, if any, to the Company for updating of the same.

Thanking you,
Yours faithfully,

SD/-
PIYUSH AGRAWAL
DIN: 08973966
Add - 1-33-166/1, R.P. Road.
Jalna 431203
Date: - 01/08/2022



To
 The Board of Directors
Laxmi Cotspin Limited
 At Gut No.399, Samangaon-Kajla Road,
 In Front Of Meenatai Thakare Vridhashram,
 Samangaon Jalna - 431203

Subject: Declaration of independence under clause 49 of the Listing Agreement and sub-section (6) of section 149 of the Companies Act, 2013.

I, **Mr. Kailash Shrikisan Biyani**, hereby certify that I am a Independent Director of Laxmi Cotspin Limited, and comply with all the criteria of independent director as envisaged in Clause 49 of the Listing Agreement and the Companies Act, 2013.

I certify that:

1. I possess relevant expertise and experience to be an independent director in the Company;
2. I am/was not a promoter of the company or its holding, subsidiary or associate company;
3. I am not related to promoters / directors / persons occupying management position at the board level or level below the board in the company, its holding, subsidiary or associate company;
4. Apart from receiving director sitting fees / remuneration, I have/had no pecuniary relationship / transactions with the company, its promoters, its directors, its senior management or its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial;
5. None of my relatives has or had any pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or Rs. 50 Lacs or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
6. Neither me nor any of my relatives:
 - a) holds or has held the position of a key managerial personnel or is or has been employee/executive of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year;



- b) Is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year of;
- I. firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
 - II. any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;
- c) holds together with my relatives 2% or more of the total voting power of the company; or
- d) is a Chief Executive or director, by whatever name called, of any non-profit organization that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or
7. I am not a material supplier, service provider or customer or a lessor or lessee of the company;
8. I am not less than 21 years of age.

DECLARATION

I undertake that I shall seek prior approval of the Board if and when I have any such relationship / transactions, whether material or non-material. If I fail to do so I shall cease to be an independent director from the date of entering in to such relationship / transactions.

Further, I do hereby declare and confirm that the above said information's are true and correct to the best of my knowledge as on the date of this declaration of independence and I shall take responsibility for its correctness and shall be liable for fine if any imposed on the Company, its directors, if the same found wrong or incorrect in future.

I further undertake to intimate immediately upon changes, if any, to the Company for updating of the same.

Thanking you,
Yours faithfully,

SD/-
KAILASH SHRIKISAN BIYANI
DIN: 02303810
Dr. R. P. Road, Jalna 431203
Date: - 01/08/2021



To
 The Board of Directors
Laxmi Cotspin Limited
 At Gut No.399, Samangaon-Kajla Road,
 In Front Of Meenatai Thakare Vridhashram,
 Samangaon Jalna - 431203

Subject: Declaration of independence under clause 49 of the Listing Agreement and sub-section (6) of section 149 of the Companies Act, 2013.

I, **Mr. Gopal Satyanarayan Mundada**, hereby certify that I am a Independent Director of Laxmi Cotspin Limited, and comply with all the criteria of independent director as envisaged in Clause 49 of the Listing Agreement and the Companies Act, 2013.

I certify that:

1. I possess relevant expertise and experience to be an independent director in the Company;
2. I am/was not a promoter of the company or its holding, subsidiary or associate company;
3. I am not related to promoters / directors / persons occupying management position at the board level or level below the board in the company, its holding, subsidiary or associate company;
4. Apart from receiving director sitting fees / remuneration, I have/had no pecuniary relationship / transactions with the company, its promoters, its directors, its senior management or its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial;
5. None of my relatives has or had any pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or Rs. 50 Lacs or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
6. Neither me nor any of my relatives:
 - b) holds or has held the position of a key managerial personnel or is or has been employee/executive of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year;



- b) Is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year of;
- I. firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
 - II. any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;
- c) holds together with my relatives 2% or more of the total voting power of the company; or
- d) is a Chief Executive or director, by whatever name called, of any non-profit organization that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or
7. I am not a material supplier, service provider or customer or a lessor or lessee of the company;
8. I am not less than 21 years of age.

DECLARATION

I undertake that I shall seek prior approval of the Board if and when I have any such relationship / transactions, whether material or non-material. If I fail to do so I shall cease to be an independent director from the date of entering in to such relationship / transactions.

Further, I do hereby declare and confirm that the above said information's are true and correct to the best of my knowledge as on the date of this declaration of independence and I shall take responsibility for its correctness and shall be liable for fine if any imposed on the Company, its directors, if the same found wrong or incorrect in future.

I further undertake to intimate immediately upon changes, if any, to the Company for updating of the same.

Thanking you,
Yours faithfully,

SD/-
GOPAL SATYANARAYAN MUNDADA
DIN: 02303810
Mutha Building Railway Station Road,
Jalna 431203
Date: - 01/08/2022



REPORT ON CORPORATE GOVERNANCE ON 2021-2022

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

The Company believes that Corporate Governance signifies ethical business behaviour in every sphere and with all constituents. This ethical business behaviour can be ingrained in the character of the organization through tradition, value, systems and commitment to the later as much as the spirit of laws and regulations. Corporate Governance emerges as the cornerstone of the Company's governance philosophy of the trusteeship, transparency, accountability and ethical corporate citizenship.

2. BOARD COMPOSITION AND PARTICULARS OF DIRECTORS:

a) Composition of the Board

1. Composition & Category of Directors [as on 31st March, 2022]

The Board comprises of 6 directors, of whom 1 is Managing Director, 1 director is Non - Executive Director, 1 is Women Director (Non - Executive), and 3 directors are Non-Executive Independent Director.

| Sr. No. | Name of the Director | Category |
|----------------|-----------------------------|--------------------------------|
| 1 | Sanjay Kachrual Rathi | Chairperson (Executive) |
| 2 | Rajesh Puranmal Bansal | Director (Non-Executive) |
| 3 | PrafullataSanjaykumar Rathi | Woman Director (Non-Executive) |
| 4 | Piyush Agrawal | Ind. Dir (Non-Ex) |
| 5 | Gopal Mundada | Ind. Dir (Non-Ex) |
| 6 | Kailash Biyani | Ind. Dir (Non-Ex) |

The Company does not have a Nominee Director on the Board.

b) Board Meetings, Annual general meeting and Attendance of each Director

The Company held Eleven Board Meetings during the year on The maximum interval between any two meetings did not exceed 120 days. Every board meeting, the matters specified under Section 17 read with Schedule II (Part A) of Listing Regulations were placed and discussed.

The notice of each Board meeting is given in writing to each Director. The Agenda along with relevant notes and others material information are sent in advance separately to each Director and in exceptional cases tabled at the meeting. This ensures timely and informed



decision by the Board. The Board reviews the performance of the Company vis a vis the budget/targets.

The previous Annual General Meeting (AGM) of the Company held on 27th September, 2021 at 12.30 P.M. was attended by Five Directors.

The attendance of directors at the Board meeting, their Directorships in other Companies and Membership / Chairmanship in the Committees constituted by other Companies are given below:

| Name | Number of Board Meetings attended | Directorships in other Company(s) as on (31/03/2022) | Member/ Chairman of committees of other company(s) (as on 31/3/2022) |
|-----------------------|-----------------------------------|--|--|
| Mr. Sanjay Rathi | 11 | 11 | 0 |
| Mr. Rajesh Bansal | 11 | 2 | 0 |
| Mrs. Prafullata Rathi | 9 | 2 | 0 |
| Mr. Piyush Agrawal | 10 | 1 | 0 |
| Mr. Gopal Mundada | 4 | 1 | 0 |
| Mr. Kailash Biyani | 4 | 1 | 0 |

c) None of the directors on the Board is a Member of more than 10 board level committees or Chairman of more than 5 Committees across all the Companies in which he is a Director. Necessary disclosures regarding committee positions in other public companies as of March 31, 2022 have been made by the Directors

d) None of the Independent Non-Executive Directors have any material pecuniary relationship or transactions with the Company among other important information, minutes of all the Committee meetings, are regularly placed before the Board in their meetings.

e) Separate Meeting of Independent Directors

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the Listing Agreement, a separate meeting of the Independent Directors of the Company was held on 6th December, 2021 for this Financial Year to review the performance of Non-independent Directors (including the Chairman) and the Board as whole.

3. COMMITTEES OF BOARD

During the year in accordance with the companies Act, 2013, there is no change in constitution of committees of the Board as Follows:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders Relationship Committee

1. Audit Committee:



The constitution, role and the powers of the Audit Committee of the Company are as per the guidelines set out in the Listing Agreement with Stock Exchange read with the provisions of Section 177 of the Companies Act, 2013 read with the Companies (Meetings

of Board and its Powers) Rules, 2014. The Committee also acts as a link between the Statutory and Internal Auditors and the Board of Directors. It reviews the various reports placed before it by the Management and addresses itself to the larger issues and examines and considers those facts that could be of vital concern to the Company including adequacy of internal controls, reliability of financial statements and other management information, adequacy of provisions of liabilities and adequacy of disclosures and compliance with all relevant statutes. All the members of the committee have requisite financial

The Committee meets periodically and reviews

- Audited and un-audited financial results;
- Internal audit reports and report on internal control systems of the Company;
- Discusses the larger issues that could be of vital concern to the Company;
- Auditors' report on financial statements and their findings and suggestions and seeks clarification thereon;
- All other important matters within the scope and purview of the committee.

As on 31st March 2022, the Audit Committee comprised of the following:

(Audit Committee)

| Names | Designation | No of Meeting Attended |
|--------------------|-------------|------------------------|
| Mr. Piyush Agrawal | Chairman | 5 |
| Mr. Sanjay Rathi | Member | 5 |
| Mr. Kailash Biyani | Member | 3 |

Details of Audit Committee meeting held during the year under review

| Sr No | Date |
|-------|------------|
| 1 | 13/04/2021 |
| 2 | 10/08/2021 |
| 3 | 18/10/2021 |
| 4 | 11/11/2021 |
| 5 | 12/02/2022 |

Note:

The company secretary of the company acts as the secretary to the committee.

2. Nomination and Remuneration Committee

Company has formed the Nomination and Remuneration Committee as per Section 178 another applicable provisions of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) and also to comply with



Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The terms of reference of the Nomination and Remuneration Committee includes the following:

1. Appointment, re-appointment, determination, fixation of the remuneration (including salaries and salary adjustments, incentives/benefits bonuses, stock options) and revision in the remuneration payable to the Managing Director of our Company from time to time.
2. Compensation and performance targets.
3. Other key issues / matters as may be referred by the Board or as may be necessary in view of the provisions of the Listing Agreement or any statutory provisions.

As on 31st March, 2022, the Committee Comprises of the following Members:

| Names | Designation | No of Meeting Attended |
|----------------------------|-------------|------------------------|
| Mr. Piyush Agrawal | Chairman | 2 |
| Mr. Rajesh Puranmal Bansal | Member | 3 |
| Mr. Gopal Mundada | Member | 2 |

Committee meeting held during the year under review

| Sr No | Date |
|-------|------------|
| 1 | 10/07/2021 |
| 2 | 19/11/2021 |
| 3 | 15/02/2022 |

Directors' Appointment Criteria / Policy

The Board of Directors is collectively responsible for selection of a Member on the Board. The Compensation / Nomination and Remuneration Committee of the Company follows a defined criteria for identification, screening, recruiting and recommending candidates for election as a Director on the Board. The criteria for appointment to the Board include:

1. Composition of the Board which is commensurate with the size of the Company, its portfolio, geographical spread and its status as a listed Company;
2. Desired age and diversity on the Board;
3. Size of the Board with optimal balance of skills and experience and balance of Executive and Non-Executive Directors consistent with requirements of the law;
4. Professional qualifications, expertise and experience in specific area of business;
5. Balance of skills and expertise in view of the objectives and activities of the Company;
6. Avoidance of any present or potential conflict of interest;
7. Availability of time and other commitments for proper performance of duties; and
8. Personal characteristics being in line with the Company's values, such as integrity, honesty, transparency and pioneering mindset.



Remuneration Policy

1. The reward policy of the Company shall be to pay market competitive reward with a strong linkage to performance, which ensures the effective recognition of performance and encourages a focus on achieving the operational results.

2. The appointment and remuneration of the Executive Directors, Key Managerial Personnel and Senior Management are by virtue of their employment with the Company as management employees and therefore their terms of employment viz. salary, variable pay, service contract, notice period and severance fee, if any, shall be governed by the applicable HR policies at the relevant period. The total reward package for Executive Directors, Key Managerial Personnel and Senior Management are intended to be market competitive with a strong linkage to the performance.

The Company does not have any Employee Stock Option Scheme.

a. Details of Remuneration paid to Managing Director for the period from 1st April, 2021 to 31st March, 2022

| Name of Director | Salary | Perquisites & Allowances |
|------------------|-------------|--------------------------|
| Sanjay Rathi | 48.00 Lac's | NA |

The aforesaid remuneration was paid to the Managing Director in compliance with the Provisions of Section II of Part II of Schedule V of the Companies Act, 2013.

b. Non-Executive Directors' Compensation

The Non-Executive Directors do not draw any remuneration from the Company.

3. Stakeholders Relationship Committee

The Company had constituted Stakeholders Relationship Committee of Directors to look into the Redressal of complaints of investors such as transfer or credit of shares to demat accounts, non-receipt of dividend/notices/annual reports etc. The Stakeholders Relationship Committee comprised of

| Names | Designation | No of Meeting Attended |
|--------------------|-------------|------------------------|
| Mr. Rajesh Bansal | Chairman | 2 |
| Mr. Kailash Biyani | Member | 1 |
| Mr. Sanjay Rathi | Member | 1 |

Also the same committee will be act for resolving shareholder grievances. If any shareholder have query, compliant on any matter including Annual report, this committee is responsible for the same to resolve this.

Members can lodge their query/ complaint on complianceofficerlaxmicotspin@gmail.com.



Committee meeting held during the year under review:

| Sr. No. | Date |
|---------|------------|
| 1 | 10/12/2021 |
| 2 | 05/01/2022 |

i. Name And Designation Of Compliance Officer

Mr. Sagar Pagariya appointed as Compliance Officer of the Company, w.e.f. 14/08/2022

ii. Investor Grievance Redressal:

During the Financial Year 2021-22, No any complaints were filed from any shareholders and not any complaint is pending all are nil status.

Note:

1. The company secretary of the company act as the secretary to the committee
2. There was no complaint received from the shareholder during the year under review as per reports provided by Registrar and Transfer Agent, hence there is no pending complaints.

4. GENERAL BODY MEETINGS:

i) Details of the Annual General Meetings held in the last three years are as under:

| Financial Year | Date | Time | Venue |
|----------------|------------|----------|---|
| 2018-19 | 29.08.2021 | 11.00 AM | Gut No.399, Samangaon-Kajla Road, In Front Of Meenatai Thakare Vridhashram, Samangaon, Jalna - 431203 |
| 2019-20 | 29.09.2021 | 11.00 AM | Gut No.399, Samangaon-Kajla Road, In Front Of Meenatai Thakare Vridhashram, Samangaon, Jalna - 431203 |
| 2020-21 | 27.09.2021 | 12.00PM | Gut No.399, Samangaon-Kajla Road, In Front Of Meenatai Thakare Vridhashram, Samangaon, Jalna - 431203 |

(ii) Special Resolution, if any, passed through postal ballot with details of voting pattern:

The Company pass any special resolution through Postal Ballot during the Financial Year 2021-22 dated 17th August, 2021 for Migration of Securities from NSE Emerge to NSE main Board.



(iii) Special Resolution proposed to be conducted through postal ballot:

None of the business proposed to be transacted in the ensuing Annual General Meeting requires Special Resolution through postal ballot.

Disclosures:-

1. Related party Transaction: There is a related party transaction with Vitthal Polypack Private Limited which is done at Arm Length Price.
2. Compliances: There was no instance of non-compliance by companies or penalties or strictures imposed on the company by the stock exchange or SEBI or any statutory authority on any matter related to capital markets during last three years.
3. Whistle Blower policy: The Company has in place an employee concern (Whistle Blower). No personnel have been denied access to the Audit Committee to lodge their grievances.
4. The company has complied with the mandatory requirement of SEBI (LODR) Regulation, 2015

i. MEANS OF COMMUNICATION:

Shareholding Pattern and Financial Results are electronically transmitted to the National Stock Exchange. And documents which are require to be upload on the website of the company as per SEBI (LODR) Regulation, 2015 and other applicable regulation, are also uploaded on the website www.laxmicotspin.com of the company

GENERAL SHAREHOLDER INFORMATION

i) Annual General Meeting:

| | |
|--|---|
| AGM : Date, Time & Venue | On Thursday, 25 th August, 2022 at 12.30 P.M at Gut No.399, Samangaon-Kajla Road, In Front Of Meenatai Thakare, Vridhashram, Samangaon, Jalna - 431203 |
| Financial Year | The Financial year under the review covers the following period from 01.04.2021 to 31.03.2022 |
| Date of Book closure | 19/08/2022 to 25/08/2022 |
| Listing on Stock Exchange | NSE Limited main Board |
| Stock Code | NSE - LAXMOCOT ISIN - INE801V01019 |
| Registrar and Transfer Agent | Linkintime India Private Limited |
| Share Transfer System | All the transfers received are processed by the Registrar and Transfer Agent. |
| Outstanding GDR/ADR /warrants or any convertible instruments conversion date and likely impact on | No Issued |



| | |
|-----------------------------------|--|
| equity | |
| Plant Location | Samangaon-Kajla Road, In Front Of Meenatai Thakare Vridhashram, Samangaon, Jalna - 431203, Maharashtra, India |
| Address for correspondence | 1. Samangaon-Kajla Road, In Front Of Meenatai Thakare Vridhashram, Samangaon, Jalna - 431203 2. Email Id - laxmicotspin@gmail.com |

Non mandatory Requirements

a. Shareholders Right - Re; Quarterly Result

A Quarterly declaration of financial performance including summary of the significant events in last Year is uploaded on the website of the company.

b. Evaluation of the board performance

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations And Disclosure Requirements) Regulation 2015, the Board has carried out an annual performance evaluation of its own, the Directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration Committee.

It was reported that the performance evaluation of the Board & Committee's was satisfactory. The Chairman of the Board provided feedback to the Directors on an individual basis, as appropriate. The Directors expressed their satisfaction with the evaluation process.

**For and On
behalf of the Board of Directors
Laxmi Cotspin Limited**

**Place - Jalna
Date - 01/08/2022**

**Sd/-
Sagar Pagariya
Company Secretary &
Compliance Officer**



Distribution of Shareholding as at 31st March, 2022

| Laxmi Cotspin Limited | | | | | | | |
|--|---------------------|----|-------|-------------------------------|--------------------------------|-----------------------------------|----------------------------|
| DISTRIBUTION OF SHAREHOLDING BASED ON SHARES HELD | | | | | | | |
| Report Type : All(NSDL+CDSL+PHYSICAL) 31.03.2022 | | | | | | | |
| SR.NO | SHARES RANGE | | | NUMBER OF SHAREHOLDERS | % OF TOTAL SHAREHOLDERS | TOTAL SHARES FOR THE RANGE | % OF ISSUED CAPITAL |
| 1 | 1 | to | 500 | 1483 | 67.87 | 153726 | 0.8965 |
| 2 | 501 | | 1000 | 148 | 6.77 | 129488 | 0.7551 |
| 3 | 1001 | | 2000 | 101 | 4.62 | 165858 | 0.9672 |
| 4 | 2001 | | 3000 | 40 | 1.83 | 109865 | 0.6407 |
| 5 | 3001 | | 4000 | 25 | 1.15 | 94298 | 0.5499 |
| 6 | 4001 | | 5000 | 28 | 1.29 | 135947 | 0.7928 |
| 7 | 5001 | to | 10000 | 247 | 11.30 | 1543687 | 9.0023 |
| 8 | 10001 | to | ***** | 113 | 5.17 | 14814801 | 86.3954 |
| | Total | | | 2185 | 100.0000 | 17147670 | 100.0000 |



[Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

Statement of particulars of employees pursuant to the provision of section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules,

1. Details pursuant to rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

| Sl No | Requirement of Rule 5(1) | Disclosure |
|-------|---|--|
| 1 | The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year; | Mr. Sanjay Rathi – (Managing Director) 5.80% |
| 2 | The percentage increase in median remuneration of employees in the financial year | The percentage increase in remuneration 1. MD – NA 2. Director - NA 3. CFO – NA 4. Company Secretary –NA 5. Manager - NA |
| 3 | The percentage increase in median remuneration of employees in the financial year | Nil |
| 4 | The Number of Permanent employees on the rolls of the company in the financial year | 450 |
| 5 | Maiden Remuneration of the employees in the financial year | - |
| 6 | The explanation on the relationship between average increase in remuneration and company performance | The company has made Profit of Rs 5,43,34,301 as compared to the last year profit 1,08,60,311 there is no increase in remuneration of Director |
| 7 | Comparison of the remuneration of the Key Managerial Personnel against the performance of the company | Total remuneration paid to the KMP 39.55% of the net profit of the 2021-22 |
| 8 | Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company | MD- 8.84% (of net Profit) CFO – 1.42 % (of net Profit) CS – 0.71 % (of net Profit) |



| | | |
|----|--|--|
| 9 | The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year; | NA |
| 10 | Affirmation that the remuneration is as per the remuneration policy of the company | We Affirm that the remuneration paid to employee and KMP remuneration is as per the remuneration policy of the company |

2. The board's report shall include a statement showing the name of every employee of the company, who-

- i. If employed throughout the financial year was in receipt of remuneration for that year which, in the aggregate, was not less than sixty lakh rupees;
- ii. If employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than five lakh rupees per month;
- iii. If employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

**For and On behalf of the Board of Directors
Laxmi Cotspin Limited**

**Place - Jalna
Date - 01/08/2022**

**Sd/-
Sagar Pagariya
Company Secretary &
Compliance Officer**



DECLARATION ON COMPLIANCE OF CODE OF CONDUCT

I, Mr. Sanjay Rathi, Managing Director of Laxmi Cotspin Limited, do hereby declare & confirm that all the Board Members and Senior Managerial Personnel have affirmed to the Board of Directors the compliance of the Code of Conduct as laid down by the Board.

**For
and On behalf of the Board of Directors
Laxmi Cotspin Limited**

**Place - Jalna
Date - 01/08/2022**

**Sd/-
Sagar Pagariya
Company Secretary &
Compliance Officer**



CEO/CFO CERTIFICATION

**To,
The Board of Directors,
Laxmi Cotspin Limited**

Sir,

a) We have reviewed the Financial Statement and cash flow statement for the year ended on 31st March 2022 and that to the best of our knowledge and belief:

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

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

b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year that are fraudulent, illegal or in violation of the Company's code of conduct.

c) We accept the responsibility for establishing and maintaining internal control for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to the financial reporting and we have disclosed to the auditors and the audit Committee, that there are no deficiencies in the design or operation of such internal controls, if any, of which we are aware.

d) We have indicated to the auditors and Audit Committee

i) That there is no significant change in internal control over financial reporting during the year.

ii) During the year due to main board migration from NSE SME emerge, we have adopted (Ind AS) and that the same have been disclosed in the notes to the financial statements; and

iii) There is no significant fraud of which we have become aware and that the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For Laxmi Cotspin Limited

Sd/-

**(Sanjay Rathi)
Managing Director**

Sd/-

**(Anupkumar Gindodiya)
CFO**

Place: Jalna

Date: 01/08/2022



Management Discussion Analysis:

1 Overall Review / Industry Structure and development

Company engaged in the business of cotton processing in textile industry with our production facilities located in cotton growing areas of Marathwada region at Samangaon which is situated in the Jalna district of State of Maharashtra. We are manufacturer of yarn and we have an existing Ring spinning & open end unit to cater to the yarn markets in Maharashtra and Gujarat. Our business is spread among home textiles, weaving sector, Denim Manufactures and hosiery manufacturers through open end yarn and ring spun yarn. we are manufacturing premium quality 100% cotton combed and carded hosiery/warp conventional, organic and BCI yarn in count range of 10s Ne to 40s Ne for the purpose of exporting to Asian and European countries.

Company was established in year 2008 with a capacity of 13200 spindles . Over the years we have expanded upto 16800 spindels with compact, lycra and slub attachment. Addition to this we have set up open end unit with 3000 Rotors. We believe that we have established a strong customer base and good marketing setup.

Our plant is equipped with state-of-art latest machineries of international repute. The plant is equipped with fully automatic, dust and pollution, modern colour contamination removal and yarn conditioning systems. Our technical team in spinning is well equipped with modern spinning technology and processing techniques by virtue of which we are able to ensure quality yarn. Operators are committed and they are trained in European training methods for efficient and quality work.

Company's operations are supported by modern testing instruments installed in its quality assurance laboratory, includes UT- 5 (Uster Switzerland), HVI, Single Yarn Tester, Aqura Process Control Management (Premium India). Beside of these basic instruments from Stax, Online Contamination Removal System SIRO facility at Autowinder maintains the contamination free world class premium quality cotton, yarns and garments.

We enjoy accreditations, such as the ISO 9001: 2008 certification for Quality Management System from Moody International, Certificate of Global Organic Textile Standards (GOTS) issued by Control Union Certification (Netherlands). Ginning & Spinning unit is certified by Control Union, for organic processing and Trading. Ginning & Pressing unit, 4 Star rating which is certified by Textiles Committee, BCI (Better Cotton Initiative) certified, by Better Cotton Initiative, Switzerland & star export house status. In this year we also got OEKO-TEX certificate to cater European customers.



1. OPPORTUNITIES AND THREATS

There is good scope for growth for the textile industry as India's share in the global trade textiles is weak compared to other countries. The free trade environment is a great opportunity for the Indian textile industry to increase its share in the global market. Chinese exports are slowing down on account of various factors inclusive of increase in domestic demand and rising costs. This is a good opportunity of which our textile industry should make use but smaller countries like Bangladesh, and Vietnam etc. are becoming formidable challengers.

I. Market access through bilateral negotiation

The trade is growing between regional trade blocs due to bilateral agreements between Participating countries.

II. Integration of Information technology

'Supply Chain Management' and 'Information Technology' has a crucial role in textile Manufacturing. Availability of EDI (Electronic Data Interchange), makes communication fast, easy, transparent and reduces duplication.

III. Opportunity in High Value Items

India has the opportunity to increase its UVR's (Unit Value Realization) through moving up the value chain by producing value added products and by producing more and more technologically superior products.

THREATS

Competition among spinners as the expansion is going on throughout industry, International trade war, etc However, we are making all out efforts to cope with all these challenges by continuous efforts at cost reduction, process improvements, diversification of products and improving productivity by improving efficiencies, and searching PAN India customers and also export market for selling of yarn.

2. SEGMENT REVIEW AND ANALYSIS

The entire operations of the Company relate to viz Textiles includes cotton lint, cotton yarn, therefore, segment/product-wise details are not applicable.

3. RISK AND CONCERNS

Although cotton textile is one of the most important industries of India, it suffers from many problems. The fluctuation in the currency especially against the dollar is becoming problematic for long term booking of orders. Cotton prices are too much volatile etc.



4. STRENGTH AND WEAKNESS

1. STRENGTH

I. Established marketing set-up

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

II. Locational advantage of our manufacturing unit

Our factory is located in the middle of cotton growing areas of Marathwada and Vidarbha region at Samangaon, 12 km away from Jalna. About seventy five (75%) of the State of Maharashtra's raw cotton production i.e. 50 lakh bales area production is in this zone out of which Jalna district accounts to approx. 5-6 lakh bales. Thus, procurement of these raw materials is less time consuming and comparatively cheaper due to savings on freight. Jalna is connected to various railway station and roads throughout India. Also, ICD Maliwada, Aurangabad is the nearest depot through which export containers are loaded and is directly linked to JNPT and Navasheva ports at Mumbai, which are only 400 km from Jalna. The Central government has recently approved the dry port for handling the export containers located near Jalna, this will reduce the cost of logistics for exporting the yarn.

III. Scalable business model

Our business model is order driven, and comprises of optimum utilization of our resources processing facilities, maximum capacity utilization, developing linkages with quality raw material suppliers and achieving consequent economies of scale. We believe that this business model has proved successful and scalable for us in the last few financial years. We have been successful in scaling up our business mainly due to the development of new markets, by adopting aggressive marketing of the product, innovation in the product range and by maintaining consistent quality of our products.

IV. Management expertise

Our management has adequate and rich experience in the textile business for more than a decade. Our Company is managed by a team of experienced personnel. The team comprises of personnel having operational and business development experience. We believe that our management team's experience and their understanding of the textile industry will enable us to continue to take advantage of both current and future market opportunities. Our Management's experience and knowledge enables us in addressing and mitigating various



risks inherent in our business, including competition, reliance on independent contractors, the global economic crisis related effects and fluctuations in the prices.

WEAKNESS

- I) **Fluctuation in prices of cotton.**
- II) **Volatility in the currency**

**For and On behalf of the Board of Directors
Laxmi Cotspin Limited**

**Place - Jalna
Date - 01/08/2022**

**Sd/-
Sagar Pagariya
Company Secretary &
Compliance Officer**

A. R. JOSHI & ASSOCIATES

Practicing Company Secretary

Office: - Bharat Bazar Commercial Complex, "E" wing, 'A' Office, API Corner, M.I.D.C
Chikalhana, Aurangabad. Ph.- 2480415, 9325228194

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
LAXMI COTSPIN LIMITED
(CIN: L17120MH2005PLC156866)
Gut No.399, Samangaon-Kajla Road,
In Front of MeenataiThakareVridhashram,
Samangaon Jalna - 431203

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **LAXMI COTSPIN LIMITED** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

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

i. **The Companies Act, 2013 (the Act) and the rules made thereunder;**

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

As per representation made by the management, adequate notices were given to all the Directors of the Board, Committee's Meetings and Agenda & detailed notes on agenda were sent at least seven days in advance and there exists a system for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting;



All decisions of Board and Committee meetings were carried unanimously.

Based on the representations given by the management of the Company and the information provided to us regarding the compliance system followed by the Company, We 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 as stated above.

However we further suggest that:-

a. Secretarial Standard I & II issued by ICSI is being followed by the Management of the company which have become mandatory. However the same needs improvement.

- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; :- **Not Applicable, as there is no foreign direct investments during the under review.**
- 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; **Not Applicable, as there is no substantial acquisition during the year under review.**
 - 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 as there was no reportable event during the financial year under review;**
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (upto 12th August, 2021) and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (with effect from 13th August, 2021);
-The company has not given any ESOP to its Employees and Directors during the year under review.



- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (up to 15th August, 2021);
- **The company has not issued or listed any debt securities on SME and Main Board during the year under review.**
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client - **Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review;**
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (up to 9th June, 2021) and The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (with effect from 10th June, 2021) - **Not Applicable as the Company has not delisted/ proposed to delist its equity shares from any Stock Exchange during the financial year under review;**
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **Not Applicable as there was no reportable event during the financial year under review;**
- i. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (with effect from 16th August, 2021); **Not Applicable, as company has not any convertible securities during the year under review.**
- j. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015;
- vi. Factories Act, and other Labour Laws namely Provident Fund Act, ESI Act 1948 and other applicable labour laws.
- a. The Employees' State Insurance Act, 1948:-

As reported by the management, the Employees State Insurance Act, 1946 is not applicable to the Company because it is located in an area where ESIC is not applicable to the Company.

b. Based on the information received from Management and factory people, the company is following regularly the provisions of Factories Act, Provident fund and other labour laws and making payments of Employers and Employees Provident fund regularly.

- The Factory license has been renewed up to 31st December 2022.

c. The Company has obtained consent from Maharashtra Pollution control Board and Certificate is valid up to 31st January 2024.



We have also taken a note of the following:

-Listing of Equity Shares of the Company have been migrated from SME Platform of NSE to Main Board of NSE from 13th November 2021.

**FOR: A. R JOSHI & ASSOCIATES
(PRACTICING COMPANY SECRETARY)**


CS ARUN R. JOSHI

PROPRIETOR

(ACS NO: 5480 CP NO: 4247)



PLACE: AURANGABAD

DATE: 27th July, 2022

UDIN NO: A005480D000692474

(Note: This report is to be read with our letter of even date which is annexed as Annexure A & forms an integral part of this report.)

A. R. JOSHI & ASSOCIATES

Practicing Company Secretary

Office: - Bharat Bazar Commercial Complex, "E" wing, 'A' Office, API Corner, M.I.D.C
Chikalthano, Aurangabad. Ph.- 2480415, 9325228194

Annexure "A"

To,
TheMembers,
LAXMI COTSPIN LIMITED
(CIN: L17120MH2005PLC156866)
Gut No.399, Samangaon-Kajla Road,
In Front of Meenatai Thakare Vridhashram,
Samangaon Jalna - 431203

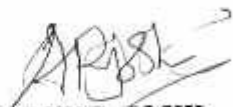
Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company. The compliance by the Company of applicable financial laws, like direct and indirect tax laws, have not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals, and is not covered under the scope of our secretarial audit.
4. Where ever required, we have obtained the Management representation 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. Our examination was limited to the verification of procedure 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: A. R JOSHI & ASSOCIATES
(PRACTICING COMPANY SECRETARY)**


**CS ARUN R. JOSHI
PROPRIETOR
(ACS NO: 5480 CP NO: 4247)**



**PLACE: AURANGABAD
DATE: 27th July, 2022**

UDIN NO: A005480D000692474

A. R. JOSHI & ASSOCIATES

Practicing Company Secretary

Office: - Bharat Bazar Commercial Complex, "E" wing, 'A' Office, API Corner, M.I.D.C
Chikalthana, Aurangabad. Ph.- 2480415, 9325228194

SECRETARIAL COMPLIANCE REPORT OF LAXMI COTSPIN LIMITED FOR THE YEAR ENDED 31ST MARCH 2022.

I, Arun Rajabhau Joshi, A. R. Joshi & Associates, Practicing Company Secretary, Aurangabad, have examined:

- (a) all the documents and records are made available to us and explanation provided by the management of Laxmi Cotspin Limited,
- (b) the filings/ submissions are made by the listed entity to the stock exchanges, from time to time.
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

For the year ended 31st March 2022 in respect of compliance with the provisions of:

- (a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
- (b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations,2018; **Not applicable during the year under review.**
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations,2011; **Not applicable during the year under review.**



- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations,2018; **Not applicable during the year under review.**
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations,2014; **Not applicable during the year under review**
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations,2008; **Not applicable during the year under review**
- (g) Securities and Exchange Board of India (Issue and Listing of Non- Convertible and Redeemable Preference Shares) Regulations,2013; **Not applicable during the year under review**
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations,2015;

and based on the above examination, I hereby report that, during the Review Period:

- (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:

| Sr. No | Compliance Requirement (Regulations/ circulars / guidelines including specific clause) | Deviations | Observations/ Remarks of the Practicing Company Secretary |
|--------|--|------------|---|
| 1. | No Deviation Found | N.A. | N.A. |
| | | | |

- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my examination of those records.
- (c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued there under:



| Sr. No. | Action taken by | Details of violation | Details of action taken E.g. - fines, warning letter, debarment, etc. | Observations / remarks of the Practicing Company Secretary, if any. |
|---------|-----------------|----------------------|--|---|
| | NIL | NIL | NIL | NIL |

(d) The listed entity has taken the following actions to comply with the observations made in previous reports:

| Sr. No. | Observations of the Practicing Company Secretary in the previous reports | Observations made in the secretarial compliance report for the year ended 2022 <i>(The years are to be mentioned)</i> | Actions taken by the listed entity, if any | Comments of the Practicing Company Secretary on the actions taken by the listed entity |
|---------|--|--|---|--|
| 1. | Nil | Minutes of meetings are as per Secretarial Standards issued by ICSI. But the same requires improvement. | Minutes of Board and other meeting are prepared and signed by the respective Chairman of the respective meetings. | Further, much improvement is required to match with secretarial Standard |

For A. R. Joshi & Associates,
(Practicing Company Secretary)



CS Arun R. Joshi
(Proprietor)
Membership No. ACS-5480
Certificate of Practice No.: 4247



Date: 27th July 2022

Place: Aurangabad

UDIN: A005480D000699791

A. R. JOSHI & ASSOCIATES

Practicing Company Secretary

Office: - Bharat Bazar Commercial Complex, "E" wing, 'A' Office, API Corner, M.I.D.C
Chikalthana, Aurangabad. Ph.- 2480415, 9325228194

CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To

The Board of Directors,

Laxmi Cotspin Limited

Gut No.399, Samangaon-Kajla Road,
In Front of Meenatai Thakare Vridhashram,
Samangaon, Jalna - 431203

We have examined the relevant records of Laxmi Cotspin Limited for the purpose of certifying compliance with the conditions of corporate governance for the year ended 31st March 2022, as stipulated in Schedule V (E) of the SEBI (LODR) Regulation, 2015 of the said Company with the stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the Company's management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the corporate governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of corporate governance as stipulated in applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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



**FOR: A. R JOSHI & ASSOCIATES
(PRACTICING COMPANY SECRETARY)**

Arun R. Joshi

**CS ARUN R. JOSHI
PROPRIETOR
(ACS NO: 5480 CP NO: 4247)**



PLACE: AURANGABAD

**DATE: 27th July 2022
UDIN NO: A005480D000699723**



SINGH - MUNDADA & ASSOCIATES

CHARTERED ACCOUNTANTS

102, 'Kalpataru', Plot No. 51/52,
Aditya Nagar, Sutgiri Chowk,
Aurangabad - 431005.
Ph.: 0240 - 2357851.
Mob.: 9822001733, 9371114414.
email : office@bpsinghandco.in
bpsinghandco@gmail.com
Website : www.bpsinghandco.in

**Auditor's Report on Full Yearly Financial Results and Year to Date Results of
Laxmi Cotspin Limited
Pursuant to the Regulation 33 of the
SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**To
The Board of Directors of
Laxmi Cotspin Limited,
Jaina.**


We have audited the financial results Laxmi Cotspin Limited for the half Year and year ended on 31st March, 2022, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These half yearly financial results as well as the yearly financial results have been prepared on the basis of the related interim financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these financial results based on our audit of such financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard for Interim Financial Reporting prescribed, under Section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

In our opinion and to the best of our information and according to the explanations given to us these half yearly financial results as well as the yearly results:

- (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
- (ii) Give a true and fair view of the net profit and other financial information for the half year as well as the year ended 31st March, 2022.

For Singh Mundada & Associates
Chartered Accountants
FRN 122059-W


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



Date: 13th May, 2022
Place: Aurangabad.



SINGH - MUNDADA & ASSOCIATES

CHARTERED ACCOUNTANTS

102, 'Kalpataru', Plot No. 51/52,
Aditya Nagar, Sutgirni Chowk,
Aurangabad - 431005.
Ph.: 0240 - 2357851.
Mob.: 9822001733, 9371114414.
email : office@bpsinghandco.in
bpsinghandco@gmail.com
Website : www.bpsinghandco.in

Independent Auditor's Report

To the Members of M/s. Laxmi Cotspin Limited.

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **M/s. Laxmi Cotspin Limited ("the Company")** which comprise the Balance Sheet as at 31st March, 2022, the Standalone Statement of Profit and Loss, for the period ended, the Cash Flow statement and a summary of significant accounting policies and other explanatory information.

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- In case of the Balance Sheet, of the "State of Affairs" of the Company as at 31st March, 2022; and
- In the case of the Statement of Profit and Loss, of the "Profit" for the year ended on that date;
- In the case of the Cash Flow Statement, of the "Cash flows" for the year ended on that date.

Basis for Opinion

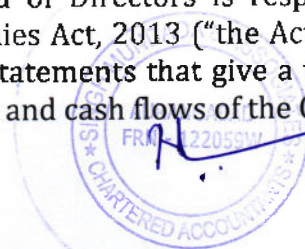
We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

The Company has not considered the effect of ICDS while calculating the amount of income tax provision and Deferred Tax Liability, amount of which cannot be quantified. Our opinion is not qualified in this matter.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("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



Laxmi Cotpsin Limited
Independent Auditor's Report on Audit of Standalone Financial Statements

principles generally accepted in India, including the Indian Accounting Standards specified under the Companies (Indian Accounting Standards) (Amendment) Rules, 2016 notified under Section 133 of the Companies Act, 2013 ('the Act') and the other relevant provisions of the Act.. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those 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 responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the



Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Report on Other Legal and Regulatory Requirements

1. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
2. As required by the Companies (Auditor's Report), 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of the section 143 of the act, we give in the Annexure-B a statement on the matters specified in paragraphs 3 and 4 of the order.
3. As required by section 143 (3) of the Act, we report that: -
 - a) We have sought and except for the matter described in the Emphasis of matter paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) Except for the possible effects of the matter described in the Emphasis of matter paragraph above, 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) Since, the company does not have any branches, the report on the accounts of the branch offices audited by other auditor u/s 143 (8) of the Act is not applicable.
 - d) 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.
 - e) Except for the possible effects of the matter described in the Emphasis of matter paragraph, in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow statement comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - f) The matter described in the Emphasis of matter paragraph above, in our opinion, may not have an adverse effect on the functioning of the company.
 - g) On the basis of written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
 - h) The qualification relating to maintenance of accounts and other matters connected therewith are as stated in Emphasis of matter paragraph above.



- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 its financial position in its financial statements- refer Notes on accounts 2.2 (i) to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Singh Mundada & Associates

Chartered Accountants

FRN 122059-W


CA Balaji P. Singh

(Partner)

M. No. 104836



UDIN: 22104836AIX1DU1548

Date: 13th May, 2022

Place: Aurangabad.

Annexure 'A' To the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of **Laxmi Cotpsin Limited** ('The Company') as of 31st March, 2022 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended and as 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 ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('the ICAI')". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required the Act.

Auditor's 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 Standards on Auditing ('the Standards') prescribed under section 143(10) of the Act and Guidance Note, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with the 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A Company's internal financial control over financial reporting includes those policies and procedures that

- i. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- ii. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the company; and
- iii. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

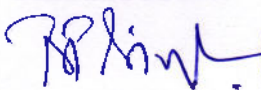
Opinion

In our opinion, to the best of our information and according to the explanation given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2022, 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.

For Singh Mundada & Associates

Chartered Accountants

FRN 122059-W



CA Balaji P. Singh

(Partner)

M. No. 104836

UDIN: 2-2104836AIXIDU1548

Date: 13th May, 2022

Place: Aurangabad.



Annexure 'B' To the Independent Auditors' Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on Companies (Auditor's Report) Order, 2020 ('The Order') issued by the central government in terms of Sub-section 11 of Section 143 of the Companies Act, 2013 ('The Act') of Laxmi Cotspin Limited ('The Company')

1) Property, Plant & Equipment

- a) The company has maintained proper records showing full particulars including quantitative details & situation of property, plant & equipment. The company does not have any Intangible Assets & hence is not required to maintain proper records regarding the same.
- b) The property, plant & equipment have been physically verified by the Management at reasonable intervals and no material discrepancies were noticed on such verification. The frequency of verification in our opinion is reasonable.
- c) All the title deeds (Lease Deed) of immovable properties are held in the name of the company excluding the land situated at Gut no 394 which is on the name of one of the director of the company. However, the company have constructed the Factory building on said land, the amount of construction is uncertainable. The said fact came to know after technical verification by Bank and their survey team. In earlier report, the same could not reported has the said facts were not addressed by the management of the company.
- d) The company has not revalued its property, plant & equipment (including right of use assets) during the year.
- e) No proceedings has been initiated or are pending against the company for holding any Benami property under the Benami Transaction Prohibition Act, 1988 and rules made there under.

2) Inventories

- a) As explained to us, the inventories have been physically verified by the Management at the yearend and in our opinion the coverage and procedure of such verification is appropriate. Further no major discrepancies were observed on such verification.
- b) The company has been sanctioned working capital limits in excess of five crore rupees in aggregate on the basis of security of current assets. The company has filed quarterly returns or statements, with the bank and on our verification of the same with the books of accounts, certain discrepancies have been observed which have been given by the management in note no 2.1.i) to the audited financial statements.



3) Investments made, Guarantee Granted, Loans Given

The Company has neither granted any Guarantee nor provided any loans or advances no in the nature of loans, secured or unsecured to companies, firms, limited Liability Partnerships or any other parties

4) Loans, Investments, Guarantees & Security

In our opinion, in respect of loans granted, investments made, guarantees given, and security given, the provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.

5) Deposits:

The Company has not accepted any deposits & hence compliance of provisions of sections 73 to 76 or other relevant provisions of the Companies Act, 2013 and the rules framed is not applicable.

6) Maintenance of Cost Records:

We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148 (1) of the Act, in respect of Company's products to which said rules are made applicable and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.

7) Remittance of Statutory Dues:

- a) The company has been generally regular in depositing undisputed statutory dues like PF, GST, ESIC, TDS, Customs Duty, etc. with the appropriate authorities and no dues are pending to be paid for a period of more than 6 month since they became payable.
- b) There are no dues of PF, GST, ESIC, TDS, Customs duty, etc. or cess which has not been deposited on account of any dispute. *Details of dues towards Income tax that have not been deposited on account of dispute are as follows.*

| Name of the Statute | Nature of dues | Amount (Rs.) | Period to which it relates | Forum where the dispute is pending | Amount paid (Rs.) |
|---------------------|-----------------|--------------|----------------------------|------------------------------------|-------------------|
| Income Tax Act 1961 | Assessment dues | 1,46,000 | AY 2018-19 | Commissioner of Income Tax Appeals | 0.00 |

9) Loan from Bank / Financial Institutions:

- a) In our opinion, the company has not defaulted in repayment of loans or other borrowings or in payment of interest to any lender during the year.
- b) The company has not been declared as a wilful defaulter by any bank / financial institution or other lender during the year.
- c) The term loans availed by the company during the year have been applied for the purpose for which the loans were obtained.



- d) The company has not utilized funds raised on short term basis for long term purposes during the year.
- e) The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures during the year.
- f) The company has not raised loans during the year on pledge of securities held in its subsidiaries, joint venture or associate companies.

10) Initial Public Offer (IPO) / Follow-on Public Offer (FPO):

- a) The company has not raised any money by way of initial public offer or follow-on public offer during the year & hence further reporting on this clause is not applicable.
- b) The company has not made any preferential allotment or private placement of shares or debenture during the year & hence further reporting on this clause in not applicable.

11) Fraud:

- a) No fraud by the company or on the company has been notice of reported during the year.
- b) No report u/s 143 (12) of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 during the year.
- c) As informed to us, no whistle blower complaints have been received by the company during the year.

12) Nidhi Company:

In our opinion, the company is not a nidhi company, & hence reporting under sub. Clause (a) on complying with the ratio of net owned fund to deposits, clause (b) on maintaining ten percent unencumbered term deposit to meet out the liability & clause (c) on default in payment on interest on deposits or repayment thereof is not required.

13) Related party transactions:

All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

14) Internal Audit

The company has an internal audit system commensurate with the size & nature of its business & the reports of the internal auditor for the period under audit have been considered while conducting the audit.



15) Non-Cash Transaction

The company has not entered into any non-cash transactions with directors or persons connected with them and hence reporting on compliance to the provisions of section 192 of Companies Act, 2013 is not applicable

16) Registration under RBI

- a) In our opinion, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934
- b) The company has not conducted any nonbanking financial or housing finance activities during the year.
- c) In our opinion, the company is not a Core Investment Company (CIC) as defined under RBI regulations.
- d) The company is the standalone company and not a part of a group & hence reporting under this clause is not applicable.

17) Cash Losses

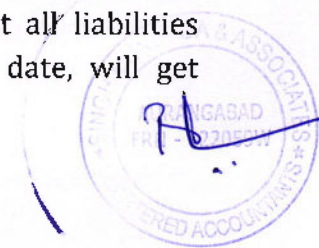
In our opinion the company has not incurred any cash losses during the financial year & also in the immediately preceding financial year.

18) Resignation of Statutory Auditors

There has been no resignation of the statutory auditors during the year and accordingly this clause is not applicable

19) Going Concern

On the basis of the analysis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 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



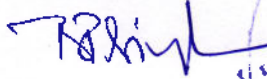
20) Corporate Social Responsibility

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions under section 135 of the Companies Act, 2013 were not applicable for the financial year 2021-22. However, for the financial year ending 31st March, 2022 the Company has earned Profit before tax exceeding Rs. 5 Crores whereby the provisions of Corporate Social Responsibility became applicable to the Company from the financial year 2022-23.

21) Consolidated Financial Statement

The financial statements referred to in this report are a standalone financial statement and not the consolidated financial statement and hence reporting under this clause is not applicable.

For Singh Mundada & Associates
Chartered Accountants
FRN 122059-W



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



UDIN: 22104836AIXIDU1548

Date: 13th May, 2022

Place: Aurangabad.



LAXMI COTSPIN LIMITED

(A Govt. Recognized Star Export House & NSE-SME Listed Company)



Regd. Off.: Gut No. 399, Samangeon - Kajala Phata, Jalna-Ambad Road,
Opp. Meenatai Thakare Vridhashram, JALNA - 431 203. (M.S.) India.
Off. 09765999633 E-mail: admin@laxmicotspin.com Web Site: www.laxmicotspin.com

CIN NO - L17120MH2005PLC156866

Ref. No.

Date :

Date: - 13/05/2022

To
The Manager
Listing & Compliance Department,
National Stock Exchange of India limited
Exchange Plaza, 5Th Floor, Plot No C/1,
G Block, Bandra-Kurla Complex, Bandra,
Mumbai-400051

(Company ID: LAXMICOT ISIN: INE801V01019)

SUB:- Outcome of Board Meeting-under regulation 30 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 as amended from time to time.

Dear Sir /madam

Pursuant to Regulation 30 & 33 of the SEBI(Listing Obligations and disclosure Requirements) Regulations, 2015("Listing Regulations"), we wish to inform you that the Meeting of the Board of Directors of the company was held on Friday, 13th May, 2022 at 7.30 PM and concluded at 8.00 PM. The Board of directors of the company has considered and, either noted or approved the followings along with other routine businesses:-

1. Approved the Standalone Audited financial Result of the company for the year ended 31st March, 2022, and taken on record the Audit Report of the statutory Auditors on Audited Financial Results of the company for the quarter ended 31st March, 2022;

Further, in accordance with the applicable provisions of the SEBI (Prohibition Of Insider Trading) Regulations, and as per Company code for prohibition of insider trading, the "Trading Window" for dealing in equity shares of the company shall remain closed till 48 hours after the declaration of Audited Financial Results of the company to the stock exchange.

You are requested to please take on record the aforesaid information for your reference, records and for further needful.

Thanking You,
Yours Faithfully,
FOR LAXMI COTSPIN LIMITED

Sanjay Rathi
Managing Director
DIN - 00182739



Laxmi Cotspin Limited
Balance Sheet as at March 31, 2022

| Particular | Notes | As at March 31, 2022 | As at March 31, 2021 |
|---------------------------------------|-------|-------------------------|-------------------------|
| A. ASSETS | | | |
| NON CURRENT ASSETS | | | |
| (a) Property, Plant and Equipment | 3 | 26,75,49,115 | 27,23,69,220 |
| (b) Right-of-Use Assets | 3 | - | - |
| (c) Capital Work-in-Progress | 3 | 2,03,11,986 | 1,96,88,586 |
| (d) Financial Assets | | | |
| i. Investments | 4 | 1,97,46,430 | 1,41,77,430 |
| (e) Income Tax Assets (net) | | - | - |
| TOTAL NON CURRENT ASSETS | | 30,76,07,531 | 30,62,35,235 |
| CURRENT ASSETS | | | |
| (a) Inventories | 5 | 47,41,99,915 | 30,40,70,660 |
| (b) Financial assets | | | |
| i. Trade Receivables | 6 | 8,61,04,882 | 19,62,30,110 |
| ii. Cash and Cash Equivalents | 7 | 5,25,483 | 10,14,146 |
| iii. Loans and Advances | 8 | 16,78,64,440 | 7,46,46,980 |
| (c) Other Current Assets | 9 | 3,89,83,882 | 3,01,08,690 |
| TOTAL CURRENT ASSETS | | 76,76,78,602 | 60,60,70,587 |
| TOTAL ASSETS | | 1,07,52,86,133 | 91,23,05,822 |
| B. EQUITY AND LIABILITIES | | | |
| EQUITY | | | |
| (a) Equity Share Capital | 10 | 17,14,76,700 | 17,14,76,700 |
| (b) Other Equity | 11 | 36,42,95,230 | 30,96,47,635 |
| TOTAL EQUITY | | 53,57,71,930 | 48,11,24,335 |
| LIABILITIES | | | |
| NON CURRENT LIABILITIES | | | |
| (a) Financial Liabilities | | | |
| i. Borrowings | 12 | 10,25,48,840 | 13,52,28,358 |
| (b) Provisions | 13 | 49,99,700 | 43,91,909 |
| (c) Deferred Tax Liabilities (Net) | | 40,57,734 | 24,22,394 |
| TOTAL NON CURRENT LIABILITIES | | 11,16,06,274 | 14,20,42,661 |
| CURRENT LIABILITIES | | | |
| (a) Financial Liabilities | | | |
| i. Borrowings | 14 | 29,40,51,969 | 15,53,79,380 |
| ii. Trade payables | 15 | 6,31,71,638 | 5,15,01,227 |
| (b) Provisions | | - | - |
| (c) Current Tax Liabilities (Net) | 16 | 41,51,011 | 17,51,000 |
| (e) Other Current Liabilities | 17 | 6,65,33,312 | 8,05,07,219 |
| TOTAL CURRENT LIABILITIES | | 42,79,07,930 | 28,91,38,826 |
| TOTAL EQUITY & LIABILITIES | | 1,07,52,86,133 | 91,23,05,822 |

Summary of Significant Accounting Policies and Notes form an integral part of the Financial Statements

In terms of our report attached.

Singh Mundada & Associates
Chartered Accountants
FRN : 122059W

CA Balaji P. Singh
(Partner)

M. No. 104836

UDIN: 22104836ATXIDU1548

Place: Aurangabad

Date: 13th May, 2022

For and on behalf of Board of Directors of
Laxmi Cotspin Limited

Sanjay Rathi
(Managing Director)
DIN 00182739

Rajesh Bansal
(Director)
DIN 00272612



(Signature)

Laxmi Cotspin Limited
Statement of Profit and Loss
For the period ended 31st March, 2022

| Particulars | 3 Months Ended | | 6 Months ended | | Year Ended | |
|---|---------------------|---------------------|-----------------------|---------------------|-----------------------|-----------------------|
| | 31st March, 2022 | 31st December, 2021 | 31st March, 2022 | 31st March, 2021 | 31st March, 2022 | 31st March, 2021 |
| | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. |
| | Audited | Unaudited | Unaudited | Audited | Audited | Audited |
| 1. Income | | | | | | |
| Income from operations (Net) | 55,58,11,664 | 45,09,51,442 | 1,00,67,63,106 | 70,12,52,230 | 2,15,94,31,498 | 1,16,13,63,156 |
| Other Operating Income | - | - | - | - | - | - |
| Total Income from operation | 55,58,11,664 | 45,09,51,442 | 1,00,67,63,106 | 70,12,52,230 | 2,15,94,31,498 | 1,16,13,63,156 |
| 2. Expenses | | | | | | |
| Cost of materials consumed | 45,51,92,566 | 36,32,98,199 | 81,84,90,765 | 50,54,51,669 | 1,77,24,46,420 | 86,51,08,873 |
| Changes in inventories of finished goods, work-in-process and stock-in-trade | 1,25,45,517 | (1,41,65,995) | (16,20,478) | (59,92,929) | (75,83,797) | 1,77,55,373 |
| Employee Benefit Expenses | 2,13,73,806 | 2,32,25,384 | 4,45,99,190 | 3,62,63,556 | 8,27,50,155 | 6,54,35,992 |
| Depreciation and Amortisation expenses | 72,83,369 | 78,59,584 | 1,51,42,953 | 1,55,92,390 | 3,23,27,631 | 3,14,79,636 |
| Other expenses | 4,38,28,364 | 4,79,08,410 | 9,17,36,774 | 8,46,43,913 | 18,94,52,091 | 14,23,63,289 |
| Total Expenses | 54,02,23,621 | 42,81,25,583 | 96,83,49,204 | 63,59,58,599 | 2,06,99,92,500 | 1,12,21,43,143 |
| 3. Profit/(Loss) from operation before other income, finance Cost and Expenditional Items (1-2) | 1,55,88,043 | 2,28,25,859 | 3,84,19,902 | 6,52,93,631 | 9,00,38,998 | 5,92,20,013 |
| 4. Other Income | 2,22,446 | 41,99,558 | 44,22,005 | 25,07,282 | 1,35,77,642 | 56,32,638 |
| 5. Profit/(Loss) from ordinary Activities before finance Cost and Expenditional Items (3+4) | 1,58,10,489 | 2,70,25,417 | 4,28,35,907 | 6,78,00,913 | 10,36,16,640 | 6,48,52,651 |
| 6. Finance costs | 36,18,148 | 78,77,864 | 1,14,96,012 | 1,08,88,033 | 2,57,44,560 | 3,01,17,974 |
| 7. Profit/(Loss) from ordinary Activities after finance Cost but before Expenditional Items (5-6) | 1,21,92,341 | 1,91,47,554 | 3,13,39,895 | 5,69,12,880 | 7,78,72,080 | 1,47,34,677 |
| 8. Exceptional Items | - | - | - | - | - | - |
| 9. Profit/(Loss) from ordinary Activities before tax | 1,21,92,341 | 1,91,47,554 | 3,13,39,895 | 5,69,12,880 | 7,78,72,080 | 1,47,34,677 |
| 10. Tax expense: | | | | | | |
| 1) Current Tax | 58,28,763 | 47,86,889 | 1,06,15,652 | 17,51,000 | 2,30,00,000 | 17,51,000 |
| 2) Deferred Tax | (5,88,862) | (25,348) | (6,14,210) | 44,46,712 | 16,35,340 | (3,71,947) |
| 3) Short/ Excess Provision | 17,51,000 | - | 17,51,000 | (17,51,000) | 17,51,000 | (17,51,000) |
| | 69,90,901 | 47,61,541 | 1,17,52,442 | 44,46,712 | 2,63,86,340 | (3,71,947) |
| 11. Profit/(Loss) from ordinary Activities after tax (9-10) | 52,01,440 | 1,43,86,013 | 1,95,87,453 | 5,24,66,168 | 5,14,85,740 | 1,51,06,624 |
| 12. EXTRA-ORDINARY ITEMS | | | | | | |
| Profit/(Loss) on sale of Asset | - | - | - | (42,46,313) | 30,05,208 | (42,46,313) |
| 13. Other comprehensive income | | | | | | |
| Remeasurement of defined benefit obligation | (1,56,647) | - | - | - | (1,56,647) | - |
| Total Extra-Ordinary Items | (1,56,647) | - | - | (42,46,313) | 28,48,561 | (42,46,313) |
| 13. Net Profit for the Year (11-12) | 50,44,793 | 1,43,86,013 | 1,95,87,453 | 4,82,19,855 | 5,43,34,301 | 1,08,60,311 |
| 14. Share of profit/ (loss) of associates* | - | - | - | - | - | - |
| 15. Minority Interest* | - | - | - | - | - | - |
| 16. Net Profit/ (loss) after Taxes, minority interest and Share of Profit/ (Loss) of associates (13-14-15) | 50,44,793 | 1,43,86,013 | 1,95,87,453 | 4,82,19,855 | 5,43,34,301 | 1,08,60,311 |



S. Chatur

R. K. J.

| | | | | | | | |
|---|---|--------------|--------------|--------------|--------------|--------------|--------------|
| 17 | Paid up Equity share capital (Face Value of Rs. 10/- each) | 17,14,76,700 | 17,14,76,700 | 17,14,76,700 | 17,14,76,700 | 17,14,76,700 | 17,14,76,700 |
| 18 | Reserves (Excluding revaluation reserve) | 36,42,95,230 | 36,42,95,230 | 36,42,95,230 | 30,96,47,635 | 36,42,95,230 | 30,96,47,635 |
| Earning per equity per share before (Extra | | | | | | | |
| 19 ^{a)} | Ordinary Items) of Rs. 10/- each | | | | | | |
| a) | Basic EPS (in Rs.) | 0.29 | 0.84 | 1.14 | 2.81 | 3.17 | 0.63 |
| b) | Diluted EPS (in Rs.) | 0.29 | 0.84 | 1.14 | 2.81 | 3.17 | 0.63 |
| Earning per equity per share after (Extra | | | | | | | |
| 19 ^{b)} | Ordinary Items) of Rs. 10/- each | | | | | | |
| a) | Basic EPS (in Rs.) | 0.29 | 0.84 | 1.14 | 2.81 | 3.17 | 0.63 |
| b) | Diluted EPS (in Rs.) | 0.29 | 0.84 | 1.14 | 2.81 | 3.17 | 0.63 |

Overview and Significant Accounting Policies

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

Notes:

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

In terms of our report of even date

For Singh Mundada & Associates

Chartered Accountants

FRN : 122059W

CA Balaji P. Singh

(Partner)

M. No. 104836

UDIN: 22104836AIXIDU138

Date : 13th May, 2022

Place : Aurangabad



For and on behalf of the
Board of Directors

Sanjay Rathia
(Managing Director)
DIN 00182739

Rajesh Wasekar
(Director)
DIN 00272512

Laxmi Cotspin Limited
Cash Flow Statement
For the period ended 31st December, 2021

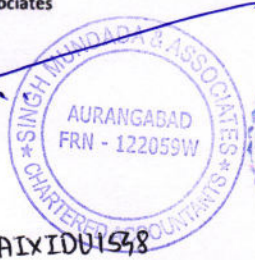
| Particulars | As At 31st March, 2022 Rs. | As At 31st March, 2021 Rs. |
|---|----------------------------------|----------------------------------|
| A. Cash Inflow/ (Outflow) from Operating Activities | | |
| Net Profit After Tax | 5,44,90,948 | 1,08,60,311 |
| Adjustment For | | |
| Depreciation | 3,23,27,631 | 3,14,79,636 |
| Interest Paid (Net) | 2,57,44,560 | 3,01,17,973 |
| Provision for Income Tax | 2,30,00,000 | 17,51,000 |
| Deferred Tax | 16,35,340 | (3,71,947) |
| Provision for Gratuity and Leave Encashment | 13,05,988 | 7,32,965 |
| Profit / (Loss) on Sale of Asset | 30,05,208 | (42,46,313) |
| Duty Drawback, Interest and Subsidy Received | (1,35,77,642) | (56,32,638) |
| Earlier Provision Written Back | 17,51,000 | 74,14,521 |
| | <u>7,51,92,085</u> | <u>6,12,45,197</u> |
| Operating Profit before working capital changes | 12,96,83,033 | 7,21,05,508 |
| Adjustment for | | |
| Inventories | (17,01,29,256) | (1,77,73,855) |
| Trade Receivables | 11,01,25,229 | 13,60,02,442 |
| Other Current Assets | (88,75,191) | 70,03,506 |
| Short-term loans and advances | (9,32,17,460) | (6,02,39,210) |
| Trade Payables | 1,16,70,410 | (53,32,447) |
| Other Current Liabilities | (1,39,73,907) | 4,34,59,216 |
| Long term provisions | 6,07,791 | (15,91,011) |
| Income Tax Paid | (2,30,00,000) | (52,37,353) |
| | <u>(18,67,92,384)</u> | <u>9,62,91,287</u> |
| Net Cash Inflow/(Outflow) from Operating Activities | (5,71,09,351) | 16,83,96,796 |
| B. Cash Inflow/(Outflow) From Investment Activities | | |
| Capital Expenditure (Purchase/ Capitalization) | (3,20,53,518) | (26,52,448) |
| Sale Proceeds of Fixed Assets | 15,40,783 | 1,70,38,000 |
| (Increase) / Decrease due to Investment | (55,69,000) | (1,80,000) |
| (Increase) / Decrease due to revaluation | | |
| Net Cash Inflow/(Outflow) from Investing Activities | (3,60,81,734) | 1,42,05,552 |
| C. Cash Inflow/(Outflow) From Financing Activities | | |
| Increase/ Decrease in Long Term Borrowings | (3,26,79,518) | 5,67,83,616 |
| (Repayment)/Receipt to Short Term pledge and Cash Credit borrowings | 13,73,92,213 | (21,57,19,549) |
| Interest Paid | (2,57,44,560) | (3,01,17,973) |
| Duty Drawback, Interest and Subsidy Received | 1,35,77,642 | 56,32,638 |
| Net Cash Inflow/(Outflow) from Financing Activities | 9,25,45,777 | (18,34,21,269) |
| Net Changes in Cash & Cash Equivalents (A+B+C) | (6,45,309) | (8,18,921) |
| Cash & Cash equivalents (Opening Balance) | 10,14,145 | 18,33,066 |
| Cash & Cash equivalents (Closing Balance) | <u>3,68,836</u> | <u>10,14,145</u> |

Summary of Significant Accounting Policies and Notes form an integral part of the Financial Statements

For Singh Mundada & Associates
Chartered Accountants
FRN : 122059W

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

UDIN NO: 22104836AIXIDU1538
Place: Aurangabad
Date: 13th May, 2022



For and on behalf of the Board of Directors

Sanjay Rathi
(Managing Director)
DIN 00182739

Rajesh Bansal
(Director)
DIN 00272612

Laxmi Cotspin Limited

Statement of Profit and Loss for the period ended as on 31st March, 2022

| Particular | Notes | For the period ended March 31, 2022 | For the year ended March 31, 2021 |
|--|-------|--|--------------------------------------|
| I. Revenue From Operations | 18 | 2,15,94,31,498 | 1,16,13,63,156 |
| II. Other Income | 19 | 1,35,77,642 | 56,32,638 |
| Total Income (I+II) (III) | | 2,17,30,09,139 | 1,16,69,95,794 |
| IV. Expenses | | | |
| Cost of Materials Consumed | 20 | 1,77,24,46,420 | 86,51,08,873 |
| Changes in Inventories of Work-In-Progress and Finished Goods | 21 | (75,83,797) | 1,77,55,373 |
| Employee Benefit Expense | 22 | 8,27,50,155 | 6,54,35,972 |
| Finance Costs | 23 | 2,57,44,560 | 3,01,17,973 |
| Depreciation and Amortisation Expense | 24 | 3,23,27,631 | 3,14,79,636 |
| Other Expenses | 25 | 18,94,52,091 | 14,23,63,289 |
| Total Expenses | | 2,09,51,37,060 | 1,15,22,61,116 |
| V. Profit Before Extra-Ordinary Item (III - IV) | | 7,78,72,080 | 1,47,34,677 |
| Extra-Ordinary Item | | 30,05,208 | (42,46,313) |
| V. Profit Before Tax (III - IV) | | 8,08,77,288 | 1,04,88,364 |
| VI. Income tax expense | | | |
| Current Tax | | 2,30,00,000 | 17,51,000 |
| Deferred Tax | | 16,35,340 | (3,71,947) |
| MAT Credit Entitlement | | 17,51,000 | (17,51,000) |
| Total Tax Expense | | 2,63,86,340 | (3,71,947) |
| VII. Profit for the Year (V - VI) | | 5,44,90,948 | 1,08,60,311 |
| VIII. Other comprehensive income | | | |
| Items that may be reclassified to profit or loss | | - | - |
| Share of other comprehensive income of associates and joint ventures accounted for using the equity method | | - | - |
| Exchange differences on translation of foreign operations | | - | - |
| Remeasurement of defined benefit obligation | | (1,56,647) | - |
| Others (Specify) | | - | - |
| Income tax relating to these items | | - | - |
| Total Other Comprehensive Income for the Year, Net of Tax | | (1,56,647) | - |
| IX. Total Comprehensive Income for the Year (VII + VIII) | | 5,43,34,301 | 1,08,60,311 |
| X. Earnings Per Equity Share for Profit Attributable to Owners | | | |
| Basic | | 3.17 | 0.63 |
| Diluted | | 3.17 | 0.63 |

Summary of Significant Accounting Policies and Notes form an integral part of the Financial Statements

In terms of our report attached.

Singh Mundada & Associates

Chartered Accountants

FRN : 122059W

RP Singh

CA Balaji P. Singh

(Partner)

M. No. 104836

UDIN: 22104836AIXIDU1548

Place: Aurangabad

Date: 13th May, 2022



For and on behalf of Board of Directors of
Laxmi Cotspin Limited

Sanjay Rathi

Sanjay Rathi
(Managing Director)
DIN 00182739

Rajesh Bansal

Rajesh Bansal
(Director)
DIN 00272612

Laxmi Cotspin Limited

Notes to the financial statement as at and for the period ended 31st March, 2022

1) Overview:

- i) Laxmi Cotspin Limited (hereinafter referred as an "LCL") was originally incorporated under the Companies Act, 1956, as private limited company. In the year 2010, the management decided to go for expansion and the company was converted into a public limited company and consequently the name of the company was changed to Laxmi Cotspin Limited pursuant to fresh certificate of incorporation issued by Registrar of Companies Mumbai, Maharashtra. LCL has spinning unit of 16,800 spindles and 48 DR Ginning & Pressing unit at Samangaon, Dist. Jalna (Maharashtra).

2) Basis for Preparation:

a) Statement of Compliance:

These standalone financial statements have been prepared in accordance with Indian Accounting Standards (IND AS) as per the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 notified under Section 133 of the Companies Act, 2013 ('the Act') and the other relevant provisions of the Act. The date of transition to IND AS is April 1, 2021.

The Company has uniformly applied the accounting policies during the periods presented. These Standalone Financial Statements for the year ended 31st March 2022 are the first financial statements which the Company has prepared in accordance with Indian Accounting Standards. For all periods up to and including the year ended 31st March 2021, the Company had prepared its Standalone financial statements in accordance with Accounting Standards notified under Section 133 of the Act, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP), which have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS. There are no such major adjustments in carrying values on account of adoption Indian Accounting Standards and necessary disclosures provided wherever necessary.

b) Functional and presentation currency:

These standalone financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency.

c) Current and Non-Current Classification:

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III of the Act. Based on the nature of its activities and the time between the acquisition of assets for processing and their realisation in cash or cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

d) Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities and commitments at the end of the reporting period and results of operations during the reporting period. Although these estimates are based upon the management's best knowledge of current events and actions, actual results could differ from these estimates.

Difference between the actual result and estimates are recognized in the period in which the results are known/ materialized.

e) Useful lives of Property , Plant and Equipment:

The Company estimates the useful lives of property, plant and equipment based on the period over which the assets are expected to be available for use. The estimation of the useful lives of property, plant and equipment is based on collective assessment of industry practice, internal technical evaluation and on the historical experience with similar assets. It is possible, however, that future results from operations could be materially affected by changes in estimates brought about by changes in factors mentioned above. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances. The estimated useful lives are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the assets.

f) Provisions and contingent liabilities

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the standalone financial statements. Contingent assets are neither recognised nor disclosed in the standalone financial statements

Note 2.1 Significant Accounting Policies:

i) Valuation of Inventories:

- a) Raw materials and stores and spares are valued at lower of cost, computed on net realizable value. Cost includes the purchase price as well as incidental expenses. Cotton Waste is valued at estimated realizable value. However, in case of raw materials, stores and spares held for use in the production of finished goods are not written down below cost if the finished products are expected to be sold at or above cost.
- b) Work-in-process is valued at lower of estimated cost or net realizable value and finished goods are valued at lower of weighted average cost or net realizable value. Cost for this purpose includes direct cost and appropriate administrative and other overheads.
- c) Finished goods are valued at the lower of cost or net realizable value. Cost included cost of materials, conversion cost and related overheads paid or payable on such goods.
- d) The Company has borrowings from banks and financial institutions based on security of current assets. During the year company have submitted quarterly statement with banks are in agreement with the books of accounts subject to non-materialized discrepancies.

ii) Cash and Cash Equivalents (For purpose of Cash Flow Statement):

- a) Cash flow statement has been prepared under indirect method as set out in the Indian Accounting Standard 7 on Cash Flow Statement.
- b) The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

iii) Revenue Recognition:

- a) Sales are exclusive of indirect taxes and net off trade discount, returns and rate difference. Other income is accounted on accrual basis whereas dividend is accounted as and when right to receive arises.
- b) Interest Income is recognized on time proportion basis.
- c) Commodities hedging and F/O transaction gain or loss are recorded on the date of their settlement in respect of the settled contracts and the gain or loss determined on day to day basis.
- d) Duty drawback income against export sale is recorded on receipt basis
- e) Other income is accounted on accrual basis

iv) Property, Plant & Equipment and Depreciation:

- a) Fixed assets have stated at cost of acquisition or construction less accumulated depreciation/amortization. Cost represents all cost relating to the acquisition and installation, net-off tax, which is refundable or set-off, allowed. Cost also includes finance cost. Other expenses incurred in connection to the commencement of commercial production have treated as part of the assets and capitalized.
- b) Depreciation on fixed assets is provided under straight-line method based on the estimated useful life of the Assets specified in schedule II to the Companies Act, 2013 and depreciation on the assets acquired during the year is provided on pro-rata basis from/to the month of addition/deduction.

| Asset Class | Estimated Useful Life* |
|--|-------------------------------|
| Factory Building | 30 Years |
| Building (Other than factory Building) Other than RCC frame structure | 30 Years |
| Plant and Machinery (Continuous process plant for which no special rate has been prescribed) | 8 Years |
| Computer and Data Processing Units | 3 Years |
| Electrical Installations | 10 Years |
| Vehicles - Motor buses, Motor lorries, Motor cars and Motor taxies other than those used in a business of running on them hire | 8 Years |
| Furniture and fittings | 10 Years |
| Office equipment's and Misc. Fixed Assets | 5 Years |

* Note: The above useful life is as per management estimate.

- c) Capital work in progress: It is stated at cost incurred for acquisition and construction of Plant & Machineries, Electrical Installation, misc. Assets and Factory building. Projects under which assets are not ready for their intended use are disclosed under Capital Work-in-Progress.
- d) Pre-operative Expenses: It is stated at cost incurred for acquisition of fixed assets including borrowing Cost and administrative expenses.
- e) Leasehold land is accounted at cost including incidental expenses.
- f) Land: IND AS 101 allows entity to elect to measure Property, Plant and Equipment on the transition date at its fair value or previous GAAP carrying value (book value) as

deemed cost. The company has elected to measure land at previous GAAP carrying value (book value) and will apply fair value prospectively after the date of transition of IND AS.

v) Foreign Currency Transactions:

Foreign currency transactions are recorded at the rate of exchange prevailing at the date of the transaction. Monetary foreign currency assets and liabilities are translated at the year-end exchange rates and resultant gains / losses are recognized in the statement of profit & loss for the year, except to the extent that they relate to new projects till the date of capitalization which are carried to capital work-in progress and those relating to fixed assets which are adjusted to the carrying cost of the respective assets.

vi) Derivative Instrument and Hedge Accounting:

The company uses Commodity Forward Contract with Commodity Exchanges to hedge its risks on account of price fluctuation in commodity dealt. The company designates these Hedging Instruments as "Instruments Available for Sale" applying the recognition and measurement principles set out in the Indian Accounting Standard 109 "Financials Instruments: Recognition and Measurement".

The use of hedging instrument is governed by the principals set by Companies Board of Directors, and such principals are consistent with the Company's Risk management strategy. Hedging instruments are initially measured at fair value and are premeasured at subsequent reporting dates. Changes in the fair value of these derivatives that are designated and effective as hedges of "Instruments Available for Sale" and are recognized.

vii) Government Grants, Subsidy and Incentives:

- a) Interest subsidy received or receivable on Term Loan taken under Technology up Gradation Fund Scheme (TUFS) Subsidy are reduced from the term loan interest being a revenue nature. TUFS subsidy on Interest pertaining to pre-operative period is attributable to the cost of acquisition/installation of fixed assets till the commencement of commercial production is capitalized.
- b) Export duty drawback is accounted on the accrual basis.

viii) Employee Benefits:

Expenses & liabilities in respect of employee benefits are recorded in accordance with Indian Accounting Standard (IND AS)-19 - 'Employee Benefits'.

a) Short term employees' benefits:

Company has recognized all such benefits like salary, wages on accrual basis i.e. in the period in which the employees renders related services and at actual cost i.e. undiscounted basis.

b) Post-employment benefits: Defined Contribution Plan:

State governed provident fund, insurance and labour welfare schemes are defined contribution plan of company. The company recognizes all such benefits on accrual basis i.e. charge to revenue in the period in which the employee's renders related services and at amount of actual fixed contribution.

c) Retirement Benefits:

Retirement benefits in the form of Provident Fund which are defined contribution plans are charged to the Profit & Loss Account of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.

d) Gratuity:

Gratuity liabilities is defined benefit obligations and are provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. Actuarial gains/losses are immediately taken to profit and loss account and are not deferred.

e) Leave Encashment:

It is provided as and when due. During the year, the company has made the appropriate provision has required by the statute.

ix) Borrowing Cost:

In Accordance with IND AS 23 'Borrowing Cost', borrowing costs net of Technology up Gradation Finance Scheme (TUFS) related to a qualifying asset is worked out on the basis of actual utilization of funds out of project specific loans and/or other borrowings to the extent identifiable with the qualifying asset and is capitalized with the cost of qualifying asset. Other borrowing costs net of TUFS incurred during the period are charged to statement of profit and loss.

x) Segment Accounting:

The company is engaged mainly in Cotton products consisting of various types of cotton yarn, Cotton bales, and Cotton seeds, cotton oil and oil cakes. The company operates in one geographical segment viz. India, therefore no geographical segments is reported in accordance with IND AS 108 - 'Segment Reporting'.

xi) Taxes on Income:

- a) Taxes on income are accounted for in accordance within Indian Accounting Standard 12 on "Income Taxes". Tax Expenses comprise of Current Tax and Deferred Tax.
- b) Current Tax expense comprises taxes on income from operations in India. The Income Tax is determined at amount expected to pay for recoverable from the authorities in accordance with the provisions of the Income Tax Act, 1961.
- c) Deferred Tax Expense and Benefit is recognized on timing difference being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax Assets and Liabilities are measured using the tax rates and the tax laws that have been enacted or substantively enacted by the Balance Sheet date.
- d) The company offsets deferred tax assets and deferred tax liabilities if it has a legally enforceable right and these relate to taxes on income levied by the same governing taxation laws.

xii) Earnings Per Share:

Basic Earnings per share is computed by dividing the Profit/ (Loss) after tax (Including the post tax effect of extra ordinary items, if any) by the weighted average number of equity shares outstanding during the year. Basic and Diluted EPS are same because the company has not issued any of the shares having a dilutive effect on the original shareholders. Refer Notes on accounts 2.2 (VI) to the financial statements.

Note 2.2 Notes on Accounts

i) Contingent Assets:

a) Claims Receivable by company not acknowledged as income:

- The HDFC Bank had levied penal charges over the period for non-execution of 1st PP charge on land at Gut No 394 with SVC Bank and building thereon was mortgaged with HDFC Bank. Now the mortgaged agreement is registered, thus, HDFC Bank has agreed to reverse the penal interest of Rs. 41.18 Lakhs (Aug 2019 to March 2021). The said income will be accounted for on receipt basis.

ii) Contingent Liability:

a) Guarantees by banks on behalf of the company:

- The company has given Bank Guarantee in favor of MSEB against the electricity consumption is RS. 91.87 Lakhs.
- The company has given Bank Guarantee in favor of Director of Agriculture Produce Marketing Committee State Pune RS. 3 Lakhs.
- The company has given Bank Guarantee in favour of Dy. Commissioner of Customs against Imported Spare Clearance of RS. 5.04 Lacs.
- The company has given Bank guarantee in favour of DGFT for export obligation is Rs. 9.66 Lacs.

b) Claims against the company not acknowledged as debt:

- In respect of civil suits against the company:

- On account of cancellation of forward contract for Supply of cotton bales, the Cotton Association of India (CAI) has given decision against Company and directed to pay compensation of Rs. 34,27,251/- to the aggrieved party. Against the said order, the company has filed appeal with civil court.

- In respect of Income Tax appeals filed :

- The Income Tax Department had made an addition of Rs. 1,46,740/- on account of Duty drawback against which company has filed an appeal before Commissioner of Income Tax Appeals, Aurangabad and decision is awaited.

iii) Sundry creditors, Sundry debtors and advance are subject to confirmation. Further in the opinion of the management the current assets, loans and advances have the value for realization in the ordinary course of business at least equal to the amount at which it's stated in the accounts.

iv) The company is in the process of compiling the information about the status of their suppliers or creditors those falls under small-scale industrial undertaking as defined The Micro Small and Medium Enterprises Developments Act 2006 (MSMED Act).

v) Payments to auditors:

| | 31 st March, 2022 | 31 st March, 2021 |
|----------------------|------------------------------|------------------------------|
| Statutory Audit Fees | 1,20,000 | 1,20,000 |
| Tax Audit | 75,000 | 75,500 |
| Total | 1,95,000 | 1,95,500 |

vi) The Deferred tax liability comprises of following:

| Particulars | 31/03/2022 | 31/03/2021 |
|--|--------------------|--------------------|
| Deferred Tax Liability | | |
| On account of Timing Difference (Depreciation) | 56,23,574 | 78,47,336 |
| Total (a) | 56,23,574 | 78,47,336 |
| Deferred Tax Assets | | |
| On Account of Disallowances | (15,65,840) | (54,24,942) |
| Total (b) | (15,65,840) | (54,24,942) |
| Net Deferred Tax Liability | 40,57,734 | 24,22,394 |
| Less: - Provision up to previous year | 24,22,394 | 27,94,341 |
| Deferred Tax (Liability) /Assets (Net) for the year | 16,35,340 | (3,71,947) |

vii) Earnings per share is worked out as under:

| Earnings per Share | 31/03/2022 | 31/03/2021 |
|--|--------------------|--------------------|
| Profit After Tax (Balance available for Equity Shareholders) | 5,43,34,301 | 1,08,60,311 |
| No. of shares outstanding | 1,71,47,670 | 1,71,47,670 |
| Weighted Average number of equity shares used as denominator for calculating of EPS (No) | 1,71,47,670 | 1,71,47,670 |
| Basic and Diluted Earnings Per Share of face value of Rs 10 each (₹) | 3.17 | 0.63 |

viii) As per accounting standard 18, issued by the Institute of Chartered Accountants of India (ICAI), the disclosure of transactions with related parties as defined in the accounting standard are given below:

| Sr. No. | Name of the related Party | Relation/Key Personnel |
|---------|---|--|
| 1 | Mr. Sanjay Rathi | Key Managerial Person (Director of Laxmi Cotspin) |
| 2 | Vitthal Polypack Private Limited | One of the Director's Company |
| 3 | Rtcamp Solutions Private Limited | |
| 4 | Icon Five Hundred Ispat Private Limited | |

a) Disclosure in respect of material transactions with related parties during the year:

| Nature of Transaction | Sanjay Rathi | Vitthal Polypack Pvt Ltd |
|-----------------------|--------------|--------------------------|
| Services Received | 35,46,780 | - |
| Material Purchases | - | 26,95,735 |
| Material Sales | - | - |

ix) Previous Year Figures regrouped/rearranged/reclassified where ever necessary to confirm to current year grouping & classifications.

In terms of our report of even date

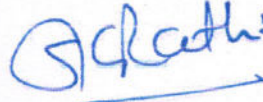
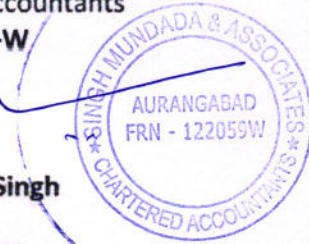
For & on behalf of the Board of Directors

For M/s. Singh Mundada & Associates
Chartered Accountants
FRN 122059-W




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

UDIN: 22104836AIXIDU1538
Dated: 13th May, 2022
Place: Aurangabad.



Sanjay Rathi
(Managing Director)
DIN 00182739



Rajesh Bhansal
(Director)
DIN 00272612



Laxmi Cotspin Limited
Statement of Changes in Equity

(A) Equity Share Capital

| Particular | No. of Shares | Amount |
|--|---------------|--------------|
| Equity Shares of Rs. 10/- each Issued, Subscribed and Fully Paid up | | |
| As at 31st March 2020 | 1,71,47,670 | 17,14,76,700 |
| Change in Equity Shares Capital | - | - |
| As at 31st March 2021 | 1,71,47,670 | 17,14,76,700 |
| Change in Equity Shares Capital | - | - |
| As at 31st March 2022 | 1,71,47,670 | 17,14,76,700 |

(B) Other Equity

| Particular | Reserve and Surplus | | | | Other items of Other Comprehensive Income | Total Other Equity |
|--|---------------------|----------------------------|---------------------|--------------------|---|---------------------|
| | Securities Premium | Capital redemption Reserve | General Reserve | Capital reserve | Remeasurement of defined benefit obligation | |
| Balance as at April 1, 2020 | 5,55,29,500 | - | 19,29,62,980 | 5,02,94,844 | - | 29,87,87,324 |
| - Profit for the year | - | - | 1,08,60,311 | - | - | 1,08,60,311 |
| - Other Comprehensive Income | - | - | - | - | - | - |
| Total Comprehensive Income for the year | 5,55,29,500 | - | 20,38,23,291 | 5,02,94,844 | - | 30,96,47,635 |
| Balance as at March 31, 2021 | 5,55,29,500 | - | 20,38,23,291 | 5,02,94,844 | - | 30,96,47,635 |
| - Profit for the year | - | - | 5,44,90,948 | - | - | 5,44,90,948 |
| - Other Comprehensive Income | - | - | - | - | 1,56,647 | 1,56,647 |
| Total Comprehensive Income for the year | 5,55,29,500 | - | 25,83,14,239 | 5,02,94,844 | 1,56,647 | 36,42,95,230 |
| Balance as at March 31, 2022 | 5,55,29,500 | - | 25,83,14,239 | 5,02,94,844 | 1,56,647 | 36,42,95,230 |

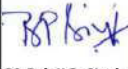

Summary of Significant Accounting Policies and Notes form an integral part of the Financial Statements

In terms of our report attached.

Singh Mundada & Associates

Chartered Accountants

FRN : 122059W

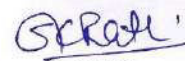


CA Balaji P. Singh
(Partner)
M. No. 104836

Place: Aurangabad

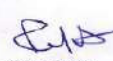
Date: 13th May, 2022

For and on behalf of Board of Directors of Laxmi Cotspin Limited
Laxmi Cotspin Limited





Sanjay Rathi
(Managing Director)
DIN 00182739



Rajesh Bansal
(Director)
DIN 00272612

Laxmi Cotspin Limited

Notes to the Financial Statements for the period ended as on March 31, 2022

3. Property, plant and equipment

| Particular | Land | Building | Electrical Installation | Plant & Machinery | Miscellaneous Fixed Asset | Furniture & Fixtures | Computers Systems | Office Equipment | Vehicle & Others | Total |
|----------------------|-----------|--------------|-------------------------|-------------------|---------------------------|----------------------|-------------------|------------------|------------------|--------------|
| As at April 01, 2020 | 33,43,006 | 15,56,56,250 | 3,83,83,484 | 66,20,15,012 | 3,34,93,989 | 59,91,382 | 24,57,953 | 11,93,058 | 1,14,59,139 | 91,39,93,273 |
| Additions | - | - | 4,15,000 | 2,73,631 | 11,89,600 | 92,837 | - | - | - | 19,71,068 |
| Disposals | - | - | - | 4,78,54,293 | - | - | - | - | - | 4,78,54,293 |
| As at March 31, 2021 | 33,43,006 | 15,56,56,250 | 3,87,98,484 | 61,44,34,350 | 3,46,83,589 | 60,84,219 | 24,57,953 | 11,93,058 | 1,14,59,139 | 86,81,10,048 |
| Additions | - | 46,87,938 | 11,98,717 | 2,37,91,938 | 3,25,119 | - | 11,102 | - | 20,38,705 | 3,20,53,518 |
| Disposals | - | - | - | 2,30,73,458 | 7,35,000 | - | - | - | - | 2,38,08,458 |
| As at March 31, 2022 | 33,43,006 | 16,03,44,188 | 3,99,97,201 | 61,51,52,829 | 3,42,73,708 | 60,84,219 | 24,69,055 | 11,93,058 | 1,34,97,844 | 87,63,55,108 |
| DEPRECIATION | | | | | | | | | | |
| As at April 01, 2020 | - | 3,49,26,655 | 2,43,61,212 | 48,98,26,317 | 2,65,70,787 | 51,21,085 | 24,29,862 | 10,77,675 | 65,17,569 | 59,08,31,162 |
| Change for the year | - | 49,62,528 | 28,63,676 | 1,89,12,477 | 31,97,456 | 5,78,001 | 28,091 | 52,924 | 8,84,484 | 3,14,79,636 |
| Disposals | - | - | - | 2,65,69,980 | - | - | - | - | - | 2,65,69,980 |
| As at March 31, 2021 | - | 3,98,89,184 | 2,72,24,887 | 48,21,68,805 | 2,97,68,268 | 56,99,086 | 24,57,952 | 11,30,597 | 74,02,049 | 59,57,40,828 |
| Change for the year | - | 50,05,522 | 20,01,116 | 2,17,79,678 | 23,41,553 | 3,07,557 | 586 | 52,938 | 8,38,681 | 3,23,27,631 |
| Disposals | - | - | - | 1,92,62,467 | - | - | - | - | - | 1,92,62,467 |
| As at March 31, 2022 | - | 4,48,94,705 | 2,92,26,004 | 48,46,86,016 | 3,21,09,821 | 60,06,643 | 24,58,538 | 11,83,535 | 82,40,730 | 60,88,05,992 |
| Net Carrying Value | 33,43,006 | 11,54,49,482 | 1,07,71,197 | 13,04,66,813 | 21,63,888 | 77,576 | 10,517 | 9,523 | 52,57,114 | 26,75,49,115 |
| As at March 31, 2021 | 33,43,006 | 11,57,67,066 | 1,15,73,597 | 13,22,65,544 | 49,15,321 | 3,85,134 | 1 | 62,461 | 40,57,090 | 27,23,69,220 |
| As at March 31, 2022 | 33,43,006 | 11,54,49,482 | 1,07,71,197 | 13,04,66,813 | 21,63,888 | 77,576 | 10,517 | 9,523 | 52,57,114 | 26,75,49,115 |

Note 3.1: All the title deeds (Lease Deed) of immovable properties are held in the name of the company excluding the land situated at Gut no 394 which is on the name of one of the director of the company. However, the company have constructed the Factory building on said land, the amount of construction is uncertainable. The said fact came to know after technical verification by Bank and their survey team.

Note : Capital Work in Progress are under developments includes.

1. Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

| Particulars | Account in Capital work in Progress for a period of | | | | Total As on 31.03.22 | Total As on 31.03.21 |
|--------------------------|---|-------------|-------------|-------------------|-------------------------|-------------------------|
| | Less than 1 year | 1-2 years | 2-3 Years | More than 3 years | | |
| Project in process | 6,23,400 | 6,81,381 | 1,90,07,205 | - | 2,03,11,986 | 1,96,88,586 |
| Project in process in PY | 6,81,380.51 | 1,90,07,205 | - | - | 1,96,88,586 | 1,90,07,205 |



Laxmi Cotspin Limited
Notes to the Financial Statements as at 31st March, 2022

| Particulars | As at 31st March, 2022 Rs. | As at 31st March, 2021 Rs. |
|--|----------------------------------|----------------------------------|
| 4 Non Current Investments | | |
| i) In Term Deposits Account | 1,87,46,430 | 1,41,77,430 |
| ii) Fully paid up equity shares in Companies | 10,00,000 | - |
| | 1,97,46,430 | 1,41,77,430 |

| Particulars | Nos. as at 31st March, 2022 | Nos. as at 31st March, 2021 | Face Value |
|--|--------------------------------|--------------------------------|------------|
| Non - Trade Investments | | | |
| Laxmi Spintex Private Limited (Wholly owned Subsidiary Company of Laxmi Cotspin Limited) | 10,000 | 0 | 10 |

| Particulars | As at 31st March, 2022 Rs. | As at 31st March, 2021 Rs. |
|--|----------------------------------|----------------------------------|
| 5 Inventories | | |
| (At cost or Net realisable Value whichever is lower) | | |
| a) Raw Materials | 41,29,65,099 | 23,99,11,592 |
| b) Work-in-Process | 2,13,66,885 | 2,28,42,409 |
| c) Finished Goods | 2,88,29,228 | 1,97,69,907 |
| d) Stores & Spares | 1,10,38,703 | 2,15,46,751 |
| Total Inventories | 47,41,99,915 | 30,40,70,660 |

| Particulars | As at 31st March, 2022 Rs. | As at 31st March, 2021 Rs. |
|--|----------------------------------|----------------------------------|
| 6 Trade Receivables | | |
| a) Trade Receivables considered good – Secured and unsecured | 8,61,04,882 | 19,62,30,110 |

Total Trade Receivable for the period ended 31st March, 2022

| Particulars | Outstanding for following periods from due date of payments | | | | | Total |
|--|---|-------------------|-----------|-----------|-------------------|-------------|
| | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 Years | More than 3 years | |
| i) Undisputed trade receivables - considered good | 7,80,33,637 | 69,13,997 | 11,57,248 | - | - | 8,61,04,882 |
| ii) Undisputed trade receivables - considered doubtful | - | - | - | - | - | - |
| iii) Disputed trade receivables - considered good | - | - | - | - | - | - |
| iv) Disputed trade receivables - considered doubtful | - | - | - | - | - | - |

Total Trade Receivable for the period ended 31st March, 2021

| Particulars | Outstanding for following periods from due date of payments | | | | | Total |
|--|---|-------------------|-----------|-----------|-------------------|--------------|
| | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 Years | More than 3 years | |
| i) Undisputed trade receivables - considered good | 18,85,47,891 | 59,78,093 | 17,04,126 | - | - | 19,62,30,110 |
| ii) Undisputed trade receivables - considered doubtful | - | - | - | - | - | - |
| i) Disputed trade receivables - considered good | - | - | - | - | - | - |
| i) Disputed trade receivables - considered doubtful | - | - | - | - | - | - |

8,61,04,882 **19,62,30,110**



Laxmi Cotspin Limited
Notes to the Financial Statements as at 31st March, 2022

| Particulars | As at 31st March, 2022 Rs. | As at 31st March, 2021 Rs. |
|--|----------------------------------|----------------------------------|
| 7 Cash & Cash Equivalents | | |
| a) Cash on hand | | |
| b) Balances with Scheduled Banks - In Current Account | 3,87,183 | 7,35,899 |
| c) Balances with Non-Scheduled Banks | 1,25,655 | 2,65,602 |
| | 12,645 | 12,645 |
| Total Cash & Cash Equivalents | 5,25,483 | 10,14,146 |
| | | |
| Particulars | As at 31st March, 2022 Rs. | As at 31st March, 2021 Rs. |
| 8 Short Term Loans & Advances | | |
| a) Advance to Suppliers and Service Providers | | |
| b) Loans & Advances to Others | 15,98,80,515 | 6,81,40,333 |
| c) Security Deposit | 10,02,266 | 12,22,301 |
| d) Balance with Government Authorities (Income Tax refund) | 3,35,000 | 46,993 |
| | 66,46,659 | 52,37,353 |
| Total Short Term Loans & Advances | 16,78,64,440 | 7,46,46,980 |
| | | |
| Particulars | As at 31st March, 2022 Rs. | As at 31st March, 2021 Rs. |
| 9 Other Current Asset | | |
| a) Prepaid expenses | 12,42,161 | 10,99,873 |
| b) Balance with Government Authorities | 18,78,073 | 59,33,438 |
| c) Accrued Interest (TDR) | 44,58,970 | 37,06,966 |
| d) Interest Receivable (TUFS) | 34,39,256 | 35,29,256 |
| e) Other Receivables(Note 9.1) | 2,79,65,422 | 1,58,39,157 |
| Total Other Current Assets | 3,89,83,882 | 3,01,08,690 |
| Note 9.1 : Other receivables includes receivable from IPS subsidy | | |

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LAXMI COTSPIN LIMITED
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Laxmi Cotspin Limited
Notes to the Financial Statements as at 31st March, 2022

| Particulars | As at 31st March 2022 Rs. | As at 31st March 2021 Rs. |
|--|---------------------------------|---------------------------------|
| 10 Share Capital | | |
| Authorised | | |
| 4,00,00,000 (Previous Year 4,00,00,000) Equity shares of ` 10/- each | 40,00,00,000 | 40,00,00,000 |
| | 40,00,00,000 | 40,00,00,000 |
| Issued, Subscribed and Fully Paid -up | | |
| 17,14,76,700 (Previous Year 17,14,76,700) Equity shares of ` 10/- each fully paid up | 17,14,76,700 | 17,14,76,700 |
| Total Share Capital | 17,14,76,700 | 17,14,76,700 |

(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:

| Particular | 31st March 2022 No. of Shares | 31st March 2021 No. of Shares |
|--|----------------------------------|----------------------------------|
| Equity Shares outstanding at the beginning of the year | 1,71,47,670 | 1,71,47,670 |
| Add : Change during the year | - | - |
| Equity Shares outstanding at the close of the year | 1,71,47,670 | 1,71,47,670 |

(b) Terms/rights attached to equity shares

- (i) The Company has only one class of equity shares having par value of ` 10 per share. Each holder of equity share is entitled to one vote per share.
- (ii) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date: Out of above equity shares, the Company had allotted 94,67,515 equity shares as fully paid up bonus shares by capitalisation of profits transferred from Securities Premium, pursuant to the resolution passed at the Board Meeting held dated on 25th March, 2010.

(d) Details of shareholders holding more than 5% shares in the Company :

| Name of Shareholder | 31st March 2022 | | 31st March 2021 | |
|--|-----------------|-----------|-----------------|-----------|
| | No. of Shares | % Holding | No. of Shares | % Holding |
| Equity Shares of ` 10 each fully paid | | | | |
| Anand Vyapar Private Limited | 33,92,500 | 19.78% | 33,92,500 | 19.78% |
| Safford Merchantile Private Limited | 22,85,450 | 13.33% | 22,85,450 | 13.33% |
| Rameshbhai Chotabhai Patel | 22,51,563 | 13.13% | 22,51,563 | 13.13% |
| Ashva Multitrade Private Limited | 20,65,930 | 12.05% | 20,65,930 | 12.05% |
| Rajesh Puranmal Bansal | 9,13,125 | 5.33% | 9,13,125 | 5.33% |



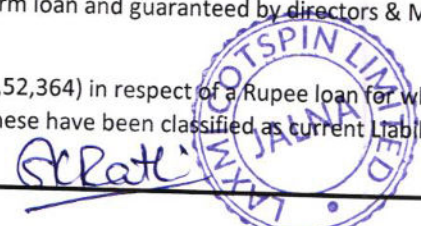
Laxmi Cotspin Limited
Notes to the Financial Statements as at 31st March, 2022

| Particulars | As at 31st March, 2022 Rs. | As at 31st March, 2021 Rs. |
|--|----------------------------------|----------------------------------|
| 11 Other Equity | | |
| a) Capital Subsidies | | |
| As per last financial statements | 5,02,94,844 | 5,02,94,844 |
| Closing Balance | 5,02,94,844 | 5,02,94,844 |
| b) Securities Premium Reserve | | |
| As per last financial Statements | 5,55,29,500 | 5,55,29,500 |
| Add: During the year | - | - |
| Closing Balance | 5,55,29,500 | 5,55,29,500 |
| c) Surplus in Statement of Profit and Loss | | |
| As per last financial statements | 20,38,23,291 | 19,29,62,980 |
| Add: | | |
| Profit/(loss) for the year | 5,44,90,948 | 1,08,60,311 |
| Net surplus in the statement of Profit and Loss | 25,83,14,239 | 20,38,23,291 |
| Total Reserve and Surplus | 36,41,38,583 | 30,96,47,635 |

| Particulars | As at 31st March, 2022 Rs. | As at 31st March, 2021 Rs. |
|--|----------------------------------|----------------------------------|
| 12 Long Term Borrowings | | |
| a) Secured Long Term Borrowings | | |
| i) Term Loans from Banks | | |
| HDFC Bank Limited (ECLGS Loan) | 6,39,25,254 | 8,22,40,000 |
| SVS Co-operative Bank Ltd | 8,68,76,471 | 7,84,26,080 |
| Less: Current maturities of term loans | (4,97,77,293) | (2,59,52,364) |
| Term Loans from Banks | 10,10,24,432 | 13,47,13,716 |
| ii) Other Loans from Banks (Vehicle Loan) | | |
| HDFC Bank Limited | - | - |
| SVC Bank | 15,24,408 | 5,14,642 |
| Vehicle Loans from Banks | 15,24,408 | 5,14,642 |
| Secured Long Term Borrowings "a" | 10,25,48,840 | 13,52,28,358 |
| b) Unsecured Long Term Borrowings | | |
| i) Inter Corporate deposit | - | - |
| Unsecured Long Term Borrowings "b" | - | - |
| Total Long Term Borrowings ("a" + "b") | 10,25,48,840 | 13,52,28,358 |

Term Loan and Vehicle from the Bank

- i) The company has received working capital Term Loan under Emergency Credit line Guaranteed Scheme (ECLGS) is secured by extension of second ranking charge over existing primary and collateral securities.
- ii) Term Loan is secured by way of first charge of land, Factory Shed and Building, Plant and Machineries and other Fixed assets(Present and Future) of the company and guaranteed by Corporate, Directors and Members.
- iii) Vehicle Term Loan is Secured by way of first charge of Vehicle purchased from term loan and guaranteed by directors & Members [Term Loan Repayment period - HDFC - 60 Months]
- iv) Current maturities of long-term borrowings include Rs. 4,97,77,293/- (PY Rs. 2,59,52,364) in respect of a Rupee loan for which the Company have a repayment to the lenders on or before March 2023 and hence these have been classified as current Liabilities.
- iv) Average cost of loans to be given to the extend of 08% to 10%.



Laxmi Cotspin Limited
Notes to the Financial Statements as at 31st March, 2022

| Particulars | As at 31st March, 2022 Rs. | As at 31st March, 2021 Rs. |
|-----------------------------------|----------------------------------|----------------------------------|
| 13 Long term provisions | | |
| Provision for Employee benefits | 49,99,700 | 43,91,909 |
| Gratuity | | |
| | 49,99,700 | 43,91,909 |
| Total Long Term Provisions | | |

Note 13.1 : During the year, the Company has provided for the liability of Rs. 9,74,087/- on account of Gratuity benefits on actuarial basis. Due to the same a amount of Long Term Provision Rs. 1,56,647/- has been debited to the current years P & L account towards provision for Gratuity - (See - Sub note 13.2)

| Particulars | As at 31st March, 2022 Rs. | As at 31st March, 2021 Rs. |
|---|----------------------------------|----------------------------------|
| 14 Short Term Borrowings | | |
| a) Secured Short Term Borrowings | | |
| i) Cash Credit from various Bank | 17,56,54,620 | 11,52,69,767 |
| a. HDFC Bank Cash credit Account | 6,91,29,148 | 3,59,72,855 |
| b. SVC Bank Cash credit Account | 4,92,68,200 | 41,36,757 |
| c. HDFC Bank (PCFC loan - Export) | | |
| | 29,40,51,969 | 15,53,79,380 |
| Secured Short Term Borrowings | | |

Cash Credit From Banks

Secured by hypothecation by way of first charge over all current assets namely stock of raw materials, semi finished and finished goods, stores and spares not related to plant and machinery and book debts and also personally guaranteed by the corporate, directors. The cash credit is repayable on demand.

Other Loan from Banks

Pledge Loans are secured by hypothecation by way of First Charge over inventories of raw materials i.e., Cotton Bales.

| Particulars | As at 31st March, 2022 Rs. | As at 31st March, 2021 Rs. |
|---|----------------------------------|----------------------------------|
| 15 Trade Payables | | |
| a) Total Outstanding dues of micro enterprises and small enterprises | 3,75,65,160 | 4,96,57,769 |
| b) Total Outstanding dues of creditors other than micro enterprises and small enterprises | 2,56,06,478 | 18,43,459 |

For the period ended 31st March, 2022

| Particulars | Outstanding for following periods from due date of payments | | | | Total |
|---|---|-----------|-----------|-------------------|-------------|
| | Less 1 year | 1-2 years | 2-3 Years | More than 3 years | |
| i) Undisputed trade Payable - considerd good | 6,21,93,252 | 2,84,259 | 74,603 | 4,08,147 | 6,29,60,261 |
| ii) Undisputed trade Payable - considerd doubtful | - | - | - | 2,11,377 | 2,11,377 |
| iii) Disputed trade Payable - considerd good | - | - | - | - | - |
| iv) Disputed trade Payable - considerd doubtful | - | - | - | - | - |

For the period ended 31st March, 2021

| Particulars | Outstanding for following periods from due date of payments | | | | Total |
|---|---|-----------|-----------|-------------------|-------------|
| | Less 1 year | 1-2 years | 2-3 Years | More than 3 years | |
| i) Undisputed trade Payable - considerd good | 5,06,01,950 | 74,603 | - | 6,13,724 | 5,12,90,276 |
| ii) Undisputed trade Payable - considerd doubtful | - | - | - | 2,10,951 | 2,10,951 |
| iii) Disputed trade Payable - considerd good | - | - | - | - | - |
| iv) Disputed trade Payable - considerd doubtful | - | - | - | - | - |

Total Trade Payables

6,31,71,638

5,15,01,227



Laxmi Cotspin Limited
Notes to the Financial Statements as at 31st March, 2022

| Particulars | As at 31st March, 2022 Rs. | As at 31st March, 2021 Rs. |
|---|----------------------------------|----------------------------------|
| 16 Other Current Liabilities | | |
| a) Current maturities of Long Term Debts (Including Current maturities of Vehicle loans) | 4,97,77,293 | 2,59,52,364 |
| b) Statutory Dues (Note 16.1) | 26,28,218 | 27,63,725 |
| c) Advance from customer and others | 35,35,743 | 4,57,06,825 |
| d) Other Payables | | |
| i) Outstanding liabilities for expenses (Note 16.2) | 1,05,92,058 | 60,67,087 |
| ii) HDFC Bank Credit Card | - | 17,218 |
| Total Other Current Liabilities | 6,65,33,312 | 8,05,07,219 |

Note 16.1 - Statutory dues include Contribution made for Provident Fund, Local Tax, Professional Tax and Leave encashment

Note 16.2 - Outstanding liabilities for expenses include liability provision made for Bonus, Electricity Charges, Audit Fees, other tax, Interest, Salary, Wages unpaid for the current year.

| Particulars | As at 31st March, 2022 Rs. | As at 31st March, 2021 Rs. |
|---|----------------------------------|----------------------------------|
| 17 Current tax Liabilities (Net) | | |
| a) Other Provisions | | |
| Provision for taxation- Income Tax | 2,30,00,000 | 17,51,000 |
| Less: Advance and TDS | (1,88,48,989) | - |
| Dividend Payable | - | - |
| Total Short Term Provisions | 41,51,011 | 17,51,000 |

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Laxmi Cotspin Limited
Notes to the Financial Statements as at 31st March, 2022

| Particulars | Period Ended 31st March, 2022 Rs. | Period Ended 31st March, 2021 Rs. |
|--|---|---|
| 18 Revenue From Operations | | |
| Sale of Products | | |
| Sale of Finished Goods | 1,83,49,52,340 | 1,15,90,56,837 |
| Finished Goods - Traded | 31,44,20,603 | - |
| Revenue from Services | 1,00,58,555 | 23,06,319 |
| | 2,15,94,31,498 | 1,16,13,63,156 |
| Particulars Of Sales | | |
| (A) Export Sales | | |
| i) Sale of Goods (Cotton Bales and Yarn) | 34,72,08,639 | 21,28,54,718 |
| (B) Domestic Sales | | |
| i) Sale of Goods(Note 20.1) | 1,48,77,43,701 | 94,62,02,119 |
| ii) Sale of Goods Traded | 31,44,20,603 | - |
| iii) Sale of Services | 1,00,58,555 | 23,06,319 |
| Note 20.1: Domestic sales includes cotton bales, yarn, seeds, cotton waste, wash oil, oil cake, etc.) | | |
| Other operating revenue | 2,15,94,31,498 | 1,16,13,63,156 |
| Total Revenue from operations | 2,15,94,31,498 | 1,16,13,63,156 |

| Particulars | Period Ended 31st March, 2022 Rs. | Period Ended 31st March, 2021 Rs. |
|---------------------------------|---|---|
| 19 Other Income | | |
| a) Duty Drawback and Incentives | 55,49,844 | 49,06,853 |
| b) Other operating income | | |
| a) Forex Gain & Loss | 68,01,785 | (4,79,685) |
| b) Interest on FDR and RD | 8,79,146 | 12,05,470 |
| c) Other Income | 3,46,867 | - |
| Total Other Income | 1,35,77,642 | 56,32,638 |
| Total Revenue | 2,17,30,09,139 | 1,16,69,95,794 |

| Particulars | Period Ended 31st March, 2022 Rs. | Period Ended 31st March, 2021 Rs. |
|--|---|---|
| 20 Cost of Material Consumed | | |
| a) Opening Stock of Raw material | 23,99,11,592 | 20,15,22,129 |
| b) Purchases of Raw material | 1,61,96,36,268 | 89,01,56,163 |
| c) Add: Freight Expenses | 1,21,37,181 | 1,33,42,173 |
| d) Less: Closing Stock | (41,29,65,099) | (23,99,11,592) |
| Total Cost of Material Consumed | 1,45,87,19,941 | 86,51,08,873 |
| a) Purchases of Raw material - Trading Concern | 31,37,26,479 | - |
| | 31,37,26,479 | - |

S. K. Patil


Laxmi Cotspin Limited
Notes to the Financial Statements as at 31st March, 2022

| Particulars | Period Ended 31st March, 2022 Rs. | Period Ended 31st March, 2021 Rs. |
|--|---|---|
| 21 Changes in inventories of finished goods, work-in-process and stock-in-trade | | |
| a) Opening Stock | | |
| Finished Goods | 1,97,69,907 | 3,79,25,337 |
| Work in Process | 2,28,42,409 | 2,24,42,353 |
| | 4,26,12,316 | 6,03,67,690 |
| b) Closing Stock | | |
| Finished Goods | 2,88,29,228 | 1,97,69,907 |
| Work in Process | 2,13,66,885 | 2,28,42,409 |
| | 5,01,96,113 | 4,26,12,316 |
| Net (Increase)/Decrease in Stock | (75,83,797) | 1,77,55,373 |
| | | |
| Particulars | Period Ended 31st March, 2022 Rs. | Period Ended 31st March, 2021 Rs. |
| 22 Employee Benefit Expenses | | |
| a) Salaries and wages | 7,13,68,800 | 5,61,54,403 |
| b) Directors remuneration | 47,25,000 | 34,49,225 |
| c) Contribution to provident & other funds | 31,04,663 | 26,86,434 |
| e) Staff Welfare expenses | 35,51,692 | 31,45,910 |
| Total Employee Benefit Expenses | 8,27,50,155 | 6,54,35,972 |

S. K. Rathi



Laxmi Cotspin Limited
Notes to the Financial Statements as at 31st March, 2022

| Particulars | Period Ended 31st March, 2022 Rs. | Period Ended 31st March, 2021 Rs. |
|---|---|---|
| 23 Finance Cost | | |
| a) Bank Charges | 29,93,065 | 82,72,045 |
| | 29,93,065 | 82,72,045 |
| b) Interest Expenses | | |
| i) Interest on Term Loan | 1,27,91,383 | 1,01,04,998 |
| ii) Interest on Working Capital Loan | 1,29,47,494 | 2,70,70,623 |
| iii) Interest on Pledge Loan | - | 19,16,691 |
| iv) Interest on Trading Yarn & Others | 46,62,049 | - |
| v) <u>Less:</u> Interest from customers | (76,49,432) | (1,72,46,384) |
| | 2,27,51,495 | 2,18,45,928 |
| Total Finance Cost | 2,57,44,560 | 3,01,17,973 |
| Note 25.1 - Interest expenses are net of Interest Income | | |
| | | |
| Particulars | Period Ended 31st March, 2022 Rs. | Period Ended 31st March, 2021 Rs. |
| 24 Depreciation & Amortization Expenses | | |
| a) Depreciation | 3,23,27,631 | 3,14,79,636 |
| Total Depreciation & Amortization Expenses | 3,23,27,631 | 3,14,79,636 |
| | | |
| Particulars | Period Ended 31st March, 2022 Rs. | Period Ended 31st March, 2021 Rs. |
| 25 Other Expenses | | |
| a) Consumption of Stores and Spares and Packing Material | 4,20,18,617 | 2,97,96,329 |
| b) Consumption of Power and Fuel | 7,84,91,363 | 6,41,68,015 |
| c) Repair & Maintenance | 26,79,010 | 17,62,630 |
| d) Insurance | 22,16,923 | 21,46,644 |
| e) Office Expenses | 25,10,921 | 9,94,398 |
| f) Audit Fees | 1,95,000 | 1,95,500 |
| g) Legal, Professional and Subscription Charges | 45,25,078 | 26,87,780 |
| h) Rent, Rates & Taxes | 14,73,366 | 12,81,438 |
| i) Communication Expenses | 3,96,751 | 3,95,878 |
| j) Travelling & Conveyance Expenses | 3,10,109 | 2,89,469 |
| k) Clearing and forwarding expenses | 2,93,31,511 | 2,25,15,940 |
| l) Selling Expenses | 2,53,03,442 | 1,61,29,266 |
| Total of other expenses | 18,94,52,091 | 14,23,63,289 |

S. Patel


Laxmi Cotspin Limited
Notes to the Financial Statements as at 31st March, 2022

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 | |
|-------------------------|---------------------------------|------------------------------|-------|
| Note "26" Ratios | | | |
| 1 | Current Ratio | 1.79 | 2.10 |
| 2 | Debt-equity Ratio | 0.74 | 0.60 |
| 3 | Debt Service Coverage Ratio | 1.90 | 1.30 |
| 4 | Return on Equity Ratio | 10.7% | 2.3% |
| 5 | Inventory turnover Ratio | 4.55 | 2.93 |
| 6 | Trade Receivable turnover Ratio | 15.30 | 4.40 |
| 7 | Trade Payable turnover Ratio | 33.72 | 16.43 |
| 8 | Net Capital turnover Ratio | 6.40 | 3.68 |
| 9 | Net Profit Ratio | 2.51% | 0.93% |
| 10 | Return of Capital employed | 16.9% | 6.9% |
| 11 | Return on Investment | 12.8% | 1.8% |

