



LAXMI COTSPIN LIMITED

(CIN: - L17120MH2005PLC156866)

ANNUAL REPORT 2023-24

19th ANNUAL GENERAL MEETING

On Friday, the 27th day of September 2024 at 12:30P.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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Consolidated Financial Statement and Notes to Accounts	Attached



COMPANY INFORMATION AS ON 31ST MARCH 2024

BOARD OF DIRECTORS

Chairman & Managing Director	: Mr. Sanjay Kachrual Rathi
Whole Time Director & Women Director	: Mrs. Prafullata Sanjaykumar Rathi
Executive Director	: Mr. Shivratan Shrigopal Mundada
Executive Director	: Mr. Ramesh GopikishanMundada
Independent Director	: Mr. Gopal Satyanarayan Mundada
Independent Director	: Mr. Kailash Shrikisan Biyani
Independent Director	: Mr. Vijaykumar Jainarayan Zanwer
Independent Director	: Mr. Ketan S. Shah

CHIEF FINANCIAL OFFICER

Mr. AnupkumarAshokraoGindodiya
E-mail: cfo@laxmicotspin.com

COMPANY SECRETARY & COMPLIANCE OFFICER

CS Soni Shailesh Karwa
complianceofficer@laxmicotspin.com

STATUTORY AUDITOR

M/s DMKH & Co.

Chartered Accountants,
803-804, Ashok Heights, NICCO Circle
Bhuta school, Old Nagardas Lane, Guhadavali,
Andheri (East), Mumbai-400069,
Email: dmkhco@gmail.com

SECRETARIAL AUDITORS

D. SAGAR & ASSOCIATES

No.10, 2nd Floor, Malan Plaza,
Besides Durga Mata Temple,
Jawahar colony road, Vishnu Nagar,
Aurangabad-431001, MH IN
Email: deo.sagar@rediffmail.com

COST AUDITOR

Cheena & Associates

WZ-H-28, Street No.9, New Mahavir Nagar
Near Janakpuri East Metro Station
New Delhi - 110018
Email: cheenaassociates20@gmail.com

INTERNAL AUDITORS

Mohini Malpani & Associates

Chartered Accountant
10 A, Shiv Shakti Colony, Jalna Road
Opp SFS School, Aurangabad - 431005 MH IN
Email: malpanimohini1@gmail.com

REGISTERED OFFICE

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

REGISTRAR & SHARE TRANSFER AGENTS

LINK INTIME INDIA PVT LTD

C101,247 Park, LBS Marg,
Vikhroli (West)Mumbai-40083

NAME OF THE STOCK EXCHANGE

National Stock Exchange on India Limited

BANKERS

HDFC Bank Limited, Axis Bank & SVC Co Bank



BOARD COMMITTEES AS ON 31.03.2024

- **Audit Committee**

Mr. Gopal Mundada (ID) : Chairman
Mr. Sanjay Kachrual Rathi : Member
Mr. Kailash Biyani (ID) : Member

- **Nomination and Remuneration Committee**

Mr. Vijaykumar Zanwer (ID) : Chairman
Mr. Prafullata Rathi : Member
Mr. Gopal Mundada(ID) : Member

- **Stakeholders Relationship Committee**

Mr. Kailash Biyani (ID) : Chairman
Mr. Shivratan Mundada : Member
Mr.Ramesh Mundada : Member

- **Corporate Social Responsibility Committee**

Mr. Kailash Biyani (ID) : Chairperson
Mr. Gopal Mundada (ID) : Member
Mr. Sanjay Rathi : Member







LETTER TO SHAREHOLDERS

Dear Shareholders,

On behalf of the board of director of our company, it is great pleasure for me to extend a very warm welcome to each one of you at the 19th Annual General Meeting of our company.

We take immense pleasure by sharing with you about the performance of our company and present the Annual Report for the financial year 2023-2024.

We would like to state that this year due to recession in textile industry hampers the profitability of the company upto the mark even though we have achieved the financials as compare to the last year.

Our Company engaged in the manufacturing of cotton yarn, cotton bales, oil cake and oil seeds. 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. 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.

We are planning to diversify our business to healthcare sector also, so we are going to start the production setup for manufacturing of surgical cotton.

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/
**Sanjay Rathi
Chairman**



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(CIN: - L17120MH2005PLC156866)

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

Contact No: 9765999633 **E-Mail Id:** complianceofficer@laxmicotspin.com **Website:**
www.laxmicotspin.com

NOTICE OF THE 19th ANNUAL GENERAL MEETING

Dear Members,

Notice is hereby given that the **19th Annual General Meeting** of **Laxmi Cotspin Limited** will be held on Friday, 27th September, 2024 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 Standalone and Consolidated Audited Financial statements including Profit and Loss Account Balance Sheet, for the year ended on 31st March, 2024 along with Directors Report and Audited Report of the Company.

a) "RESOLVED THAT the Standalone Audited Financial Statements of the Company for the year 2023-24 together with the Reports of the Board of Directors' and Auditors' thereon of the Company for the year 2023-24 as presented to the meeting, be and hereby, adopted."

b) "RESOLVED THAT the Consolidated Financial Statements of the Company for the year 2023-24 together with the Reports of the Auditors' thereon of the Company for the year 2023-24 as presented to the meeting, be and hereby, approved and adopted."

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

2. To ratify appointment of M/s. DMKH AND CO, Chartered Accountants, Mumbai, as statutory auditor of the company and to fix their remuneration and in this regard pass with or without modification(s), the following resolution as an ordinary resolution:

"RESOLVED THAT pursuant to the provisions of Sections 139, 141 and 142 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, as the Statutory Auditors of the Company and to hold office from the conclusion of 17th Annual General Meeting held in a Financial Year 2021-22 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. To Appoint director in place of Mr. Ramesh Mundada (DIN- 00153255) who retire by rotation at this Annual General meeting and being eligible for reappointment

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

“**RESOLVED THAT** pursuant to the provisions of section 152 of the Companies Act, 2013 Mr. Ramesh Mundada (DIN- 00153255), who retires by rotation and being eligible offers himself for re- appointment, be and is hereby re-appointed as a director of the company. For details of Director seeking re- appointment at the Annual General meeting please refer Annexure I.

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

**Date: 04/09/2024
Place: Jalna**

**Sd/-
CS Soni Shailesh Karwa
Company Secretary & Compliance Officer**

**NOTES:****A. General Instructions for Accessing and Participating in the AGM through VC/OAVM Facility and Voting through Electronic Means Including Remote E-Voting.**

1. In the Ministry of Corporate Affairs (“MCA”) has vide its General Circulars dated 8th April 2020, 13th April 2020, 5th May 2020, 28th September 2020, 31st December 2020, 13th January 2021, 05th May 2022 and 28th December 2022 issued by the Ministry of Corporate Affairs (“MCA”) in relation to “Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)”, (collectively referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars, the AGM of the Company is being held through VC/OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.
2. **PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC/OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, THE FACILITY FOR APPOINTMENT OF PROXIES BY MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE, THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.**
3. Corporate Members/Trusts/Societies, etc., intending to send their authorized representatives to attend and vote at the Meeting through VC/OAVM are requested to send a duly certified copy of the Board/Managing Committee Resolution (PDF/JPG Format), together with the specimen signature(s) of the representative(s) authorized under the said Resolution to attend and vote on their behalf at the Meeting, to the Scrutinizer by e-mail to piyushragrawal@gmail.com with a copy marked to evoting@nsdl.com. and complianceofficerlaxmicotspin@gmail.com
4. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis. The attendance of the Members attending the EGM/AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the



Companies

Act,

2013.

5. In line with the MCA General Circulars and Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated 7 October, 2023 issued by SEBI, this Notice of the AGM and the Annual Report 2023-24 are being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/RTA/Depositories. The Notice convening the 19th AGM and the Annual Report 2023-24 have been uploaded on the website of the Company at <https://laxmicotspin.com/> under 'Investors' section and on the websites of the Stock Exchanges, i.e., National Stock Exchange of India Limited at www.nseindia.com, respectively. The Notice is also available on the website of NSDL at www.evoting.nsdl.com
6. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the EGM/AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the EGM/AGM will be provided by NSDL. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.
7. Non-Resident Indian members are requested to inform RTA immediately about:
 - A. the change in the residential status on return to India for permanent settlement; and
 - B. the particulars of the bank account(s) maintained in India with complete name, branch, and account type, account number and address of the bank, if not furnished earlier.
8. Members are requested to,
 - A. Quote their Identification number/ folio number in all correspondence with the Company/ Registrar & Share Transfer Agent (RTA).
 - B. Notify immediately and change in their address and their mandate, at the Registered Office of the Company / Registrar & Share Transfer Agent (RTA).
9. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 21st September, 2024 to Friday, 27th September, 2024 (both days inclusive) for the purpose of AGM.
10. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the EGM/AGM 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 Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.nseindia.com



respectively and the EGM/AGM Notice is also available on the website of LLIPL (agency for providing the Remote e-Voting facility).

In line with the Ministry of corporate Affairs (MCA) Circular No.10/2022 dated December 28, 2022

11. EGM/AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.
12. Information as required under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and the Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI), in respect of the Directors seeking appointment / re-appointment at the AGM is provided under a separate heading, which forms part of this Notice.
13. SEBI vide Circular dated July 31, 2023 read with Master Circular dated December 28, 2023, has established a common Online Dispute Resolution Portal ('ODR Portal') for resolution of disputes arising in the Indian Securities Market. Pursuant to above mentioned circulars, post exhausting the option to resolve their grievances with the RTA/ Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (<https://smartodr.in/login>).
14. As per the provisions of Section 72 of the Act, the facility for making nomination is available to the Members in respect of the shares held by them. Members who have not yet registered their nomination, are requested to register the same by submitting Form No. SH-13. If a Member desires to opt-out or cancel the earlier nomination and record a fresh nomination, the Member may submit the same in Form ISR-3 or Form SH-14, as the case may be. Members are requested to submit the said form to their respective DPs in case the shares are held in electronic form, and to the RTA in case the shares are held in physical form, quoting the folio number.
15. SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25 January, 2022 has mandated the Listed Companies to issue securities in demat form only while processing service requests, viz., issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/exchange of securities certificate; endorsement; subdivision/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Shareholders are requested to make service requests by submitting a duly filled and signed Form ISR- 4, It may be noted that any service request can be processed only after the folio is KYC compliant.
16. SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in



dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.

17. In accordance with Regulation 40 of the SEBI Listing Regulations, as amended, the Company has stopped accepting any fresh transfer requests for securities held in physical form. Members holding shares of the Company in physical form are requested to kindly get their shares converted into demat/electronic form to get inherent benefits of dematerialisation. Further, Members may please note that SEBI vide its Circular dated January 25, 2022 mandated listed companies to issue securities in demat form only while processing any service requests viz. issue of duplicate securities certificate; claim from Unclaimed Suspense Account; renewal/exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR -4.
18. The company has set Friday, 20th September, 2024 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 ensuing AGM for both E-Voting and Physical mode through Polling Paper.
19. The remote e-voting period will commence on Tuesday, 24th September, 2024 at 9:00 A.M. and ends on Thursday, 26th September, 2024 at 5:00 P.M. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e., Friday, 20th September, 2024, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
20. The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date i.e., Friday, 20th September, 2024.
21. A member may participate in the meeting even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the meeting.
22. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on cut-off date only shall be entitled to avail the facility of remote evoting.
23. The Board of Directors has appointed CA Piyush Agrawal, Practicing Chartered Accountant as scrutinizer to scrutinize the voting at the meeting and remote e-voting process in a fair transparent manner.



24. The Scrutinizer shall, immediately after the conclusion of e-voting at Annual General Meeting, download the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company. Scrutinizer shall within two working days of conclusion of the meeting submit a consolidated scrutinizer report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing.
25. The results along with the Scrutinizers Report shall be placed on the website of the Company and on the website of NSDL and also be immediately forwarded to NSE, Mumbai.
26. All the Statutory Registers and Relevant documents referred to in the accompanying Notice and the Statement is open for inspection by the members at the Regd. office of the Company on all working days, during business hours up to the date of the Meeting.
27. 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.
28. The Ministry of Corporate Affairs (MCA), Government of India has introduced 'Green Initiative in Corporate Governance' by allowing paperless compliance by the Companies for service of documents to their Members through electronic mode, which will be in compliance with Section 20 of the Companies Act, 2013 and Rules framed there under.
29. The transfer of Unclaimed Dividend to Investor Education & Protection Fund of the Central Government as required in terms of Section 124 of the Companies Act, 2013, during the current Financial Year is not applicable.
30. 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 IDs with the Link Intime India Pvt. Ltd., the Registrars & Share Transfer Agents of the Company and Members holding shares in de-mat mode are requested to register their e-mail IDs 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.

31. 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.



32. Members are requested to bring their copy of Annual report of the meeting as the same shall not be circulated thereat.
33. Members are requested to intimate their email id at complianceofficer@laxmicotspin.com in order to meet the requirement of green initiatives.
34. Electronic copy of Notice of the AGM along with Annual Report 2023-24 including remote E Voting Instruction, is being sent by electronic mode to those members who is registered as a member as on 30th August, 2024 on their registered E mail ID. For those shareholders whose name stands registered in the register of member as on Friday 30th August, 2024 and who want a physical copy of the same kindly request to the company on complianceofficer@laxmicotspin.com.
35. Shareholders are also informed that voting shall be by E-voting.
36. In case of joint holders attending the AGM, only such joint holder who is higher in the order of the names as per the Register of Members of the Company, as of the cut-off date, will be entitled to vote at the Meeting.
37. Shareholders also informed that if you want to registered as speaker in AGM, you have to mail to the company on or before 20th September, 2024.

General Information of E Voting: -

The e-voting period commences on Tuesday, 24th September, 2024 at 9:00 A.M. and ends on Thursday, 26th September, 2024 at 5:00 P.M. 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 Friday, 20th September, 2024. 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. Friday, 20th September, 2024 may obtain the login ID and password by sending a request at evoting@nsdl.com 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.

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

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “ Beneficial Owner ” icon under “ Login ” which is available under ‘ IDeAS ’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “ Access to e-Voting ” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com .



Select “**Register Online for IDeAS Portal**” or click at <https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp>

Visit the e-Voting website of NSDL. Open web browser by typing the following URL:

<https://www.evoting.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 i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

Shareholders/Members can also download NSDL Mobile App “**NSDL Speede**” facility by scanning the QR code mentioned below for seamless voting experience.

NSDL Mobile App is available on



Individual Shareholders holding securities in demat mode with CDSL

Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New



	<p>System Myeasi Tab and then use your existing my easi username & password.</p> <p>After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</p> <p>If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.</p> <p>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on 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 able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p>



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

Helpdesk for Individual Shareholders holding securities in demat mode 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 022 - 4886 7000 and 022 - 2499 7000
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 toll free no. 1800 22 55 33

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is



	IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 130701 then user ID is 101456001***

Password details for shareholders other than Individual shareholders are given below:
If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

How to retrieve your 'initial password'?

If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**

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

Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

Physical User Reset Password? (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

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



Now, you will have to click on “Login” button.

After you click on the “Login” button, Home page of e-Voting will open.

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

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

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

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to piyushragrawal@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled



upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on : 022 - 4886 7000 and 022 - 2499 7000 or send a request to Rahul at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to complianceofficer@laxmicotspin.com
2. In case shares are held in demat mode, please provide DPID-CLID (16-digit DPID + CLID or 16-digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to complianceofficer@laxmicotspin.com. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting for Individual shareholders holding securities in demat mode.**
3. Alternatively, shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.



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 04/09/2024

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. Ramesh Mundada
Director Identification No	00153255
Category	(Executive Director)
Date of Birth	05/09/1959
Age	65 Years
Date of First Appointment on the Board	01/07/2022
Relationship with Directors and KMPs	-
Qualifications	B.com 1982 batch, from J.E.S college Jalna.
Expertise in specific functional area.	Mr. Ramesh Gopikishan Mundada is the director of LAXMI COTSPIN LIMITED with experience of 16 years in the company, he is also director in Mauli Financial services Pvt Ltd, Mammadevi Steel Alloys Private Limited and Laxmi Surgical Healthcare Private Limited.
Remuneration last drawn	13,53,000/- PA
No. of Meetings of the Board attended during the year	08
Director in other companies	4
Chairman/Member of the Committee of the Board of Directors as on 31 st March, 2024	Member in Stakeholders Relationship Committee.
Number of shares held in the Company as on 31 st March, 2024	48,813



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

Date: 04/09/2024

Place: Jalna

Sd/-

CS Soni Shailesh Karwa

Company Secretary & Compliance Officer



DIRECTOR'S REPORT

Dear Members,

Your Directors are pleased to present the **19th Annual Report** on the business and operation of the Company together with the Audited Financial Accounts for the year ended **31st March, 2024**.

1. Financial Summary (Consolidated)

Rs. In Lacs

Particulars	Financial Statement	
	2023-24	2022-23
Income from Operations	14402.21	14328.95
Other Income	541.27	143.11
Total revenue	14943.48	14472.06
Operating Costs	14592.32	14830.40
Profit before depreciation	351.17	(358.34)
Depreciation	303.56	326.20
Profit before exceptional item and Tax	47.61	(684.53)
Extra-Ordinary Item	(81.5)	0.34
Profit before Tax (PBT)	(33.89)	(684.19)
Tax expense	(7.02)	(98.30)
Profit for the year (PAT)	(26.87)	(585.89)
Compressive income	(4.13)	3.04
Total Profit for the year	(31.00)	(582.84)
Basic EPS	(0.16)	(3.40)

During the year under review our company has achieved sales Turnover of Rs. 14943.48 lakhs as against Rs. 14472.06 lakhs, achieved in the previous year. In the FY 2023-24, Company has



incurred loss of Rs. (31.00) lakhs as against the loss in the previous year amounting to Rs. (582.84) 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 2023-2024.

3. Transfer to Reserve

Company has not declared any dividend and transferred loss of Rs. (31.00) lac to general reserve.

4. Change of Name

The Company has not changed its name during financial year 2023-2024.

5. Capital Structure

The capital structure of the company as on 31.03.2024 is as follows:

The Authorized share capital of the company is Rs. 40,00,00,000 (Rupees Forty Crore) divided into 4,00,00,000 (Four Crore) Equity shares of Rs. 10 Each.

The issued, subscribed and paid-up share capital of the company is Rs 17,14,76,700 (Rupees Seventeen Crore Fourteen Lakhs Seventy Six Thousand Seven Hundred) divided into 1,71,47,670 (One Crore Seventy-One Lakhs Forty-Seven Thousand Six Hundred Seventy) Equity shares of Rs. 10 Each.

During the year under review the company has not issued and shares. The company has not issued any shares with differential voting rights or sweat equity or granted stock options.

6. Dividend

In order to plough back the profits for the activities of the company and strategy of growth in the business through enhancing manufacturing capacity, your directors do not recommend any dividend for the financial year.

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



During the Financial Year Mr. Piyush Agrawal (DIN-08973966) is resigned from the post of independent director w.e.f 1st May, 2023.

At the start of the Financial Year 2023-24 Mr. Sagar Pagariya resigned from the post of Company Secretary & Compliance Officer of the Company, w.e.f. 1st April, 2023 and Mrs. Soni Shailesh Karwa appointed as Company Secretary & Compliance Officer of the Company, w.e.f. 1st April, 2023

- **Director Retiring by Rotation**

Pursuant to Section 152 of the Companies Act, 2013 and in accordance with the Article of Association of the Company, Mr. Ramesh Mundada, 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.

8. Material Changes Between the Date of The Board Report and End of Financial Year

There was Appointment of M/s D. Sagar and Associates, Practicing Company Secretary (M.No F 9518 and COP 11547), as a secretarial auditor of the company to fill casual vacancy caused due to death of CS Arun Joshi proprietor of M/s A. R. Joshi & Associates, Practicing Company Secretary, (ACS No. 5480, COP 4247) between the end of the financial year of the Company to which the financial statements relate and the date of the report.

9. 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.

10. Meetings of Board of Director and Shareholders.

Eleven Board meetings and One shareholders meeting, were held during the Year 2023-24. Five Audit Committee Meetings and Four Nomination and Remuneration Committee Meetings and Two Stakeholders' Relationship Committee Meetings and Two Corporate Social Responsibility 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.

11. 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.

12. 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.

13. Details Of Remuneration to Directors: -

The remuneration paid to the Directors is in accordance with the recommendations of Nomination and Remuneration Committee formulated in accordance with Section 178 of the Companies Act, 2013 and any other re-enactment(s) for the time being in force.

The information relating to remuneration of Directors and details of the ratio of the remuneration of each Director to the median employee's remuneration and other details as required pursuant to section 197(12) of the Act read along with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in Annexure.

14. Disclosure Of Composition of Audit Committee and Providing Vigil Mechanism:

The Audit Committee consists of the following members

Names	Designation
Mr. Gopal Mundada (ID)	Chairman
Mr. Sanjay Kachrual Rathi (MD)	Member



Mr. Kailash Biyani (ID)	Member
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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.

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 2023-24, same is enclosed herewith as **Annexure**.

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 19th December, 2023 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) Kailash Shrikisan Biyani
- (ii) Gopal Satyanarayan Mundada
- (iii) Vijaykumar Jainarayan Zanwer
- (iv) Ketankumar Shankarlal Shah



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. Vigil Mechanism for Directors and Employees:

Your Company is committed to highest standards of ethical, moral and legal business conduct. Accordingly, the Board of Directors has formulated a Whistle Blower Policy which is in compliance with 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 Employees can raise concerns regarding any discrimination, harassment, victimization, any other unfair practice being adopted against them or any instances of fraud by or against your Company. Any incidents that are reported are investigated and suitable action taken in line with the Whistle Blower Policy.

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

In accordance with Section 134(3)(a) of the Companies Act, 2013, an Extract of the Annual Return as per Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014 in the prescribed Format MGT-9 will be made available on the website of the company after conclusion of the AGM.

20. Deposits:

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

21. 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.

22. Reply to Adverse Remark Made by Statutory Auditor:

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

23. Internal Control Systems and Their Adequacy:

The Company has a proper and adequate system of internal controls, commensurate with the size scale and complexity of its operations. This ensures that, all transactions are authorized, recorded and reported correctly, and assets are safeguarded and protected against loss from unauthorized use or disposition. In addition, there are operational controls and fraud risk controls, covering the entire spectrum of internal financial controls.



To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the audit committee of the Board and to the Chairman and Managing Director.

The internal Audit department monitors and evaluate the efficiency and adequacy of the 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 functions, process owner undertakes corrective actions in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the audit committee of the Board.

Adequacy of internal financial controls with reference to the financial statements

The Company has internal Auditors and the Audit Committee constituted are in place to take care of the same. During the year, the Company continued to implement their suggestions and recommendations to improve the control environment. Their scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. Internal Auditors findings are discussed with the process owners and suitable corrective actions taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations.

24. Related Party Transactions:

All transactions entered into with the related parties, as defined under the Companies Act, 2013, during the financial year, were in the ordinary course of business and on arm's length pricing basis, as per the management representation certificate provided to auditor of the company and do not attract the provisions of Section 188 of the Companies Act, 2013. There are no materially significant transactions with the related parties during the financial year which were in conflict with the interest of the Company and hence, enclosing of form AOC- 2 is required, Suitable disclosure as required by the Accounting Standards (AS 18) has been made in the notes to the Financial Statements.

A policy on the related party transactions was framed & approved by the Board and posted on the Company's website.

<https://laxmicotspin.com/wp-content/uploads/2024/05/7.-Related-Party-Transaction-Policy.pdf>

25. Investors Education and Protection Fund

During the financial year 2023-24 ended 31st March 2024 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.

26. 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.

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 2023-24.

27. Holding, Subsidiary and Associate Relationship:

The Company does have Two wholly Owned subsidiaries.

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

28. Risk Management Policy

The Company has formulated a Risk Management Policy for dealing with different kinds of risks which it faces in day-to-day operations of the Company. Risk Management Policy of the Company outlines different kinds of risks and risk mitigating measures to be adopted by the Board.

The Company has adequate internal control systems and procedures to combat the risk.

The Risk management procedure will be reviewed by the Audit Committee and Board of Directors on time-to-time basis.

29. Policy On Preservation of The Documents

The Company has formulated a Policy pursuant to Regulation 9 of the Securities Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015 ("Regulations") on Preservation of the Documents to ensure safekeeping of the records and safeguard the Documents from getting manhandled, while at the same time avoiding superfluous inventory of Documents.

<https://laxmicotspin.com/wp-content/uploads/2024/05/POLICY-FOR-PRESERVATION-OF-DOCUMENTS-AND-ARCHIVAL-OF-DOCUMENTS.pdf>

30. Policy On Criteria for Determining Materiality of Events



The Policy is framed in accordance with the requirements of the Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Regulations).

The objective of the Policy is to determine materiality of events or information of the Company and to ensure that such information is adequately disseminated in pursuance with the Regulations and to provide an overall governance framework for such determination of materiality.

<https://laxmicotspin.com/wp-content/uploads/2023/06/Policy-for-Determination-of-Materiality-of-Events-an-Information.pdf>

31. Statutory Auditors& Auditor Reports

The Board of Director of the Company had appointed M/s. DMKH AND CO, Chartered Accountants (Firms Registration No.: 116886w), Mumbai as Statutory Auditors in the 17thAnnual General Meeting held in year 2022.

Accordingly, proposal for ratification as Statutory Auditors is being placed before the shareholders for approval at the 19thAnnual General Meeting to hold office from Financial Year 2022-23 to 2026-27.

32. 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 Sagar Deo and Associates, Practicing Company Secretary as a Secretarial Auditor for conducting the Secretarial Audit for the FY 2023-24, to fill casual vacancy caused due to death of CS Arun Joshi Practicing Company Secretary, Aurangabad.

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

33. 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 2023-24.

34. 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 2023-24.

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.

35. **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.**

36. **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

37. **Membership:**

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

38. **Corporate Social Responsibility**

As part of its initiatives under “Corporate Social Responsibility (CSR)”, the Company has undertaken projects in the areas of Education, Livelihood, Health, Water and Sanitation. These projects are largely in accordance with Schedule VII of the Companies Act, 2013.

A brief outline of the Company’s CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes. (Annexure)

39. **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.

40. Board Diversity

The Company recognizes and embraces the importance of a diverse board in its success. We believe that a truly diverse board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender, which will help us, retain our competitive advantage.

41. Employee relations

The relationship with the staff and workers continued to be cordial during the entire year. The Directors wish to place on record their appreciation of the valuable work done and co-operation extended by them at all levels. Further, the Company is taking necessary steps to recruit the required personnel from time to time.

42. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo: -

The particulars as prescribed under Sub Section (3)(m) of Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014.

A. Conservation of Energy:

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

A comparative Statement showing consumption of electricity per kg of yarn manufactured during the current and previous year is appended here with as **Annexure**.

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



B. Technology Absorption (R&D, Adaptation and Innovation):

1. Efforts, in brief, made towards technology absorption, adaptation and innovation:

- i) Continuous research to upgrade existing products and to develop new products and services.
- ii) To enhance its capability and customer service the Company continues to carry out R & D activities in house.

2. Benefits derived as a result of the above efforts:

- i) Introduction of new and qualitative products.
- ii) Upgrade of existing products.

43. Future plan of action:

Company will continue to invest in and adopt the best processes and methodologies suited to its line of business and long-term strategy. Training employees in the latest appropriate technologies will remain a focus area. The Company will continue to leverage new technologies and also on the expertise available.

C. Foreign Exchange Earnings and Outgo

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual Outflows

Particulars	2023-24	2022-23
Foreign Exchange Earnings	4,58,03,745	NIL
Foreign Exchange Outgo	7,26,262	13,81,166.00

44. 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

45. Management Discussion and Analysis

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

46. 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"

47. 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.

48. 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.

49. 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, 2024, 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, 2024 hereunder:

	CDSL	NSDL	TOTAL
Share in DEMAT	2767857	14379813	17147670
Physical Shares	NIL	NIL	NIL

50. 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 2023-2024 ended 31st March 2024.

51. Suspension of Trading:



The 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 2023-2024.

52. 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.

53. Our Vision:

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

54. 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.

55. 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, 2024 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.



56. 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**

**Date: 04/09/2024
Place: Jalna**

**Sd/-
CS Soni Shailesh Karwa
Company Secretary & Compliance Officer**

**ANNEXURE - "A"****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	2023-24	2022-23
Total Units	1,55,48,200	1,47,09,386
Total Cost	9,18,40,390	8,37,58,360
Rate per Unit	5.90	5.69
Total Production (in kgs)	44,73,087	40,58,626
Electricity consumed per unit of production (in units)	20.53	20.63

GINNING

Particulars	2023-24	2022-23
Total Units	4,17,891	2,37,123
Total Cost	51,64,660	31,41,450
Rate per Unit	12.35	13.24
Total Production (in kgs)	29,69,104	13,31,163
Electricity consumed per unit of production (in units)	1.73	2.35

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**

Sd/-

Date: 04/09/2024

Place: Jalna

CS Soni Shailesh Karwa

Company Secretary & Compliance Officer



ANNEXURE - "B" Form AOC-1

**(Pursuant to first proviso to sub-section (3) of Section 129
read with Rule 5 of Companies (Accounts) Rules, 2014)**
Statement containing salient features of the financial statement of
Subsidiaries/Associate Companies/Joint Ventures

Subsidiaries

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Subsidiaries
(Information in respect of each subsidiary to be presented with amounts in Rs)

Sr no	Particulars		
1	Name of the subsidiary	Laxmi Spintex Private Limited	Laxmi Surgical Healthcare Private Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable	Not Applicable
3	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Not Applicable	Not Applicable
4	Share capital	Rs.10,00,000	Rs.10,00,000
5	Reserves & surplus	NIL	NIL
6	Total assets	Rs 8,45,150.00	Rs 9,17,530.00
7	Total Liabilities	Rs 8,45,150.00	Rs 9,17,530.00
8	Investments	NIL	NIL
9	Turnover	NIL	NIL
10	Profit before taxation	Rs. (1,47,810.00)	Rs. (1,68,650.00)
11	Provision for taxation	Rs. (15,030)	Rs. (30,430)
12	Profit after taxation	Rs. (1,32,780.00)	Rs. (1,38,230.00)
13	Proposed Dividend	NIL	NIL
14	% of shareholding	100%	100%



ANNEXURE - "C" 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**

2. Details of material contracts or arrangement or transactions at arm's length basis

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

i. Name of related party: -Applicable

Sr. No.	Name of Related party	Relation/Key Personnel
1	Mr. Sanjay Rathi	Key Managerial Person (Director of Laxmi Cotspin Limited)
2	Mr. Anupkumar Gindodiya	Chief Financial Officer
3	Mr Ramesh Mundada	Director
4	Vitthal Polypack Private Limited	One of the Director's Company
5	Mrs Soni Karwa	Company Secretary

b) Nature of contracts/arrangements/transactions:

Nature of transaction	Name of Related party	Amount Rs.
Remuneration	Sanjay k Rathi	72,00,000/-
Remuneration	Ramesh Mundada	13,53,000/-
Remuneration	Soni Karwa	3,84,000/-
Remuneration	Anupkumar Gindodiya	10,92,000/-
Purchase of goods and services	Vitthal Poly Pack Private Limited	60,65,000/-



- 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: 01/04/2023**
- f) **Amount paid as advances, if any: NA**

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

**Date: 04/09/2024
Place: Jalna**

**Sd/-
CS Soni Shailesh Karwa
Company Secretary & Compliance Officer**



ANNEXURE - "D"

REPORT ON CORPORATE GOVERNANCE ON 2023-2024

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, 2024]

The Board comprises of 8 directors, of whom 1 is Managing Director, 1 is Women Director (Non - Executive), 2 are executive director and 4 directors are Non-Executive Independent Director.

Sr. No.	Name of the Director	Category
1	Sanjay Kachrulal Rathi	Chairman, Managing Director (Executive)
2	Prafullata Sanjaykumar Rathi	Woman Director (Non-Executive)
3	Ramesh Gopikishan Mundada	Executive Director
4	Shivratan Shrigopal Mundada	Executive Director
5	Kailash Shrikisan Biyani	Ind. Dir (Non-Ex)
6	Gopal Satyanarayan Mundada	Ind. Dir (Non-Ex)
7	Ketankumar Shankarlal Shah	Ind. Dir (Non-Ex)
8	Vijaykumar Jainarayan Zanwer	Ind. Dir (Non-Ex)
9	Piyush Agrawal	Ind. Dir (Non-Ex)



Mr. Piyush Agrawal resigned from the post of independent director from **1st May, 2023**. 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.

Sr. No.	Date
1	01/04/2023
2	03/05/2023
3	19/05/2023
4	02/06/2023
5	06/07/2023
6	12/08/2023
7	05/09/2023
8	28/09/2023
9	09/11/2023
10	13/02/2024
11	19/02/2024

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 29th September, 2023 at 12.30 P.M.

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 and LLP(s) as on (31/03/2024)	Member/ Chairman of committees of other company(s) (as on 31/3/2024)
Mr. Sanjay Rathi	11	11	0
Mrs. Prafullata Rathi	10	2	0



Mr. Ramesh Mundada	8	5	0
Mr. Shivratan Mundada	11	4	0
Mr. Vijaykumar Zanwer	8	4	0
Mr. Piyush Agrawal	1	1	0
Mr. Gopal Mundada	7	1	0
Mr. Kailash Biyani	8	2	0
Mr. Ketan Shah	7	0	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/ she is a director. Necessary disclosures regarding committee positions in other public companies as of March 31, 2024 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 Tuesday, 19th December, 2023 for this Financial Year to review the performance of Non-independent Directors (including the Chairman) and the Board as a whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and it's Committees which is necessary to effectively and reasonably perform and discharge their duties.

3. COMMITTEES OF BOARD

During the year in accordance with the companies Act, 2013, there is change in constitution of committees of the Board for Financial year 2023-24 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 2024, the Audit Committee comprised of the following:

(Audit Committee)

Names	Designation	No of Meeting Attended
Gopal Mundada	Chairman	5
Mr. Sanjay Rathi	Member	5
Mr. Kailash Biyani	Member	5

Details of Audit Committee meeting held during the year under review

Sr No	Date
1	15/05/2023
2	05/08/2023
3	28/08/2023
4	01/11/2023
5	30/01/2024

Note:

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

During the FY 23-24, there is change in constitution of Audit Committee due to resignation of Mr. Piyush Agrawal.

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, 2024, the Committee Comprises of the following Members:

Names	Designation	No. of Meeting Attended
Mr. Vijaykumar Zanwer	Chairman	4
Mrs. Prafullata Rathi	Member	4
Mr. Gopal Mundada	Member	4

Committee meeting held during the year under review

Sr No	Date
1	01/04/2023
2	03/05/2023
3	30/10/2023
4	05/02/2024

Note -

During the FY 23-24, there is change in constitution of Nomination & Remuneration Committee due to resignation of Mr. Rajesh Bansal and Mr. Piyush Agrawal.

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, 2023 to 31st March, 2024

Name of Director	Salary	Perquisites & Allowances
Sanjay Rathi	72.00 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 Independent Directors Compensation

The Non-Executive Independent 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. Kailash Biyani	Chairman	2
Mr. Ramesh Mundada	Member	2
Mr. Shivratana Mundada	Member	2

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 complianceofficer@laxmicotspin.com.

Committee meeting held during the year under review:

Sr. No.	Date
1	17/06/2023
2	06/11/2023

During the FY 23-24, there is change in constitution of Stakeholder Relationship Committee due to resignation of Mr. Rajesh Bansal.

4. Corporate Social Responsibility Committee

The Company constituted the Corporate Social Responsibility of Directors to look into the following:

Matters specified in section 135 of the Companies Act 2013 which inter-alia includes:

- Formulate and recommend to the Board, a Corporate social responsibility policy which shall indicate the activities to be undertaken by company as specified in schedule VII;
- recommend the amount of expenditure to be incurred on activities referred to in clause (a)
- Monitor the Corporate Social Responsibility policy of the company from time to time.

As on 31st March, 2024, the Committee Comprises of the following Members:

Sr. No	Name	Designation	No. of meetings Attended
1.	Mr. Kailash Biyani	Chairman	2
2.	Mr. Gopal Mundada	Member	2
3.	Mr. Sanjay Rathi	Member	2

Committee meeting held during the year under review

Sr. No	Date
1	10/08/2023
2	01/12/2023



During the FY 23-24, there is no change in constitution of Corporate Responsibility Committee.

i. Name And Designation of Compliance Officer

At the start of the Financial Year 2023-24 Mr. Sagar Pagariya resigned from the post of Company Secretary & Compliance Officer of the Company, w.e.f. 1st April, 2023 and Mrs. Soni Shailesh Karwa appointed as Company Secretary & Compliance Officer of the Company, w.e.f. 1st April, 2023

ii. Investor Grievance Redressal:

During the Financial Year 2023-24, 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:

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

Financial Year	Date	Time	Venue
2020-21	27.09.2021	12.00PM	Gut No.399, Samangaon-Kajla Road, In Front of Meenatai Thakare Vridhashram, Samangaon, Jalna - 431203
2021-22	25.08.2022	12.30PM	Gut No.399, Samangaon-Kajla Road, In Front of Meenatai Thakare Vridhashram, Samangaon, Jalna - 431203
2022-23	29.09.2023	12.30PM	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 has not passed any special resolution through Postal Ballot during the Financial Year 2023-24.

(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 of the company.

GENERAL SHAREHOLDER INFORMATION

i) Annual General Meeting:

AGM: Date, Time & Venue	On Friday, 27 th September, 2024 at 12.30 P.M at Gut No.399, Samangaon-Kajla Road, In Front of Meenatai Thakare, Vridhashram, Samangaon, Jalna - 431203
Financial Year	01/04/2023 to 31/03/2024
Date of Book closure	21/09/2024 to 27/09/2024
Listing on Stock Exchange	NSE Limited main Board
Stock Code	NSE - LAXMICOT 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 equity	No Issued
Plant Location	Samangaon-Kajla Road, In Front of Meenatai Thakare Vridhashram, Samangaon, Jalna – 431203, Maharashtra, India
Address for correspondence	Samangaon-Kajla Road, In Front of Meenatai Thakare Vridhashram, Samangaon, Jalna – 431203 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

Date: 04/09/2024
Place: Jalna

Sd/-
CS Soni Shailesh Karwa
Company Secretary & Compliance Officer



ANNEXURE "E"
DECLARATION OF INDEPENDENCE

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. Vijaykumar Zanwer**, 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/-

Vijaykumar Zanwer

DIN: 00893718

Add – Mama Chowk, opp. Mondha Gate,
Jalna 431203

Date: - 04/09/2024



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 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; firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or

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: - 04/09/2024



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 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:
 - 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: - 04/09/2024



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. Ketankumar Shah**, 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;



firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or

I. 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/-

Ketankumar Shah

DIN: 09699742

Add – Mastagad Saraswati Jinning, old Jalna,
Jalna 431203

Date: - 04/09/2024



ANNEXURE- "F"

Management Discussion Analysis:

1. Overall Review / Industry Structure and development

Company engaged in the business of cotton yarn manufacturing; 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 1824 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 Statex, 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.

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**



ANNEXURE- "G"

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[Pursuant to clause (o) of sub-section (3) of Section 134 of the Companies Act 2013 and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014].

1. A Brief outline of the Company's CSR policy:

The Company's CSR objective is to ensure socio-economic development of the community through different participatory and need based initiatives in the best interest of the poor and deprived sections of the society so as to help them to become SELF-RELIANT and build a better tomorrow for themselves.

Laxmi Cotspin Limited is committed to build a sustainable business with strong social relevance and a commitment to inclusive growth and contribute to the society by supporting causes on various concerns including road safety, healthcare, environmental sustainability, promoting education, promoting sports and other rural development activities.

In pursuance of our vision that Laxmi Cotspin Limited desires to be a 'Company which society wants to exist', we are dedicated towards fulfilling the social objectives through various CSR activities. The Company shall make its endeavour to positively impact and influence the Society for its sustainable development.

2. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

In compliance with Section 135 of the Companies Act, 2013, the Company has formed the "Corporate Social Responsibility (CSR) Committee".

COMPOSITION OF CSR COMMITTEE: -

Sr. No.	Name of Member	Nature of Directorship
01	Mr. Kailash Biyani	Independent Director -Chairman
02	Mr. Gopal Mundada	Independent Director -Member
03	Mr. Sanjay Rathi	Managing Director-Member

3. CSR POLICY:

As per the United Nations Industrial Development Organization (UNIDO) the Corporate Social Responsibility (CSR) is a management concept whereby companies integrate social and environmental concerns in their business operations and interactions with their stakeholders. CSR is generally understood as being the way through which a company achieves a balance of economic, environmental and social imperatives ("Triple-Bottom-Line- Approach"), while at the same time addressing the expectations of shareholders and stakeholders.



Our Mission:

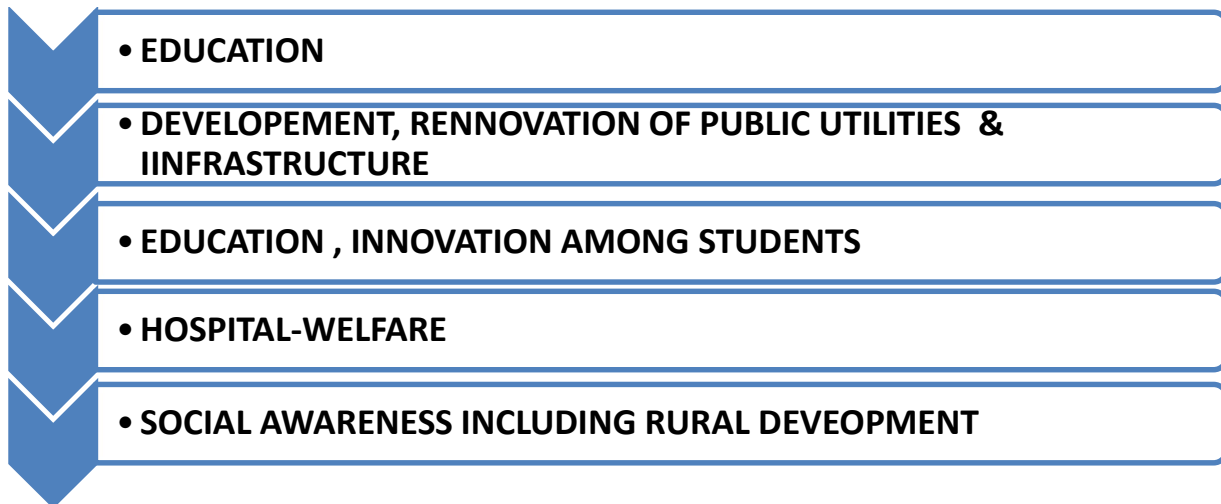
Our Mission is to “To achieve product perfection through process integration be wielding end to end quality control over the raw material and manufacturing processes, to make cotton that stand for purity and the highest quality and provide increased value for the customer at lower cost.

Our Values:

- ✓ We Trust, Respect, Protect, Nurture & Encourage all our relations
- ✓ To continuously learn and innovate
- ✓ To promote efficiency and effectiveness

We the M/S. **LAXMI COTSPIN LIMITED**, Jalna, Maharashtra India has decided to reach to the Farmers & Soldiers, the real builders of the Country and deprived including children, women and other entities of the society through the CSR activities, to make better, happy and prosperous society.

During the process of rolling out the identified projects, there have been extensive stakeholder consultations and leanings. We have planned project based on the need and requirement of the people from the area where the project is going to be implemented. The major heads of our CSR activities as per the CSR policy are mentioned below:



The CSR initiatives taken up by the company are in the areas of education, agricultural development, skill development, sanitation and hygiene, social awareness and healthcare, etc. Our aim is to be one of the most respected companies in India delivering superior and sustainable value to all our customers, business partners, shareholders, employees and host communities and all other stakeholders of your Company.

The CSR initiatives focus on enhancing environmental and natural capital, supporting rural development, promoting education, providing preventive healthcare, providing sanitation and drinking water, creating livelihoods for people, especially those from disadvantaged sections



of society, in rural and urban India, preserving and promoting sports for holistic development of host communities and create social, environmental and economic value to the society at large.

To pursue these objectives, we will continue to:

- Uphold and promote the principles of inclusive growth and equitable development;
- Develop Community Development Plans based on needs and priorities of host communities and measure the effectiveness of community development programmes;
- Work actively in areas of preventive health and sanitation, education, skills for employability, livelihoods and income generation, waste resource management and water conservation for host communities for enhancing Human Development Index;
- Collaborate with likeminded bodies like governments, voluntary organizations and academic institutes in pursuit of our goals;
- To develop the required capability and self-reliance among the beneficiaries at the grass root levels, especially among women, in the belief that these are prerequisites for social and economic development;
- To engage in affirmative action interventions such as skill building and vocational training, to enhance employability and generate livelihoods for persons from disadvantaged sections of society;
- To pursue CSR Programmes primarily in areas that fall within the economic vicinity of the company's operations to enable close supervision and ensure maximum development impact;
- To carry out CSR Programmes in relevant local areas to fulfil commitments arising from requests by government/regulatory authorities and to earmark amounts of money towards "Enterprise Social Responsibility (ESR)" activities and to spend such money through ESR/CSR Cells of such administrative bodies of the government and/or directly by way of developmental works in the local areas around which the company operates;
- Interact regularly with stakeholders, review and publicly report our CSR initiatives.

4. Details of the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board:

CSR details are available under the link <https://laxmicotspin.com/policies-conduct/>

5. Details of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable. Not Applicable.

6. Average Net Profit of the company for last three financial years: Rs. 81,01,122/- (2020-21, 2021-22 and 2022-23)



Sr No.	Particulars & Financial Year	Amount of Net Profit Before Tax (Rs)
1.	2020-2021	1,47,34,677
2.	2021-2022	7,78,72,080
3.	2022-2023	(6,83,03,390)
	Total of three years	2,43,03,367
	Average profit of last three years	81,01,122
	2% of Average Profit (Provision for Current Year)	1,62,022

7. A. Prescribed CSR expenditure (2% of the amount as in item 6(A) above): Rs. 1,62,022.00/-
 B. Surplus arising out of the CSR Projects or programme or activities of the previous financial years. - NA
 C. Amount required to be set-off for the financial year, if any. NA
 D. Total CSR obligation for the financial year [(b)+(c)-(d)] = 1,62,022.00/-
8. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project). - 1,62,022.00
 (b) Amount spent in Administrative Overheads. NIL
 (c) Amount spent on Impact Assessment, if applicable. NA
 (d) Total amount spent for the Financial Year [(a)+(b)+(c)]. 1,62,022.00
 (e) Excess amount for set-off, if any: NA
9. **Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No**
10. **Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135. - NA**

**For and on Behalf of Board of Director
LAXMI COTSPIN LIMITED**

**For and on Behalf of CSR Committee
LAXMI COTSPIN LIMITED**

**SANJAY RATHI
Managing Director
DIN:00182739**

**KAILASH BIYANI
Chairman CSR Committee
DIN:02303810**

**DATE: 04/09/2024
PLACE: JALNA**



ANNEXURE- "H" STATEMENT OF PARTICULARS OF EMPLOYEES

**PARTICULARS PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013
READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT & REMUNERATION OF
MANAGERIAL PERSONNEL) RULES, 2014**

S l . N o .	N a m e	Desi gna tion / Natu re of Dut ies	Remun eration Receiv ed [Rs.]	Qualif ication	Exp erie nce in yea rs	A g e i n y e a r s	Date of co men cem ent of emp loy men t	L a s t e m p l o y m e n t h e l d
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.
- 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) 7.81%
2	The percentage increase in median remuneration of employees in the financial year	The percentage increase in remuneration 1. MD – 12.5% 2. Director - NA 3. CFO – 38% 4. Company Secretary –NA 5. Manager - NA
3	The Number of Permanent employees on the rolls of the company in the financial year	260
4	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

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

Date: 04/09/2024
Place: Jalna

Sd/-
CS Soni Shailesh Karwa
Company Secretary & Compliance Officer



ANNEXURE "I"
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

Date: 04/09/2024
Place: Jalna

Sd/-
Sanjay Rathi
Managing Director
DIN - 00182739



Annexure J

CEO/CFO CERTIFICATION

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

a) We have reviewed the Financial Statement and cash flow statement for the year ended on 31st March 2024 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) 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 and on behalf of the Board of Directors
Laxmi Cotspin Limited

Date: 04/09/2024

Place: Jalna

**Sd/-
Sanjay Rathi**

Managing Director

DIN - 00182739

**Sd/-
Anupkumar Gindodiya**

Chief Financial Officer

PAN - AWAPG3125C



Practicing Company Secretary

**ANNEXURE- C TO THE DIRECTORS' REPORT
FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31st, 2024**

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

TO,
THE MEMBERS,
LAXMI COTSPIN LIMITED
GUT NO.399, SAMANGAON-KAJLA ROAD,
IN FRONT OF MEENATAI THAKARE VRIDHASHRAM,
SAMANGAON, JALNA, Maharashtra, India, 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 (CIN: L17120MH2005PLC156866)** (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 Company's books, papers, registers, 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 March 31st, 2024 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 March 31st, 2024 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-law framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment; (No specific transactions was found during the reporting period, to which the above guideline shall applicable.)



Practicing Company Secretary

- 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; *(No specific transactions were found during the reporting period, to which the above guideline shall applicable.)*
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; *(No specific transactions were found during the reporting period, to which the above guideline shall applicable.)*
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; *(No specific transactions were found during the reporting period, to which the above guideline shall applicable.)*
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; *(No specific transactions were found during the reporting period, to which the above guideline shall applicable.)*
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; *(No specific transactions were found during the reporting period, to which the above guideline shall applicable.)*
 - 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. *(Specific compliances with respect to the regulations were adhered to by the company during the reporting period.)*
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; *(No specific transactions were found during the reporting period, to which the above guideline shall applicable.)*
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. *(No specific transactions were found during the reporting period, to which the above guideline shall applicable.)*
 - i) Other laws applicable to the Company as per the representations made by the Management.
 - (1) The Secretarial Standards issued by the Institute of Company Secretaries of India.
 - (2) Listing agreement as entered into by the company with the National stock exchange to the extent of the listing of the equity securities of the company.



Practicing Company Secretary

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:

1. The company during the reporting period has filed a few e-forms including Form CRA-4 & MGT-14 with additional fees. Therefore, it has to be treated as compliance after the due date along with payment of additional fees.
2. The company is not able to identify the MSME vendors and outstanding dues of MSME vendors are for more than 45 days. Accordingly, Company has not filed Form MSME-1 in regarding outstanding payments to MSME vendors. The information has been given in respect of such vendors to the extent they could be identified as "Micro and Small" enterprises on the basis of information available with the Group.
3. The company has adopted all the policies in accordance with SEBI(LODR) except following policies:
 1. details of familiarization programmes imparted to independent directors including the following details:-
 - (i) number of programmes attended by independent directors (during the year and on a cumulative basis till date),
 - (ii) number of hours spent by independent directors in such programmes (during the year and on cumulative basis till date), and
 - (iii) other relevant details.
4. We also adhere the "remarks or observations" as pointed out by the statutory Auditor in his report and the company in financial statements as on date 31.03.2024.

I further report that

- a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors. There are some changes in the composition of the Board of Directors took place during the period under review. The Independent director Mr. Piyush Agrawal has resigned from the company wide Board meeting (BM-02/Q1/2023-24) held on dated 3rd May, 2023
- b) Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance or shorter notice with the consent of all the director or members as the case may be and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.
- c) Majority decision is carried through while the dissenting members' views are not captured and recorded as part of the minutes.
- d) I further report that there is scope to improve the 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.



Practicing Company Secretary

I further report that during the audit period there were no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

FOR D. SAGAR & ASSOCIATES

SAGAR
RAMRAO
DEO

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SAGAR RAMRAO DEO
Date: 2024.09.04
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CS SAGAR RAMRAO DEO
(Practicing Company Secretary)
CP No: 11547
UDIN: F009518F001135808
Peer Review NO.: 1192/2021

Place: Ch.Sambhajinagar
Date: 04/09/2024



Practicing Company Secretary

Note: This report is to be read with our letter of even date which is annexed as "ANNEXURE-I" & "ANNEXURE-I" forms as an integral part of this report.

ANNEXURE-I

TO,
THE MEMBERS,
NITIRAJ ENGINEERS LIMITED
306 A BABHA BLDGN M MARG
NEAR POLICE STATION MUMBAI
MH 400011 IN

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 processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records.
3. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practice s, we followed provide a reasonable basis for our opinion.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
5. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
6. 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 procedures on test basis.
7. 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 and non-compliances reported shall not be conclude as complete and final.

FOR D. SAGAR & ASSOCIATES,

SAGAR
RAMRAO DEO

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Date: 2024.09.04
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CS SAGAR RAMRAO DEO
(Practicing Company Secretary)
CP No: 11547
UDIN: F009518F001135808
Peer Review NO.: 1192/2021

Place: Ch. Sambhajinagar
Date: 04/09/2024

INDEPENDENT AUDITOR'S REPORT

To the Members of
LAXMI COTSPIN LIMITED.

Report on the Audit of the Standalone Financial Statements**Opinion**

We have audited the standalone financial statements of **LAXMI COTSPIN LIMITED** ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2024, the Standalone Statement of Profit and Loss (including other comprehensive income), Standalone statement of changes in equity and Standalone statement of cash flows for the year ended and a summary of material accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024 and loss and total comprehensive income (including other comprehensive income), changes in equity and its 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 Standalone 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 standalone 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be key audit matters to be communicated in our report.



Sr No	Key Audit Matter	Auditor's Response
1	<p>Valuation accuracy completeness and disclosures pertaining to inventories with reference to IND AS 2.</p> <p>Inventories constitute material components of the Standalone Financial Statement. Correctness, completeness, and valuation are critical for reflecting true and fair financial results of operations.</p>	<p>Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows:</p> <ul style="list-style-type: none"> • We assessed the company's process regarding maintenance of records, valuation and accounting of transactions relating to inventory as per Ind AS 2. • We have evaluated the design of internal controls relating to recording and valuation of inventory. • We have carried out substantive audit procedures at financial and assertion level to verify the allocation of overheads to inventory.
2	<p>Recognition of government grant received as per Ind AS 20.</p> <p>The company has been granted a capital subsidy of Rs. 5.94 crores.</p> <p>The company has booked an income of Rs. 4.26 crores in the year under consideration and a deferred government grant has been booked for the remaining portion of such grant.</p> <p>Recognition and measurement of the grant relating has been done as per the accounting treatment mentioned in the Indian Accounting Standard 20.</p> <p>We have identified recognition of grant as a key audit matter in view of the materiality of the amount involved.</p>	<p>Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows:</p> <ul style="list-style-type: none"> • Review the terms & conditions outlined in the grant agreement to ensure compliance and to verify if the eligibility criteria is met. • Understood the process of recognition of such grant in the books of accounts. • Tested the computation of recognition of grant and it's treatment in the books of accounts.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for other information. The other information comprises the information included in the management Discussion and Analysis, Board's Report Including Annexures to Board's Report, Business Responsibility Report, Corporate Governance



Report, and Shareholder Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Managements' Responsibilities for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

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



the override of internal control.

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

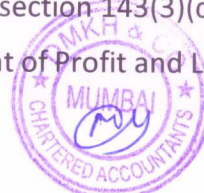
Materiality is the magnitude of misstatement in the standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in, (i) Planning the scope of our audit work and in evaluating the results of our work; and (ii) To evaluate the effect of any identified misstatement in the Standalone Financial Statements.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure 'A'** statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Company has no branches hence, the provisions of section 143(3)(c) is not applicable.
 - d) The standalone Balance Sheet, the standalone Statement of Profit and Loss including other

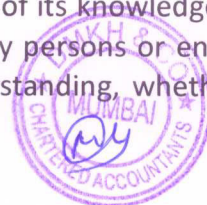


comprehensive income, standalone Statement of changes in equity and the standalone statement of Cash Flows dealt with by this Report are in agreement with the books of accounts.

- e) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- f) On the basis of the written representations received from the directors as on 31st March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- g) 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 B"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- i) There is not any qualification, reservation or adverse remark relating to maintenance of accounts and other matters connected therewith.
- j) 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 in Note no 2.2 on its financial position in its standalone 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 has been no delay in transferring the amounts required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv.
 - a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Holding Company or its subsidiary companies and joint venture company incorporated in India or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
 - b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in



writing or otherwise, that the Company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Funding Parties or
 - provide any guarantee, security, or the like from or on behalf of the Ultimate Beneficiaries.
- c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of rule 11(e) as provided under clause (a) and (b) contain any material misstatement.
- v. No dividend has been declared or paid during the year by the company.
- vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account for the financial year ended March 31, 2024, which has a feature of recording audit trail (edit log) facility and the same has been operative from 31st July 2023 for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023 reporting under Rule 11(g) of the companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For DMKH & CO.
Chartered Accountants

FRN: 116886W

Manish Kankani

CA Manish Kankani

Partner

MRN: 158020

UDIN: 24158020BKAKFR9692

Place: Mumbai

Date: May 17, 2024



Annexure "A" To Independent Auditor's Report

(Referred to in Paragraph 1 under the heading of "Report on other Legal and Regulatory Requirements" of our report to the members of Laxmi Cotspin Limited of even date)

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we report that: -

- i. In respect of company's property, plant and equipment:
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
 - b. All property, plants and equipment have been physically verified by the management during the year. No material discrepancies were noticed on such verification.
 - 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.

Description of Property	Gross carrying value	Held in the name of	Whether promoter, director or their relative	Period Held	Reason for not being held in the name of company (also indicate if in dispute)
Land situated at Gut no.394	Rs 282 lakhs	Mauli Ginning & Pressing Proprietor Shivratan Shrigopal Mundada	Director	19 Years	The said land was taken in the name of promoter since it was an agriculture land, and NA was pending. Undertaking in favor of the company regarding the same has been executed.

- d. The company has revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. The revaluation made is based on the report of the registered valuer.
 - e. There are no proceedings initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii. In respect of inventories:
 - a. As explained to us, inventories have been physically verified by the management at



reasonable intervals during the year and discrepancies noticed on physical verification of inventory as compared to the book records did not exceed 10% or more in the aggregate for any class of inventory.

- b. The Company has been sanctioned working capital limit in excess of five crore rupees, in aggregate from banks or financial institutions on the basis of security of current assets. Quarterly returns or statements filed by the company with such banks/financial institutions are in agreement with the books of the account of the Company.
- iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of 3(iii)(a), (b), (c), (d), (e), (f) of the order are not applicable to the company.
- iv. The Company has not granted any loans or provided any guarantees or securities to parties covered under Section 185 of the Act. Further, provisions of sections 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security have been complied with by the Company. Accordingly, clause 3(iv) of the Order is not applicable to the Company.
- v. The company has not accepted any deposits from the public within the meaning of the directives issued by the Reserve Bank of India, provision of Section 73 to 76 of the Act, any other relevant provision of the Act and the relevant rules framed thereunder.
- vi. The maintenance of cost records has not been specified by the Central Government under Section 148(1) of the companies Act, 2013 for the business activities carried out by the company, thus reporting under clause 3(vi) of the order is not applicable to the Company.
- vii. According to the information and explanation given to us, in respect of statutory dues:
 - a. The Company has been generally regular during the year, in depositing undisputed statutory dues, including provident fund, income-tax, employees' state insurance, goods and service tax, cess and other statutory dues applicable to it to the appropriate authorities. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
 - b. The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues that have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of Dues	Amount	Assessment year to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961.	Income Tax Dues	Rs 22.76 lakhs	2021-22 2019-20	CIT(A)

- viii. In our opinion and according to the information and explanations given to us, the Company has not surrendered or disclosed any transaction, previously unrecorded in the books of



account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

- ix. In our opinion and according to the information and explanations given by the management:
- 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 willful defaulter by any bank / financial institution or other lender during the year.
 - c. The term loans availed by the company during 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.
- x. In respect of end use of monies raised by way of IPO/ FPO/ Term Loans:
- a. In our opinion and according to the information and explanation given by the management, we are of the opinion that money raised by the Company by way of term loan (including debt instruments) has been applied for the purpose for which they were raised. The Company did not raise any money by way of Initial Public offer or further public offer.
 - b. In our opinion and according to the information and explanation given by the management, the company has not made any preferential allotment (Sec. 62) or private placement (Sec. 42) of shares or convertible debenture (fully, partially or optionally convertible) during the year.
- xi. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements and according to the information and explanations given by the management, we report that:
- a. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the company has been noticed or reported during the year.
 - b. There is no reporting u/s 143(12) of the Companies act, 2013 has been filed by us (the auditors) in form ADT-4 as prescribed under rule 13 of companies (Audit and Auditors) Rules,2014 with the Central Government.
 - c. According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year and up to the date of this report.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Therefore, paragraph 3(xii) of the Order is not applicable and hence not commented upon.
- xiii. According to the information and explanations given by the management, transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone financial statements as required by the applicable accounting standards.
- xiv. In respect of company's Internal Audit:
- a. The Company has an internal audit system as required under section 138 of the Act which is



- commensurate with the size and nature of the business.
- b. The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. According to the information and explanations given by the management:
The company is not registered under section 45 –IA of the Reserve bank of India Act 1934. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- xvii. The Company has not incurred cash losses in the current financial year as well as in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditor during the year and accordingly the requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report and that company is 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.
- xx. a. Provisions of CSR will be applicable in the current year as the net profit exceeded 5 crore rupees last financial year 21-22. Amount is transferred to Unspent CSR Account which is required to be transferred as specified in Schedule VII of the Companies Act 2013 within a period of six months of the expiry of FY in compliance with second proviso to sub-section (5) of section 135 of the said Act.
b. There are no ongoing projects for which there are unspent amounts that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act.
- xxi. The reporting under clause (xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said Clause under this report.

For DMKH & CO.

Chartered Accountants

FRN: 116886W

Manish Kankani



CA Manish Kankani

Partner

MRN: 158020

UDIN: 24158020BKAKFR9692

Place: Mumbai

Date: May 17, 2024.

Annexure “B” to the Independent Auditor’s Report

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the members of Laxmi Cotspin Limited 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 COTSPIN LIMITED** (the “Company”) as of March 31, 2024, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Management of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls 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 with reference to financial statements.



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 (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of the management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal financial control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For DMKH & CO.

Chartered Accountants

FRN: 116886W



CA Manish Kankani

Partner

MRN: 158020

UDIN: 24158020BKAKFR9692

Place: Mumbai

Date: May 17, 2024.

Laxmi Cotspin Limited
Standalone Balance Sheet as at March 31, 2024

(₹ in Lakhs)

Particular	Note No.	(₹ in Lakhs)	
		As at March 31, 2024	As at March 31, 2023
A-ASSETS			
NON CURRENT ASSETS			
(a) Property, Plant and Equipment	3	3,480.29	2,376.52
(b) Capital Work-in-Progress	3	362.05	312.58
(c) Financial Assets			
i. Investments	4	20.00	20.00
ii. Other Financial Assets	4	242.25	210.34
(d) Deferred Tax Assets (net)		42.65	36.39
TOTAL NON CURRENT ASSETS		4,147.24	2,955.83
CURRENT ASSETS			
(a) Inventories	5	5,269.31	4,701.95
(b) Financial assets			
i. Trade Receivables	6	383.47	623.68
ii. Cash and Cash Equivalents	7	84.04	16.70
(c) Other Current Assets	8	2,117.38	1,546.36
TOTAL CURRENT ASSETS		7,854.20	6,888.69
TOTAL ASSETS		12,001.44	9,844.52
B. EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	9	1,714.77	1,714.77
(b) Other Equity	10	4,579.97	3,061.22
TOTAL EQUITY		6,294.74	4,775.99
LIABILITIES			
NON CURRENT LIABILITIES			
(a) Financial Liabilities			
i. Borrowings	11	651.88	891.30
(b) Provisions	12	44.06	40.36
(c) Deferred Tax Liabilities (Net)		-	-
TOTAL NON CURRENT LIABILITIES		695.94	931.66
CURRENT LIABILITIES			
(a) Financial Liabilities			
i. Borrowings	13	4,366.59	3,336.21
ii. Trade payables			
- MSME payables	14	74.87	287.19
- Other than MSME payables	14	291.10	261.55
(b) Provisions	15	11.33	12.26
(c) Current Tax Liabilities (Net)		-	-
(e) Other Current Liabilities	16	266.87	239.66
TOTAL CURRENT LIABILITIES		5,010.76	4,136.87
TOTAL EQUITY & LIABILITIES		12,001.44	9,844.52

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

In terms of our report attached.

DMKH & Co.

Chartered Accountants

FRN : 116886W

Manish Kankani

CA Manish Kankani

(Partner)

M. No. 158020

Date : 17/05/2024

Place : Mumbai



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

Sanjay Rathi

Sanjay Rathi
 (Managing Director)
 DIN 00182739

Anup Kumar Gindodiya
Anup Kumar Gindodiya
 (CFO)

Ramesh Mundada

Ramesh Mundada
 (Director)
 DIN 00153255

Soni Karwa
Soni Karwa
 (Company Secretary)
 M No. A69381

Date : 17/05/2024

Place : Jalna

Laxmi Cotspin Limited

Standalone Statement of Profit and Loss for the Year ended as on 31st March, 2024

(₹ in Lakhs)

Particular	Note No.	For the Year ended	
		March 31, 2024	March 31, 2023
I. Revenue From Operations	17	14,402.21	14,328.95
II. Other Income	18	541.27	143.11
Total Income (I+II) (III)		14,943.49	14,472.06
IV. Expenses			
Cost of Materials Consumed	19	11,396.46	12,312.90
Changes in Inventories of Work-In-Progress and Finished Goods	20	451.27	(250.50)
Employee Benefit Expense	21	921.46	918.60
Finance Costs	22	321.18	202.70
Depreciation and Amortisation Expense	23	303.56	326.20
Other Expenses	24	1,498.79	1,645.21
Total Expenses		14,892.71	15,155.10
V. Profit Before Extra-Ordinary Item (III - IV)		50.77	(683.03)
Extra-Ordinary Item		-	-
Profit/(Loss) on sale of Assets		3.50	0.34
Litigation settlements paid		(85.00)	-
V. Profit Before Tax (III - IV)		(30.73)	(682.69)
VI. Income tax expense			
Current Tax		-	-
Short /Excess Provision of Tax		(0.33)	(20.95)
Deferred Tax		(6.26)	(76.97)
Total Tax Expense		(6.59)	(97.91)
VII. Profit for the Year (V - VI)		(24.14)	(584.78)
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		(4.13)	3.04
Others (Specify)		-	-
Income tax relating to these items		-	-
Total Other Comprehensive Income for the Year, Net of Tax		(4.13)	3.04
IX. Total Comprehensive income for the Year (VII + VIII)		(28.27)	(581.73)
X. Earnings Per Equity Share for Profit Attributable to Owners			
Basic		(0.14)	(3.41)
Diluted		(0.14)	(3.41)

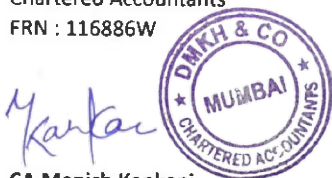
Summary of Material Accounting Policies and Notes form an integral part of the Financial Statements

In terms of our report attached.

DMKH & Co.

Chartered Accountants

FRN : 116886W



CA Manish Kankani

(Partner)

M. No. 158020

Date : 17/05/2024

Place : Mumbai

For and on behalf of Board of Directors of

Laxmi Cotspin Limited



Sanjay Rathi

Sanjay Rathi
(Managing Director)

DIN 00182739

Anupkumar Gindodiya
Anupkumar Gindodiya
(CFO)

Ramesh Mundada

Ramesh Mundada
(Director)

DIN 00153255

Soni Karwa
Soni Karwa
(Company Secretary)
M No. A69381

Date : 17/05/2024

Place : Jalna

Laxmi Cotspin Limited
Statement of Changes in Equity

(A) Equity Share Capital

Particular	As at 31st March 2022	Changes During the year	As at 31st March, 2023	Changes During the	As at 31st March 2024
Equity Shares of Rs. 10/- each Issued, Subscribed and Fully Paid up	17,14,76,700.00	-	17,14,76,700.00	-	17,14,76,700.00

(B) Other Equity

(₹ in Lakhs)

Particular	Reserve and Surplus						Other items of Other Comprehensive Income	Total Other Equity
	Securities Premium	Deffered Government Grant	Capital redemption Reserve	General Reserve	Retained Earnings	Revaluation Reserve	Remeasurement of defined benefit obligation	
Balance as at April 1, 2022	555.30	-	-	2,583.14	502.95	-	1.57	3,642.95
- Profit for the year				(584.78)				(584.78)
- Other Comprehensive Income							3.04	
Total Comprehensive Income for the year	555.30			1,998.37	502.95		4.61	3,061.22
Transaction with Owners in their capacity as Owners (Refer Note xxxx)								
Issue of equity shares (Refer Note xxxx)								
Less:- Amalgamation Reserve (Refer Note xxxx)								
Less:- Tax on Interim dividend (Refer Note xxxx)								
Balance as at March 31, 2023	555.30	-	-	1,998.37	502.95	-	4.61	3,061.22
- Profit for the year				(24.14)				(24.14)
- Other Additions		167.78				1,379.24	(4.13)	1,542.89
Total Comprehensive Income for the year	555.30	167.78		1,974.23	502.95	1,379.24	0.48	4,579.97
Transaction with Owners in their capacity as Owners (Refer Note xxxx)								
Issue of equity shares (Refer Note xxxx)								
Less:- Amalgamation Reserve (Refer Note xxxx)								
Less:- Tax on Interim dividend (Refer Note xxxx)								
Balance as at March 31, 2024	555.30	167.78	-	1,974.23	502.95	1,379.24	0.48	4,579.97

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

In terms of our report attached

DMKH & Co.
Chartered Accountants
FRN : 116886W

CA Manish Kankani
(Partner)
M. No. 158020



Date : 17/05/2024
Place : Mumbai

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



Sanjay Rathi
(Managing Director)
DIN 00182739

Ramesh Mundada
(Director)
DIN 00153255

Anupkumar Gindodiya
(CFO)

Sohil Karwa
(Company Secretary)
M No. A69381

Date : 17/05/2024
Place : Jalna

Laxmi Cotspin Limited
Standalone Cash Flow Statement
For the Year ended 31st March, 2024

Particulars	(₹ in Lakhs)	
	As at March 31, 2024	As at 31st March, 2023
A. Cash Inflow/ (Outflow) from Operating Activities		
Net Profit After Tax	(24.14)	(584.78)
Adjustment For		
Depreciation	303.56	326.20
Interest Paid (Net)	321.18	202.70
Deferred Tax	(6.26)	(76.97)
Remeasurement of defined benefit obligation	(4.13)	3.04
Provision for Gratuity and Leave Encashment	9.34	11.45
Profit / Loss on Sale of Asset	(3.50)	-
Duty Drawback, Interest and Subsidy Received	(541.27)	(143.11)
Provision for ECL	0.49	6.44
Earlier Provision Written Back	(0.33)	(20.95)
	<u>79.07</u>	<u>308.80</u>
Operating Profit before working capital changes	<u>54.93</u>	<u>(275.97)</u>
Adjustment for		
Inventories	(567.37)	40.05
Trade Receivables	240.21	237.37
Other Current Assets	(403.24)	522.12
Short-term loans and advances	-	-
Trade Payables	(182.76)	(82.99)
Other Current Liabilities	20.14	36.70
Income Tax Paid	-	-
Current Tax Liabilities	-	-
Long term provisions	-	-
	<u>(893.02)</u>	<u>753.26</u>
Net Cash Inflow/(Outflow) from Operating Activities	<u>(838.09)</u>	<u>477.29</u>
B. Cash Inflow/(Outflow) From Investment Activities		
Capital Expenditure (Purchase/ Capitalization)	(77.21)	(142.05)
Sale Proceeds of Fixed Assets	3.50	4.95
(Increase) / Decrease due to Investment	(31.91)	(32.88)
Net Cash Inflow/(Outflow) from Investing Activities	<u>(105.62)</u>	<u>(169.98)</u>
C. Cash Inflow/(Outflow) From Financing Activities		
Increase/ Decrease in Long Term Borrowings	(239.42)	(134.19)
(Repayment)/Receipt to Short Term pledge and Cash Credit borrowings	1,030.37	(102.08)
Interest Paid	(321.18)	(202.70)
Duty Drawback, Interest and Subsidy Received	541.27	143.11
Net Cash Inflow/(Outflow) from Financing Activities	<u>1,011.05</u>	<u>(295.86)</u>
Net Changes In Cash & Cash Equivalents (A+B+C)	<u>67.34</u>	<u>11.44</u>
Cash & Cash equivalents (Opening Balance)	16.70	5.25
Cash & Cash equivalents (Closing Balance)	<u>84.04</u>	<u>16.70</u>

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

DMKH & Co.
Chartered Accountants
FRN : 116886W

Manish Kankani
CA Manish Kankani
(Partner)
M. No. 158020



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



Sanjay Rathi
Sanjay Rathi
(Managing Director)
DIN 00182739

Anupkumar Gindodiya
Anupkumar Gindodiya
(CFO)

Ramesh Mundada
Ramesh Mundada
(Director)
DIN 00153255

Soni Karwa
Soni Karwa
(Company Secretary)
M No. A69381

Date : 17/05/2024
Place : Mumbai

Date : 17/05/2024
Place : Jalna

Laxmi Cotspin Limited
Notes to the Financial Statements for the Year ended as on March 31, 2024

3. Property, plant and equipment

(₹ in Lakhs)

Particular	Land	Building	Electrical Installation	Plant & Machinery	Miscellaneous Fixed Asset	Furniture & Fixtures	Computers Systems	Office Equipment	Vehicle & Others	Total
As at April 01, 2022	33.43	1,603.44	399.97	6,151.10	342.74	60.84	24.69	11.93	134.98	8,763.13
Additions	-	7.40	1.24	14.29	1.06	-	-	-	8.61	32.60
Disposals	-	-	-	-	-	-	-	-	12.82	12.82
As at April 1, 2023	33.43	1,610.84	401.21	6,165.40	343.80	60.84	24.69	11.93	130.76	8,782.90
Additions	1,386.17	-	-	8.37	6.30	-	-	-	6.48	1,407.33
Disposals	-	-	-	29.17	-	-	-	-	-	29.17
As at March 31, 2024	1,419.60	1,610.84	401.21	6,144.60	350.10	60.84	24.69	11.93	137.25	10,161.06
DEPRECIATION	-	-	-	-	-	-	-	-	-	-
As at April 1, 2023	-	500.16	316.33	5,078.97	326.75	60.17	24.69	11.93	87.37	6,406.39
Change for the year	-	51.03	20.91	225.57	2.88	0.11	-	-	3.05	303.56
Disposals	-	-	-	29.17	-	-	-	-	-	29.17
As at March 31, 2024	-	551.19	337.25	5,275.37	329.64	60.28	24.69	11.93	90.43	6,680.77
Net Carrying Value	1,419.60	1,059.65	63.96	869.23	20.46	0.57	0.00	0.00	46.82	3,480.29
As at March 31, 2023	33.43	1,110.67	84.88	1,086.43	17.05	0.67	0.00	0.00	43.39	2,376.52
As at March 31, 2024	1,419.60	1,059.65	63.96	869.23	20.46	0.57	0.00	0.00	46.82	3,480.29

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 unascertainable. The said fact came to light after technical verification by Bank and their survey team.

Note 3.2: The old assets before 31st March 2022, whose useful life is over has been measured below scrap value since amount is not recoverable from them based on management assumption. Balance other assets are depreciated as per Companies Act 2013 and whose life is over is maintained at scrap value.

Note 3.3: The Company has revalued its property, plant and equipment as on 31.3.2024 at market rate as per the valuation received from certified valuer.

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 Year of				Total As on 31.12.24	Total As on 31.03.23
	Less than 1 year	1-2 years	2-3 Years	More than 3 years		
Project In progress	49.13 #	109.46 #	6.23 #	197.23 #	362.05 #	312.93
Project in progress in PY	109.46 #	6.23 #	7.16 #	190.07 #	312.93 #	13.40



Signature

Laxmi Cotspin Limited
Notes to the Financial Statements as at 31st March, 2024

		(₹ in Lakhs)	
	Particulars	As at	As at
		31st March, 2024	31st March, 2023
		Rs.	Rs.
7	Cash & Cash Equivalents		
	a) Cash on hand	57.47	12.46
	b) Balances with Scheduled Banks		
	In Current Account	26.55	4.11
	c) Balances with Non-Scheduled Banks	-	0.13
	Total Cash & Cash Equivalents	84.04	16.70
		(₹ in Lakhs)	
	Particulars	As at	As at
		31st March, 2024	31st March, 2023
		Rs.	Rs.
8	Other Current Asset		
	a) Prepaid expenses	11.31	9.57
	b) Balance with Government Authorities	8.79	11.61
	c) Balance with Government Authorities (Income Tax refund)	114.66	91.62
	d) Accrued Interest (TDR)	35.25	41.98
	e) Interest Receivable (TUFs)	28.57	34.39
	f) Other Receivables(Note 9.1)	942.64	319.57
	g) Security Deposit	3.35	3.35
	h) Advance to Suppliers and Service Providers	974.31	1,030.05
	i) Advances to Staff	(1.51)	4.23
	Total Other Current Assets	2,117.38	1,546.36
	Note B.1 : Other receivables includes receivable from IPS subsidy and Capital Subsidy		



Laxmi Cotspin Limited
Notes to the Financial Statements as at 31st March, 2024

(₹ in Lakhs)

Particulars	As at	As at
	31st March, 2024	31st March, 2023
	Rs.	Rs.
9 Share Capital		
Authorised		
4,00,00,000 (Previous Year 4,00,00,000) Equity shares of Rs. 10/- each	4,000.00	4,000.00
	4,000.00	4,000.00
Issued, Subscribed and Fully Paid-up		
17,14,670 (Previous Year 17,14,670) Equity shares of Rs. 10/- each fully paid up	1,714.77	1,714.77
Total Share Capital	1,714.77	1,714.77

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

Particular	31st March, 2024	31st March, 2023
	No. of Shares	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

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share.

(i) 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.

(c) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the Year 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, 2024		31st March, 2023	
	No. of Shares	% Holding	No. of Shares	% Holding
Equity Shares of Rs. 10 each fully paid				
ANAND VYAPAAR PRIVATE LIMITED	33,92,500	19.78%	33,92,500	19.78%
RAMESHBHAI CHHOTABHAI PATEL	22,51,563	13.13%	22,85,450	13.33%
ASHVA MULTI TRADE PRIVATE LIMITED	20,65,930	12.05%	22,51,563	13.13%
SAFFORD MERCANTILE PRIVATE LIMITED	14,11,796	8.23%	20,65,930	12.05%
RAJESH PURANMAL BANSAL	7,60,927	4.44%	9,13,125	5.33%
DINESH KANTILAL RATHI	9,38,857	5.48%	9,38,857	5.48%

(e) Details of shares held by promoters

Name of Shareholder	31st March, 2024		31st March, 2023	
	No. of Shares	% Holding	No. of Shares	% Holding
Equity Shares of Rs. 10 each fully paid				
ANAND VYAPAAR PRIVATE LIMITED	33,92,500	19.78%	33,92,500	19.78%
ASHVA MULTI TRADE PRIVATE LIMITED	20,65,930	12.05%	20,65,930	12.05%
RAMESH GOPIKISHAN MUNDADA	48,813	0.28%	48,813	0.28%
AMIT RAMESH MUNDADA	25,266	0.15%	25,266	0.15%
RAMESHBHAI CHHOTABHAI PATEL	22,51,563	13.13%	22,51,563	13.13%
RAJESH PURANMAL BANSAL	7,60,927	4.44%	7,60,927	4.44%
SANJAY KACHRULAL RATHI	4,31,875	2.52%	4,31,875	2.52%
BHAVESH RAMESHBHAI PATEL	3,33,188	1.94%	3,33,188	1.94%
TARABEN RAMESHBHAI PATEL	1,69,500	0.99%	1,69,500	0.99%
VIKAS RAJESH BANSAL	71,250	0.42%	71,250	0.42%
SHIVRATAN SHRIGOPAL MUNDADA	71,197	0.42%	71,197	0.42%
RAHUL RAJESHKUMAR BANSAL	49,063	0.29%	49,063	0.29%
SARLA SHIVRATAN MUNDADA	41,250	0.24%	41,250	0.24%
PRAFULLATA RATHI	23,438	0.14%	23,438	0.14%
JAGDISH KACHRULAL RATHI	18,715	0.11%	18,715	0.11%
SHIVRATAN SHRIGOPAL MUNDADA	2,000	0.01%	2,000	0.01%



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Laxmi Cotspin Limited
Notes to the Financial Statements as at 31st March, 2024

(₹ in Lakhs)

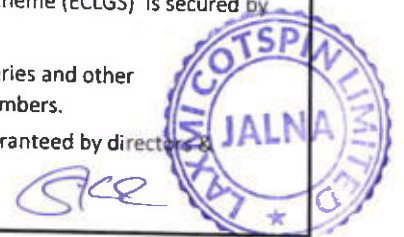
Particulars	As at 31st March, 2024 Rs.	As at 31st March, 2023 Rs.
10 Other Equity		
a) Retained earnings		
Opening Balance	502.95	502.95
Closing Balance	502.95	502.95
b) Securities Premium Reserve		
Opening Balance	555.30	555.30
Add: During the year	-	-
Closing Balance	555.30	555.30
c) Surplus in Statement of Profit and Loss		
Opening Balance	1,998.37	2,583.14
Add:		
Profit/(loss) for the year	(24.14)	(584.78)
Net surplus in the statement of Profit and Loss	1,974.23	1,998.37
d) Deffered Government Grant		
Opening Balance	-	-
Add: During the year	167.78	-
Closing Balance	167.78	-
e) Revaluation Reserve		
Opening Balance	-	-
Add: During the year	1,379.24	-
Closing Balance	1,379.24	-
f) Remeasurement of defined benefit obligation		
Opening Balance	4.61	1.57
Add: During the year	(4.13)	3.04
Closing Balance	0.48	4.61
Total Reserve and Surplus	4,579.97	3,061.22

(₹ in Lakhs)

Particulars	As at 31st March, 2024 Rs.	As at 31st March, 2023 Rs.
11 Long Term Borrowings		
a) Secured Long Term Borrowings		
i) Term Loans from Banks		
HDFC Bank Limited (ECLGS Loan)	274.12	477.07
SVS Co-operative Bank Ltd	631.27	834.93
Less: Current maturities of term loans	(332.41)	(434.64)
Term Loans from Banks	572.98	877.36
ii) Other Loans from Banks (Vehicle Loan)		
SVC Bank	78.90	13.93
Vehicle Loans from Banks	78.90	13.93
Secured Long Term Borrowings "a"	651.88	891.30
Total Long Term Borrowings	651.88	891.30

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 extention 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.
Vehicle Term Loan is Secured by way of first charge of Vehicle purchased from term loan and guaranteed by directors and Members.[Term Loan Repayment Year - HDFC - 60 Months]
- 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, 2024

(₹ in Lakhs)

Particulars	As at 31st March, 2024 Rs.	As at 31st March, 2023 Rs.
12 Long term provisions		
Provision for Employee benefits		
Gratuity	44.06	40.36
Total Long Term Provisions	44.06	40.36

Note 12.1 : During the year, the Company has provided for the liability of Rs. 9.34 lakhs on account of Gratuity benefits on actuarial basis.

Particulars	As at 31st March, 2024 Rs.	As at 31st March, 2023 Rs.
13 Short Term Borrowings		
a) Secured Short Term Borrowings		
i) Cash Credit from various Bank		
HDFC Bank Cash credit Account	2,002.67	1,330.78
HDFC Bank (PCFC loan - Export)	-	-
Axis bank Cash Credit Account	849.37	829.74
ii) Pledge Loan	1,182.14	741.05
b) Current maturities of Long Term Debts (Including Current maturities of Vehicle loans)	332.41	434.64
Secured Short Term Borrowings	4,366.59	3,336.21

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, 2024 Rs.	As at 31st March, 2023 Rs.
14 Trade Payables		
a) Total Outstanding dues of micro enterprises and small enterprises	74.87	287.19
b) Total Outstanding dues of creditors other than micro enterprises and small enterprises	291.10	261.55

For the Year ended 31st March, 2024

Particulars	Outstanding for following Years from due date of payments					Total
	Less 1 year	1-2 years	2-3 Years	More than 3 years		
i) Undisputed trade Payable - considered good	342.38	15.61	6.86	1.12	365.97	
ii) Undisputed trade Payable - considered doubtful						
iii) Disputed trade Payable - considered good						
iv) Disputed trade Payable - considered doubtful						

For the Year ended 31st March, 2023

Particulars	Outstanding for following Years from due date of payments					Total
	Less 1 year	1-2 years	2-3 Years	More than 3 years		
i) Undisputed trade Payable - considered good	533.87	13.20	0.20	0.34	547.61	
ii) Undisputed trade Payable - considered doubtful				1.12	1.12	
iii) Disputed trade Payable - considered good						
iv) Disputed trade Payable - considered doubtful						

Trade Payables

365.97

548.73



Laxmi Cotspin Limited
Notes to the Financial Statements as at 31st March, 2024

(₹ in Lakhs)		
Particulars	As at 31st March, 2024 Rs.	As at 31st March, 2023 Rs.
16 Other Current Liabilities		
a) Statutory Dues (Note 15.1)	12.64	24.00
b) Advance from customer and others	122.20	42.94
c) Other Payables	-	-
i) Outstanding liabilities for expenses (Note 16.2)	132.04	172.72
	-	-
Total Other Current Liabilities	266.87	239.66
Note 15.1 - Statutory dues include Contribution made for Provident Fund, Local Tax, Professional Tax and Leave encashment		
(₹ in Lakhs)		
Particulars	As at 31st March, 2024 Rs.	As at 31st March, 2023 Rs.
15 Current tax Liabilities (Net)		
a) Other Provisions		
Provision for Employee benefits		
Gratuity	11.33	12.26
	-	-
Total Short Term Provisions	11.33	12.26



Laxmi Cotspin Limited
Notes to the Financial Statements as at 31st March, 2024

(₹ in Lakhs)

Particulars	For the year Ended 31st March, 2024 Rs.	For the year Ended 31st March, 2023 Rs.
17 Revenue From Operations		
Sale of Products		
Sale of Finished Goods	14,367.06	14,037.85
Finished Goods - Traded	-	276.74
Revenue from Services	35.15	14.36
	14,402.21	14,328.95
Particulars Of Sales		
(A) Export Sales		
i) Sale of Goods (Cotton Bales and Yarn)	504.88	-
(B) Domestic Sales		
i) Sale of Goods(Note 17.1)	13,862.19	14,037.85
ii) Sale of Goods Traded	-	276.74
iii) Sale of Services	35.15	14.36
Note 20.1: Domestic sales includes cotton bales, yarn, seeds, cotton waste, wash oil, oil cake, etc.)	-	-
Other operating revenue	14,402.21	14,328.95
Total Revenue from operations	14,402.21	14,328.95

(₹ in Lakhs)

Particulars	For the year Ended 31st March, 2024 Rs.	For the year Ended 31st March, 2023 Rs.
18 Other Income		
a) Duty Drawback and Incentives	454.52	92.57
b) Other operating income	-	-
a) Forex Gain & Loss	1.76	2.57
b) Interest on FDR and RD	14.39	9.45
c) Other Income	70.60	38.52
	-	-
Total Other Income	541.27	143.11
Total Revenue	14,943.49	14,472.06

(₹ in Lakhs)

Particulars	For the year Ended 31st March, 2024 Rs.	For the year Ended 31st March, 2023 Rs.
19 Cost of Material Consumed		
a) Opening Stock of Raw material	3,775.51	4,129.65
b) Purchases of Raw material	11,768.76	11,636.65
c) Add: Freight Expenses	29.87	44.91
d) Less: Closing Stock	(4,659.14)	(3,775.51)
	-	-
Total Cost of Material Consumed	10,915.00	12,035.70
a) Purchases of Raw material - Trading Concern	481.45	277.20
	481.45	277.20



Laxmi Cotspin Limited

Notes to the Financial Statements as at 31st March, 2024

(₹ in Lakhs)

Particulars	For the year Ended	For the year Ended
	31st March, 2024	31st March, 2023
	Rs.	Rs.
20 Changes in inventories of finished goods, work-in-process and stock-in-trade		
a) Opening Stock		
Finished Goods	443.50	288.29
Work in Process	308.97	213.67
	752.47	501.96
b) Closing Stock		
Finished Goods	193.98	443.50
Work in Process	107.22	308.97
	301.20	752.47
Net (Increase)/Decrease in Stock	451.27	(250.50)

(₹ in Lakhs)

Particulars	For the year Ended	For the year Ended
	31st March, 2024	31st March, 2023
	Rs.	Rs.
21 Employee Benefit Expenses		
a) Salaries and wages	778.35	789.88
b) Directors remuneration	72.00	64.00
c) Contribution to provident & other funds	38.30	33.74
e) Staff Welfare expenses	32.81	30.98
	-	-
Total Employee Benefit Expenses	921.46	918.60



Laxmi Cotspin Limited

Notes to the Financial Statements as at 31st March, 2024

(₹ in Lakhs)

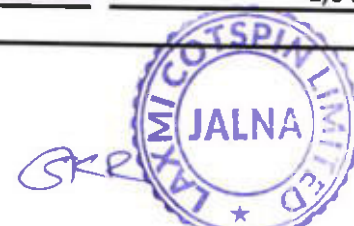
Particulars	For the year Ended 31st March, 2024 Rs.	For the year Ended 31st March, 2023 Rs.
22 Finance Cost		
a) Bank Charges	23.17	26.01
	23.17	26.01
b) Interest Expenses		
Interest on Term Loan	98.14	127.83
Interest on Working Capital Loan	226.93	129.06
Interest on Pledge Loan	59.91	16.86
Interest on Trading Yarn & Others	12.37	13.88
Less: Interest from customers	(99.33)	(110.92)
	298.01	176.70
Total Finance Cost	321.18	202.70

(₹ in Lakhs)

Particulars	For the year Ended 31st March, 2024 Rs.	For the year Ended 31st March, 2023 Rs.
23 Depreciation & Amortization Expenses		
a) Depreciation	303.56	326.20
	-	-
Total Depreciation & Amortization Expenses	303.56	326.20

(₹ in Lakhs)

Particulars	For the year Ended 31st March, 2024 Rs.	For the year Ended 31st March, 2023 Rs.
24 Other Expenses		
a) Consumption of Stores and Spares and Packing Material	126.03	173.77
b) Consumption of Power and Fuel	1,005.48	1,008.06
c) Repair & Maintenance	24.26	27.67
d) Insurance	22.33	29.44
e) Office Expenses	23.46	35.73
f) Audit Fees	5.00	5.40
g) Legal, Professional and Subscription Charges	50.23	41.52
h) Rent, Rates & Taxes (Refer Note 25.1)	20.88	108.77
i) Communication Expenses	2.42	2.58
j) Travelling & Conveyance Expenses	3.51	4.60
k) Clearing and forwarding expenses	126.30	99.03
l) Selling Expenses	83.68	93.48
m) CSR Expense	1.62	5.26
n) MSME Interest	0.11	0.47
o) Provision for ECL	0.49	6.44
p) Listing fees	3.00	3.00
Total of other expenses	1,498.79	1,645.21



Notes to the Financial Statements as at 31st March, 2024

Laxmi Cotspin Limited

Key Financial Ratio

Particulars of Ratio	Formulas	FY 2023-24	FY 2022-23	% change	Reason
Current Ratio (times)	Current Assets/Current Liabilities	1.57	1.67	6%	
Debt Equity ratio (times)	Total Borrowings/Total Equity	0.80	0.89	10%	
Debt Service Coverage Ratio (times)	Operating Income/(Interest+Principal Repayment)	0.73	-0.22	437%	Due to increase in income before interest and depreciation
Return on equity ratio	Profit for the year/Avg Total Equity	-0.4%	-11.5%	96%	Due to increase in Operating Income
Trade Receivable Turnover ratio (times)	Revenue from operations/Avg Trade Receivable	28.60	19.30	-48%	Due to decrease in trade receivables
Trade Payable Turnover ratio (times)	Credit Purchases/Avg Trade Payables	26.79	20.19	-33%	Due to increase in Purchase and decrease in payables
Inventory Turnover ratio (times)	COGS/Avg Inventory	2.29	2.61	12%	
Net Capital turnover ratio (times)	Sales/Avg Working Capital	5.07	5.21	3%	
Net profit ratio	Net Profit for the year/Total Revenue	-0.16%	-4.04%	96%	Due to increase in Operating Income
Return on capital Employed (times)	EBIT/ Capital Employed	4.61%	-7.94%	158%	Due to increase in Operating Income



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Laxmi Cotspin Limited

Notes to the Standalone financial statement as at and for the year ended 31st March, 2024

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:

The financial statements comply in all material aspects with Indian Accounting Standards notified under Section 133 of the Companies Act 2013 (the Act), read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other accounting principles generally accepted in India (referred "Ind AS").

b) Functional and presentation currency:

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

c) Historical cost convention

These financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities that are measured at fair value.

d) Current and Non-Current Classification:

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is current when it is:

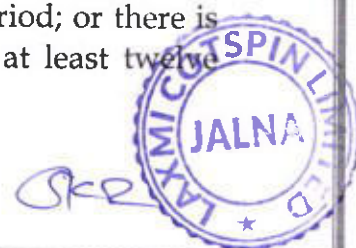
- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current assets.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are non-current liabilities.



Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The Ind AS are prescribed under section 133 of the act read with rule 3 of companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The operating cycle of an entity is the time between the acquisition of assets for processing and their realization in the form of cash or cash equivalents. The Company has determined that its operating cycle is 12 months.

e) Foreign currency translation

Functional and presentation currency

The items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the company operates (that is, 'functional currency'). The financial statements are presented in INR which is the Company's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in profit or loss.

f) Use of Estimates:

The preparation of financial statements in conformity with Indian Accounting Standards 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.

g) 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.



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h) Provisions, contingent liabilities and Contingent Assets

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 Summary of Material Accounting Policies:

i) Valuation of Inventories:

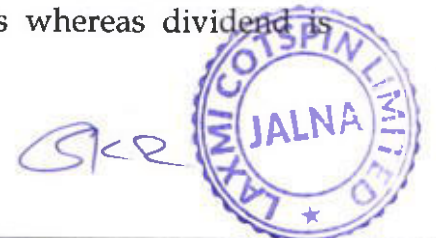
- a) Raw materials and stores and spares are valued at lower of cost, computed on net realizable value. Cost includes the purchase price as well as incidental expenses. Cotton Waste is valued at estimated realizable value. However, in case of raw materials, stores and spares held for use in the production 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

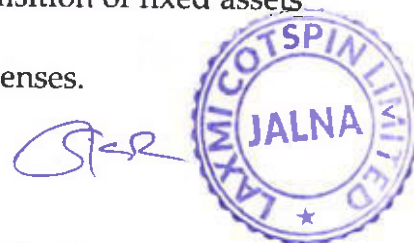
iv) Property, Plant & Equipment and Depreciation:

- a) Property, Plant & Equipment 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 date of addition/deduction.
- c) The management has estimated the useful lives and residual values of all assets and adopted useful lives based on management's technical assessment of their respective economic useful lives.
- d) The old asset before 31st March 2022, whose useful life is over has been measured below scrap value since amount is not recoverable from them based on management assumption. Balance other assets are depreciated as per Companies Act 2013 and whose life is over is maintained at scrap value.

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.

- e) 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.
- f) Pre-operative Expenses: It is stated at cost incurred for acquisition of fixed assets including borrowing Cost and administrative expenses. Leasehold land is accounted at cost including incidental expenses.



h) **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 fair market value.

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:**

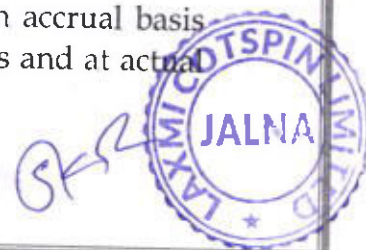
- a) Interest subsidy received or receivable on Term Loan taken under Technology up Gradation Fund Scheme (TUFS) Subsidy are reduced from the term loan interest being a revenue nature. TUFS subsidy on Interest pertaining to pre-operative period is attributable to the cost of acquisition/installation of fixed assets till the commencement of commercial production is capitalized.
- b) Capital subsidy received or receivable on Term loan taken under Technology up Gradation Fund Scheme (TUFS) Subsidy is treated as income and apportioned to revenue over the period of life of asset i.e. 10 years.
- c) 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.

Bifurcation of Employee benefit obligation is given below:

Employee Benefit obligation	(Rs in lakhs)	
	31 st March, 2024	31 st March, 2023
Current Liability	11.33	12.26
Non-current Liability	44.06	40.36
Total	55.39	52.62

Sensitivity Analysis:

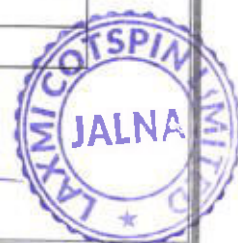
Sensitivity analysis indicates the influence of a reasonable change in certain significant assumptions on the outcome of the Present value of obligation (PVO) and aids in understanding the uncertainty of reported amounts. Sensitivity analysis is done by varying one parameter at a time and studying its impact.

A) Impact of change in discount rate when base assumption is Decreased/increased by 100 basis point

Discount Rate	(Rs in lakhs)	
	31 03 2024	
	Present value of obligation	
6.20%	58.96	
8.20%	52.21	

B) Impact of change in salary increase rate when base assumption is Decreased/increased by 100 basis point

Discount Rate	(Rs in lakhs)	
	31 03 2024	
	Present value of obligation	
6.00%	52.61	
8.00%	58.44	



See

**C] Impact of change in withdrawal rate when base assumption is
Decreased/increased by 100 basis point**

(Rs in lakhs)

Withdrawal rate	31 03 2024
	Present value of obligation
9.00%	55.35
11.00%	55.43

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 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. 222.74 Lacs.
- The company has given Bank Guarantee in favor of Director of Agriculture Produce Marketing Committee State Pune Rs. 3 Lacs.
- 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 Income Tax appeals filed:

The Income Tax Department have raised a demand of Rs. 89.20 lacs against which the company has filed appeals for respective assessment years i.e. AY 2020-21 and AY 2022-23.

- In respect of TDS returns filed:

There is an outstanding demand of 1.62 lacs reflected on the traces website.

ii) 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.

iii) 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).

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iv) Payments to auditors:

(Rs in lakhs)

	31 st March, 2024	31 st March, 2023
Statutory Audit Fees	5.00	5.40
Tax Audit	0.75	0.75
Total	5.75	6.15

v) The Consolidated Deferred tax liability/ Asset comprises of following:

(Rs in lakhs)

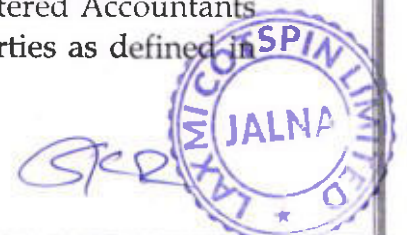
Particulars	31/03/2024	31/03/2023
Deferred Tax Liability/(Asset)		
On account of Timing Difference (Depreciation)	126.67	142.17
Total (a)	126.67	142.17
Deferred Tax Assets		
On Account of Disallowances	(14.40)	(14.16)
On Account of carried forward losses	(155.74)	(164.80)
Total (b)	(170.14)	(178.96)
Net Deferred Tax Liability/(Asset)	(43.47)	(36.78)
Less: - Provision up to previous year	(36.78)	40.58
Provision of Deferred Tax (Liability) /Assets (Net) for the year	(6.69)	(77.36)

vi) The Standalone Earnings per share is worked out as under:

(Rs in lakhs except EPS)

Earnings per Share	31/03/2024	31/03/2023
Profit After Tax (Balance available for Equity Shareholders)	(24.14)	(584.78)
No. of shares outstanding	171.48	171.48
Weighted Average number of equity shares used as denominator for calculating of EPS (No)	171.48	171.48
Basic and Diluted Earnings Per Share of face value of Rs 10 each (₹)	(0.14)	(3.41)

vii) 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	Mr. Ramesh Mundada	Key Managerial Person (Director of Laxmi Cotspin)
3	Sanjay Rathi (HUF)	Director is Karta
4	Mr. Anupkumar Gindodiya	Chief Financial Officer
5	Vitthal Polypack Private Limited	Common Director
6	Rtcamp Solutions Private Limited	
7	Icon Five Hundred Ispat Private Limited	
8	Laxmi Surgical and Healthcare Private Limited	Subsidiary Company
9	Laxmi Spintex Private Limited	Subsidiary Company
10	Soni Karwa	Company Secretary

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

Nature of Transaction	Sanjay Rathi (MD)	Ramesh Mundada (Director)	Anupkumar Gindodiya (CFO)	Soni Karwa (CS)	Vitthal Polypack Pvt Ltd
Services Received	72.00	13.53	10.92	3.84	-
Material Purchases	-	-	-	-	60.65

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

ix) There were no transaction during the year with struck off Company.

x) Fair Value Measurements

i. Category wise classification of Financial Instruments (Rs. in Lakhs)

Particulars	Carrying Amount	
	As at March 31, 2024	As at March 31, 2023
Financial Assets		
Amortised cost		
Other Non-Current Financial Assets	262.25	230.34
Current		
Trade receivables	383.47	623.68
Cash and Cash Equivalents	57.47	12.46
Bank Balances Other than above	26.56	4.23
Total	729.75	870.71



Particulars	Carrying Amount	
	As at March 31, 2024	As at March 31, 2023
Financial Liabilities		
Amortised cost		
Non-Current		
Borrowing	651.88	891.30
Current		
Borrowing	4366.59	3336.21
Trade Payables	365.97	548.73
Total	5384.44	4776.24

The management assessed that the fair value of cash and cash equivalent, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

Level 1 - Level 1 hierarchy includes financial instruments measured using quoted prices.

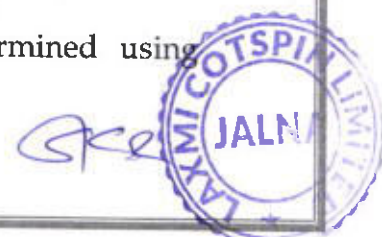
Level 2 - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 - If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3.

iii. Valuation technique used to determine fair value

Specific Valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves
- the fair value of forward foreign exchange contracts and principal swap is determined using forward exchange rates at the balance sheet date
- the fair value of foreign currency option contracts is determined using discounted cash flow analysis



- the fair value of the remaining financial instruments is determined using discounted cash flow analysis

iv. Valuation processes

The accounts and finance department of the company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the chief financial officer (CFO) and the audit committee. Discussions of valuation processes and results are held between the CFO, AC and the valuation team regularly in line with the company's reporting requirements.

xi) Risk Management Framework

1. Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including loans and borrowings, foreign currency receivables and payables.

The Company manages market risk through treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures and borrowing strategies."

2. Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to significant interest rate risk as at the respective reporting dates.

3. Foreign Currency Risk

The Company's exposure to exchange fluctuation risk is very limited for its purchase from overseas suppliers in various foreign currencies. Foreign Currency Risk is risk that fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchanges rates. The Company entered into forward exchanges contract average maturity of 90-180 days to hedge against its foreign currency exposures relating to underlying liabilities firm commitments. The Company has not entered into any Derivatives instruments for trading and speculative purposes.



4. Credit Risk

Credit risk refers to the risk of default on its obligation by the counter party resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to Rs. 383.47 lakhs and Rs. 623.68 lakhs as of March 31, 2024 and March 31, 2023 respectively. Trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors and the Company's historical experience for customers.

5. Liquidity Risk

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

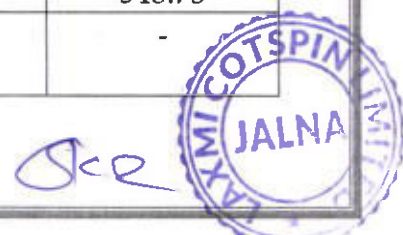
As of 31st March 2024, The Company had a working capital of Rs. 2843.44 Lakhs including cash and cash equivalent of Rs. 84.04 Lakhs.

As of 31st March 2023, The Company had a working capital of Rs. 2751.82 Lakhs including cash and cash equivalent of Rs. 16.70 Lakhs."

6. Maturities of Financial Liabilities

The table below analyse the Company's financial liabilities into relevant maturity grouping based on their contractual maturities. The amounts disclosed in the tables are contractual undiscovered cash flow.

Particulars	Less than 1 Year	Between 1 to 5 Year	Over 5 Years	Total
As at 31st March 2024				
Borrowings	4366.59	651.88	-	5018.47
Trade Payables	342.38	23.59	-	365.97
Other Financial Liabilities	-	-	-	-
As at 31st March 2024				
Borrowings	3336.21	891.30	-	4227.51
Trade Payables	533.87	14.86	-	548.73
Other Financial Liabilities	-	-	-	-



7. Capital Management

The Company manages its capital to ensure that Company will be able to continue as going concern while maximizing the return to shareholders by striking a balance between debt and equity. The capital structure of the Company consists of net debts (offset by cash and bank balances) and equity of the Company (Comprising issued capital, reserves, retained earnings). The Company is not subject to any externally imposed capital requirements except financial covenants agreed with lenders.

In order to optimize capital allocation, the review of capital employed is done considering the amount of capital required to fund capacity expansion, increased working capital commensurate with increase in size of business and also fund investments in new ventures which will drive future growth. The Chief Financial Officer ("CFO") reviews the capital structure of the Company on a regular basis. As part of this review, the CFO considers the cost of capital and the risks associated with each class of capital."

(Rs. In lakhs)

Particulars	March 31, 2024	March 31, 2023
Total Borrowings	5018.47	4227.51
Less : Cash and cash equivalents	84.04	16.70
Adjusted Net Debt	4934.43	4210.81
Total Equity	6294.74	4775.99
Adjusted Equity	6294.74	4775.99
Adjusted net debt to adjusted equity ratio	0.78	0.88

xii) Security of current assets against borrowings from banks or financial institutions on the basis of security of current assets:

The Company has been sanctioned working capital limit in excess of five crore rupees, in aggregate from banks or financial institutions on the basis of security of current assets. Quarterly returns or statements filed by the company with such banks/financial institutions are in agreement with the books of the account of the Company.

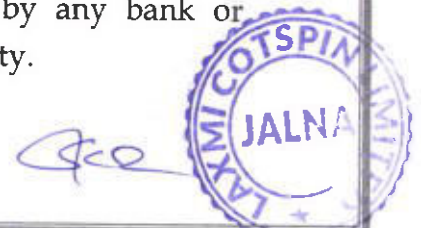
3) Additional Regulatory Information

a. Details of benami property held:

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

b. Willful Defaulter:

The Company has not been declared as willful defaulter by any bank or financial institution or government or any government authority.



c. Relationship with struck off companies:

During the year, company has made not made any transaction with struck off companies under section 248 of the Companies act 2013 or section 560 of the Companies act 1956.

d. Compliance with number of layers of companies:

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

e. Compliance with approved scheme(s) of arrangements:

The Company has not entered into any scheme of arrangement which has an accounting impact for the years ended March 31, 2024 and March 31, 2023.

f. Utilization of borrowed funds and share premium:

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- ii. provide any guarantee, security or the like to or on behalf of ultimate beneficiaries.

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- ii. provide any guarantee, security or the like on behalf of the ultimate beneficiaries

g. Undisclosed income:

There is no income surrendered or disclosed as income during the current year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

h. Details of crypto currency or virtual currency :

The Company has not traded or invested in crypto currency or virtual currency during the years ended March 31, 2024.

i. Valuation of PP&E, intangible asset and investment property :

The Company has revalued its property, plant and equipment during the year March 31, 2024 at market valuation.

Registration of charges or satisfaction with Registrar of Companies :



There are no charges or satisfactions which are yet to be registered with the Registrar of Companies beyond the statutory period.

k. Utilisation of borrowings availed from banks:

During the year, the company has availed borrowing facility from existing banks. (ref note 12 and 14 of the Notes accompanying Financial Statements as at 31st March 2024).

l. Title deeds of immovable properties not held in name of the company

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 has constructed the Factory building on said land, the amount of construction is unascertainable. The said fact came to light after technical verification by Bank and their survey team.

m. 'Corporate Social Responsibility (CSR)

'As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief, COVID-19 relief and rural development projects.

CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the Company during the year is ` 1.62 Lakhs

The Board is of the opinion that remaining amount shall spent in the coming year on good projects as per the approved policy.

Policy of the Company to send CSR amount under following activities

- Preventive Health Care and Sanitation under the slogan of "techno Run, Rakt Samarpan"
- Promoting education of Girl Child under the slogan of "Beti Bachao Beti Padhao"
- Promoting education of Children under the slogan of "School Chale Hum"
- Ensuring environmental sustainability
- Protection of national heritage, art and culture
- Rural development projects & Slum area development



n. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

The information as required to be disclosed under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act') has been determined to the extent such parties have been identified on the basis of information available with the company. The amount of principal and Interest outstanding during the year is given below:

(Rs in lakhs)

Particulars	Amount Rs.
'Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	74.87
'Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	0.58
'Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-
'Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-
'Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-
'Interest due and payable towards suppliers registered under MSMED Act, for payments already made	0.58

o. Utilisation of borrowings availed from banks

The borrowings obtained by the Company from banks have been applied for the purposes for which such loans were was taken.

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p. Critical estimates and judgements:

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies. The areas involving critical estimates or judgements are:

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history and existing market conditions as well as forward-looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in note 29.

In terms of our report of even date

For DMKH & Co.

Chartered Accountants

FRN 116886W



CA Manish Kankani
(Partner)
M. No. 158020

For & on behalf of the
Board of Directors




Sanjay Rathi
(Managing Director)
DIN 00182739



Ramesh Mundada
(Director)
DIN 00153255

UDIN:
Date: 17/05/2024
Place: Mumbai



Anupkumar Gindodiya
(CFO)

Date: 17/05/2024
Place: Jalna



Soni Karwa
(Company
Secretary)
M No. A69381

INDEPENDENT AUDITOR'S REPORT

To the Members of
LAXMI COTSPIN LIMITED.

Report on the Audit of the Consolidated Ind AS Financial Statements**Opinion**

We have audited the Consolidated Ind AS Financial Statements of Laxmi Cotspin Limited ("the Holding Company") and its subsidiary (the Holding Company & its subsidiaries), which comprise of the Consolidated Balance Sheet as at March 31, 2024, the Consolidated Statement of Profit and Loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year ended and a summary of material accounting policies and other explanatory information (hereinafter referred to as the "consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and loss and total comprehensive income (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

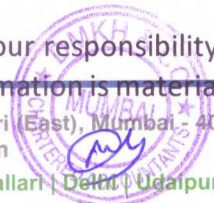
We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements section 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.

Information Other than the Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for other information. The other information comprises the information included in the management Discussion and Analysis, Board's Report Including Annexures to Board's Report, Business Responsibility Report, Corporate Governance Report, and Shareholder Information, but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the Consolidated Ind AS Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially



inconsistent with the Consolidated Ind AS Financial Statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Managements and Board of Director's Responsibilities for the Consolidated Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making 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 Consolidated Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

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

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

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



audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether adequate internal financial controls systems in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Ind AS Financial Statements, including the disclosures, and whether the Consolidated Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

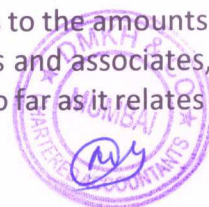
Materiality is the magnitude of misstatement in the Consolidated Ind AS Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in, (i) Planning the scope of our audit work and in evaluating the results of our work; and (ii) To evaluate the effect of any identified misstatement in the Financial Statements.

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

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

Other Matters

1. The Consolidated Financial Statements include the financial statements / financial information of 2 subsidiaries, whose audited standalone / consolidated financial statements / financial information reflect total assets of Rs. 17.62 lakhs as at 31st March, 2024. The Consolidated Financial Statements also include the Group's share of net loss of 2.71 lakhs for the year ended 31st March, 2024, as considered in the Consolidated Financial Statements. This financial statements / financial information have not been audited by us.
2. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associates, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid



subsidiaries is based solely on the reports of the other auditors.

Our opinion on the Consolidated Financial Statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure 'A'** statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Ind AS Financial statements.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including other comprehensive income, Consolidated Statement of changes in equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the books of accounts.
 - d) In our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) 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 B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) 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.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring the amounts required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. The dividend has not been declared or paid during the year by the Holding Company and hence are in compliance with Section 123 of the Act. The subsidiary company incorporated in India have neither declared nor paid any dividend during the year.
- v. Based on our examination, which included test checks and that performed by the respective auditors of the subsidiary which are companies incorporated in India whose financial statements have been audited under the Act, the Holding Company and its subsidiaries incorporated in India have used accounting software for maintaining books of account which have a feature of recording audit trail (edit log) facility and that have operated from July 31st, 2023 in Holding Company, and not maintained in subsidiary throughout the year.

For DMKH & CO.,

Chartered Accountants

Firm Registration Number: 116886W

Manish Kankani



CA Manish Kankani

Partner

Membership Number: 158020

UDIN: 24158020BKAKFS4951

Place: Mumbai

Date: May 17, 2024.

Annexure "A" To Independent Auditor's Report

(Referred to in Paragraph 1 under the heading of "Report on other Legal and Regulatory Requirements" of our report to the members of Laxmi Cotspin Limited of even date)

Report on the Companies (Auditor's Report) Order, 2020, issued in terms of Section 143(11) of the Companies Act, 2013 ("the Act") of Laxmi Cotspin Limited ("the Company"):

xxi. There were no adverse comments on subsidiary financial statements, so said clause is not applicable to the company.

For DMKH & CO.
Chartered Accountants
FRN: 116886W

Manish Kankani



CA Manish Kankani
Partner
MRN: 158020
UDIN: 24158020BKAKFS4951
Place: Mumbai
Date: May 17,2024.

Annexure “B” to the Independent Auditor’s Report

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the members of Laxmi Cotspin Limited 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 COTSPIN LIMITED (the “Holding Company”) as of March 31, 2024, in conjunction with our audit of the Consolidated Ind AS Financial Statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The respective Company’s Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective company considering the essential components of internal control stated in the Guidance Note. 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 the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor’s Responsibility

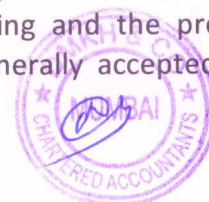
Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls 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 with reference to financial statements.

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 (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of the management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal financial control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For DMKH & CO.
Chartered Accountants
FRN: 116886W

Manish Kankani



CA Manish Kankani
Partner
MRN: 158020
UDIN: 24158020BKAKFS4951
Place: Mumbai
Date: May 17, 2024.

Laxmi Cotspin Limited

Consolidated Balance Sheet as at March 31, 2024

(₹ in Lakhs)

Particular	Note No.	As at	As at
		March 31, 2024	March 31, 2023
A. ASSETS			
NON CURRENT ASSETS			
(a) Property, Plant and Equipment	3	3,480.29	2,376.52
(b) Capital Work-in-Progress	3	362.05	312.58
(c) Financial Assets			
i. Investments			
ii. Other Financial Assets	4	242.25	210.34
(d) Deferred Tax Assets (net)		43.47	36.78
TOTAL NON CURRENT ASSETS		4,128.06	2,936.22
CURRENT ASSETS			
(a) Inventories			
(b) Financial assets	5	5,269.31	4,701.95
i. Trade Receivables	6	383.47	614.83
ii. Cash and Cash Equivalents	7	100.20	35.20
(c) Other Current Assets	8	2,118.00	1,546.36
TOTAL CURRENT ASSETS		7,870.99	6,898.34
TOTAL ASSETS		11,999.05	9,834.56
B. EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	9	1,714.77	1,714.77
(b) Other Equity	10	4,576.13	3,060.11
TOTAL EQUITY		6,290.90	4,774.88
LIABILITIES			
NON CURRENT LIABILITIES			
(a) Financial Liabilities			
i. Borrowings	11	651.88	891.30
(b) Provisions	12	44.06	40.36
(c) Deferred Tax Liabilities (Net)			
TOTAL NON CURRENT LIABILITIES		695.94	931.66
CURRENT LIABILITIES			
(a) Financial Liabilities			
i. Borrowings	13	4,366.59	3,336.21
ii. Trade payables	14		
- MSME payables		74.87	287.19
- Other than MSME payables		291.10	252.70
(b) Provisions	15	11.33	12.26
(c) Current Tax Liabilities (Net)			
(e) Other Current Liabilities	16	268.32	239.66
TOTAL CURRENT LIABILITIES		5,012.20	4,128.02
TOTAL EQUITY & LIABILITIES		11,999.05	9,834.56

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

In terms of our report attached.

DMKH & Co.

Chartered Accountants

FRN : 116886W

Kankani



CA Manish Kankani

(Partner)

M. No. 158020

Date : 17/05/2024

Place : Mumbai



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

Sanjay Rathi

Sanjay Rathi
(Managing Director)
DIN 00182739

Anupkumar Gindodiya
Anupkumar Gindodiya
(CFO)

Ramesh Mundada

Ramesh Mundada
(Director)
DIN 00153255

Soni Karwa
Soni Karwa
(Company Secretary)
M No. A69381

Date : 17/05/2024

Place : Jalna

Laxmi Cotspin Limited
Consolidated Statement of Profit and Loss for the Year ended as on 31st March, 2024

(₹ in Lakhs)

Particular	Note No.	For the Year ended	For the Year ended
		March 31, 2024	March 31, 2023
I. Revenue From Operations	17	14,402.21	14,328.95
II. Other Income	18	541.27	143.11
Total Income (I+II) (III)		14,943.49	14,472.06
IV. Expenses			
Cost of Materials Consumed	19	11,396.46	12,312.90
Changes in Inventories of Work-In-Progress and Finished goods	20	451.27	(250.50)
Employee Benefit Expense	21	921.46	918.60
Finance Costs	22	321.18	202.70
Depreciation and Amortisation Expense	23	303.56	326.20
Other Expenses	24	1,501.96	1,646.71
Total Expenses		14,895.88	15,156.60
V. Profit Before Extra-Ordinary Item (III - IV)		47.61	(684.53)
Extra-Ordinary Item			
Profit/(Loss) on sale of Assets		3.50	0.34
Litigation settlements paid		(85.00)	-
V. Profit Before Tax (III - IV)		(33.89)	(684.19)
VI. Income tax expense			
Current Tax		-	-
Short /Excess Provision of Tax		(0.33)	(20.95)
Deferred Tax		(6.69)	(77.36)
Total Tax Expense		(7.02)	(98.30)
VII. Profit for the Year (V - VI)		(26.87)	(585.89)
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		(4.13)	3.04
Others (Specify)		-	-
Income tax relating to these items		-	-
Total Other Comprehensive Income for the Year, Net of Tax		(4.13)	3.04
IX. Total Comprehensive Income for the Year (VII + VIII)		(31.00)	(582.84)
X. Earnings Per Equity Share for Profit Attributable to Owners			
Basic		(0.16)	(3.42)
Diluted		(0.16)	(3.42)

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

In terms of our report attached.

DMKH & Co.

Chartered Accountants

FRN : 116886W



CA Manish Kankani

(Partner)

M. No. 158020

Date : 17/05/2024

Place : Mumbai

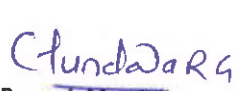
 For and on behalf of Board of Directors of
Laxmi Cotspin Limited



Sanjay Rathi
(Managing Director)
DIN 00182739




Anup Kumar Gindodiya
(CFO)



Ramesh Mundada
(Director)
DIN 00153255



Soni Karwa
(Company Secretary)
M No. A69381

Date : 17/05/2024

Place : Jalna

Laxmi Cotspin Limited
Statement of Changes in Equity

(A) Equity Share Capital

Particular	As at 31st March 2022	Changes During the year	As at 31st March, 2023	Changes During the	As at 31st March 2024
Equity Shares of Rs. 10/- each Issued, Subscribed and Fully Paid up	1,714.77	-	1,714.77	-	1,714.77

(B) Other Equity

(₹ in Lakhs)

Particular	Reserve and Surplus						Other Items of Other Comprehensive Income	Total Other Equity
	Securities Premium	Deferred Government Grant	Capital redemption Reserve	General Reserve	Retained Earnings	Revaluation Reserve	Remeasurement of defined benefit obligation	
Balance as at April 1, 2022	555.30	-	-	2,583.14	502.95	-	-	-
- Profit for the year	-	-	-	(584.78)	-	-	1.57	3,642.95
- Other Comprehensive Income	-	-	-	-	-	-	-	(584.78)
Total Comprehensive Income for the year	555.30	-	-	1,998.37	502.95	-	3.04	-
Transaction with Owners in their capacity as Owners (Refer Note xxxx)	-	-	-	-	-	-	4.61	3,061.22
Issue of equity shares (Refer Note xxxx)	-	-	-	-	-	-	-	-
Less:- Amalgamation Reserve (Refer Note xxxx)	-	-	-	-	-	-	-	-
Less:- Tax on Interim dividend (Refer Note xxxx)	-	-	-	-	-	-	-	-
Balance as at March 31, 2023	555.30	-	-	1,997.26	502.95	-	4.61	3,060.11
- Profit for the year	-	-	-	(26.87)	-	-	-	(26.87)
- Other Additions	-	167.78	-	-	-	-	-	-
Total Comprehensive Income for the year	555.30	167.78	-	1,970.39	502.95	1,379.24	(4.13)	1,542.89
Transaction with Owners in their capacity as Owners (Refer Note xxxx)	-	-	-	-	-	1,379.24	0.48	4,576.13
Issue of equity shares (Refer Note xxxx)	-	-	-	-	-	-	-	-
Less:- Amalgamation Reserve (Refer Note xxxx)	-	-	-	-	-	-	-	-
Less:- Tax on Interim dividend (Refer Note xxxx)	-	-	-	-	-	-	-	-
Balance as at March 31, 2024	555.30	167.78	-	1,970.39	502.95	1,379.24	0.48	4,576.13

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

In terms of our report attached,

DMKH & Co.

Chartered Accountants

FRN : 116886W

Manish Kankani

CA Manish Kankani

(Partner)

M. No. 158020

Date : 17/05/2024

Place : Mumbai



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



Sanjay Rath *Ramesh Mundada*

Sanjay Rath
(Managing Director)
DIN 00182739

Ramesh Mundada
(Director)
DIN 00153255

Anupkumar Gindodiya
(CFO)

Soni Karwa
(Company Secretary)

Date : 17/05/2024
Place : Jalna

Laxmi Cotspin Limited
Consolidated Cash Flow Statement
For the Year ended 31st March, 2024

Type text here

Particulars	(₹ in Lakhs)	
	For the Year ended March 31, 2024	For the Year ended 31st March, 2023
A. Cash Inflow/ (Outflow) from Operating Activities		
Net Profit After Tax	(26.87)	(585.89)
Adjustment For		
Depreciation	303.56	326.20
Interest Paid (Net)	321.18	202.70
Deferred Tax	(6.69)	(77.36)
Remeasurement of defined benefit obligation	(4.13)	3.04
Provision for Gratuity and Leave Encashment	9.34	11.45
Profit / Loss on Sale of Asset	(3.50)	(0.34)
Duty Drawback, Interest and Subsidy Received	(541.27)	(143.11)
Provision for ECL	0.49	6.44
Earlier Provision Written Back	(0.33)	(20.95)
	<u>78.64</u>	<u>308.07</u>
Operating Profit before working capital changes	<u>51.77</u>	<u>(277.82)</u>
Adjustment for		
Inventories	(567.37)	40.05
Trade Receivables	231.36	256.22
Other Current Assets	(403.86)	527.12
Short-term loans and advances	-	(5.00)
Trade Payables	(173.91)	(101.84)
Other Current Liabilities	21.58	36.70
Income Tax Paid	-	-
Current Tax Liabilities	-	-
Long term provisions	-	-
	<u>(892.19)</u>	<u>753.26</u>
Net Cash Inflow/(Outflow) from Operating Activities	<u>(840.42)</u>	<u>475.44</u>
B. Cash Inflow/(Outflow) From Investment Activities		
Capital Expenditure (Purchase/ Capitalization)	(77.21)	(142.05)
Sale Proceeds of Fixed Assets	3.50	5.30
(Increase) / Decrease due to Investment	(31.91)	(22.88)
Net Cash Inflow/(Outflow) from Investing Activities	<u>(105.62)</u>	<u>(159.64)</u>
C. Cash Inflow/(Outflow) From Financing Activities		
Increase/ Decrease in Long Term Borrowings	(239.42)	(134.19)
(Repayment)/Receipt to Short Term pledge and Cash Credit borrowings	1,030.37	(102.08)
Interest Paid	(321.18)	(202.70)
Duty Drawback, Interest and Subsidy Received	541.27	143.11
Net Cash Inflow/(Outflow) from Financing Activities	<u>1,011.05</u>	<u>(295.86)</u>
Net Changes In Cash & Cash Equivalents (A+B+C)	<u>65.00</u>	<u>19.94</u>
Cash & Cash equivalents (Opening Balance)	35.20	15.25
Cash & Cash equivalents (Closing Balance)	<u>100.20</u>	<u>35.20</u>

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

DMKH & Co.
Chartered Accountants
FRN : 116886W

Kankar
CA Manish Kankari
(Partner)
M. No. 158020



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



Sanjay Rathi
Sanjay Rathi
(Managing Director)
DIN 00182739

Ramesh Mundada
Ramesh Mundada
(Director)
DIN 00153255

Anupkumar Gindodiya
Anupkumar Gindodiya
(CFO)

Soni Karwa
Soni Karwa
(Company Secretary)
M No. A69381

Date : 17/05/2024
Place : Mumbai

Date : 17/05/2024
Place : Jalna

Laxmi Cotspin Limited
Notes to the Financial Statements for the Year ended as on March 31, 2024

3. Property, plant and equipment

(₹ in Lakhs)

Particular	Land	Building	Electrical Installation	Plant & Machinery	Miscellaneous Fixed Asset	Furniture & Fixtures	Computers Systems	Office Equipment	Vehicle & Others	Total
As at April 01, 2022	33.43	1,603.44	399.97	6,151.10	342.74	60.84	24.69	11.93	134.98	8,763.13
Additions	-	7.40	1.24	14.29	1.08	-	-	-	8.61	32.60
Disposals	-	-	-	-	-	-	-	-	12.82	12.82
As at April 1, 2023	33.43	1,610.84	401.21	6,165.40	343.80	60.84	24.69	11.93	130.76	8,782.90
Additions	1,386.17	-	-	8.37	6.30	-	-	-	6.48	1,407.33
Disposals	-	-	-	29.17	-	-	-	-	-	29.17
As at March 31, 2024	1,419.60	1,610.84	401.21	6,144.60	350.10	60.84	24.69	11.93	137.25	10,161.06
DEPRECIATION										
As at April 1, 2023	-	500.16	316.33	5,078.97	326.75	60.17	24.69	11.93	87.37	6,406.39
Change for the year	-	51.03	20.91	225.57	2.88	0.11	-	-	3.05	303.56
Disposals	-	-	-	29.17	-	-	-	-	-	29.17
As at March 31, 2024	-	551.19	337.25	5,275.37	329.64	60.28	24.69	11.93	90.43	6,680.77
Net Carrying Value	1,419.60	1,059.65	63.96	869.23	20.46	0.57	0.00	0.00	46.82	3,480.29
As at March 31, 2023	33.43	1,110.67	84.88	1,086.43	17.05	0.67	0.00	0.00	43.39	2,376.52
As at March 31, 2024	1,419.60	1,059.65	63.96	869.23	20.46	0.57	0.00	0.00	46.82	3,480.29

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 unascertainable. The said fact came to light after technical verification by Bank and their survey team.

Note 3.2: The old assets before 31st March 2022, whose useful life is over has been measured below scrap value since amount is not recoverable from them based on management assumption. Balance other assets are depreciated as per Companies Act 2013 and whose life is over is maintained at scrap value.

Note 3.3: The Company has revalued its property, plant and equipment as on 31.3.2024 at market rate as per the valuation received from certified valuer.

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 Year of				Total As on 31.03.24	Total As on 31.03.23
	Less than 1 year	1-2 years	2-3 Years	More than 3 years		
Project in progress	49.13	109.46	6.23	197.23	362.05	312.93
Project in progress in PY	109.46	6.23	7.16	190.07	312.93	13.40



Laxmi Cotspin Limited
Notes to the Financial Statements as at 31st March, 2024

			(₹ in Lakhs)	
Particulars	As at	As at		
	31st March, 2024	31st March, 2023	Rs.	Rs.
7 Cash & Cash Equivalents				
a) Cash on hand	57.47	12.46		
b) Balances with Scheduled Banks In Current Account	26.56	4.11		
c) Balances with Non-Scheduled Banks	16.17	18.63		
Total Cash & Cash Equivalents	100.20	35.20		
			(₹ in Lakhs)	
Particulars	As at	As at		
	31st March, 2024	31st March, 2023	Rs.	Rs.
8 Other Current Asset				
a) Prepaid expenses	11.93	9.57		
b) Balance with Government Authorities	8.79	11.61		
c) Balance with Government Authorities (Income Tax refund)	114.66	91.62		
d) Accrued Interest (TDR)	35.26	41.98		
e) Interest Receivable (TUFS)	28.57	34.39		
f) Other Receivables(Note 9.1)	942.64	319.57		
g) Security Deposit	3.35	3.35		
h) Advance to Suppliers and Service Providers	974.31	1,030.05		
i) Advances to Staff	(1.51)	4.23		
Total Other Current Assets	2,118.00	1,546.36		
Note 8.1 : Other receivables includes receivable from IPS subsidy and Capital Subsidy				



Laxmi Cotspin Limited
Notes to the Financial Statements as at 31st March, 2024

(₹ in Lakhs)

Particulars	As at 31st March, 2024 Rs.	As at 31st March, 2023 Rs.
9 Share Capital		
Authorised		
4,00,00,000 (Previous Year 4,00,00,000) Equity shares of Rs. 10/- each	4,000.00	4,000.00
	4,000.00	4,000.00
Issued, Subscribed and Fully Paid -up		
17,147,670 (Previous Year 17,147,670) Equity shares of Rs. 10/- each fully paid up	1,714.77	1,714.77
Total Share Capital	1,714.77	1,714.77

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

Particular	31st March, 2024	31st March, 2023
	No. of Shares	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 Rs. 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.

(c) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the Year 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, 2024		31st March, 2023	
	No. of Shares	% Holding	No. of Shares	% Holding
Equity Shares of Rs.10 each fully paid				
ANAND VYAPAAR PRIVATE LIMITED	33,92,500	19.78%	33,92,500	19.78%
RAMESHBHAI CHHOTABHAI PATEL	22,51,563	13.13%	22,85,450	13.33%
ASHVA MULTI TRADE PRIVATE LIMITED	20,65,930	12.05%	22,51,563	13.13%
SAFFORD MERCANTILE PRIVATE LIMITED	14,11,796	8.23%	20,65,930	12.05%
RAJESH PURANMAL BANSAL	7,60,927	4.44%	9,13,125	5.33%
DINESH KANTILAL RATHI	9,38,857	5.48%	9,38,857	5.48%

(e) Details of shares held by promoters

Name of Shareholder	31st March, 2024		31st March, 2023	
	No. of Shares	% Holding	No. of Shares	% Holding
Equity Shares of Rs.10 each fully paid				
ANAND VYAPAAR PRIVATE LIMITED	33,92,500	19.78%	33,92,500	19.78%
ASHVA MULTI TRADE PRIVATE LIMITED	20,65,930	12.05%	20,65,930	12.05%
RAMESH GOPIKISHAN MUNDADA	48,813	0.28%	48,813	0.28%
AMIT RAMESH MUNDADA	25,266	0.15%	25,266	0.15%
RAMESHBHAI CHHOTABHAI PATEL	22,51,563	13.13%	22,51,563	13.13%
RAJESH PURANMAL BANSAL	7,60,927	4.44%	7,60,927	4.44%
SANJAY KACHRULAL RATHI	4,31,875	2.52%	4,31,875	2.52%
BHAVESH RAMESHBHAI PATEL	3,33,188	1.94%	3,33,188	1.94%
TARABEN RAMESHBHAI PATEL	1,69,500	0.99%	1,69,500	0.99%
VIKAS RAJESH BANSAL	71,250	0.42%	71,250	0.42%
SHIVRATAN SHRIGOPAL MUNDADA	71,197	0.42%	71,197	0.42%
RAHUL RAJESHKUMAR BANSAL	49,063	0.29%	49,063	0.29%
SARLA SHIVRATAN MUNDADA	41,250	0.24%	41,250	0.24%
PRAFULLATA RATHI	23,438	0.14%	23,438	0.14%
JAGDISH KACHRULAL RATHI	18,715	0.11%	18,715	0.11%
SHIVRATAN SHRIGOPAL MUNDADA	2,000	0.01%	2,000	0.01%



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Laxmi Cotspin Limited
Notes to the Financial Statements as at 31st March, 2024

		(₹ in Lakhs)	
Particulars	As at 31st March, 2024 Rs.	As at 31st March, 2023 Rs.	
10 Other Equity			
a) Retained earnings			
Opening Balance	502.95	502.95	
Closing Balance	502.95	502.95	
b) Securities Premium Reserve			
Opening Balance	555.30	555.30	
Add: During the year	-	-	
Closing Balance	555.30	555.30	
c) Surplus in Statement of Profit and Loss			
Opening Balance	1,997.26	2,583.14	
Add:			
Profit/(loss) for the year	(26.87)	(585.89)	
Net surplus in the statement of Profit and Loss	1,970.39	1,997.26	
d) Deffered Government Grant			
Opening Balance	-	-	
Add: During the year	167.78	-	
Closing Balance	167.78	-	
e) Revaluation Reserve			
Opening Balance	-	-	
Add: During the year	1,379.24	-	
Closing Balance	1,379.24	-	
f) Remeasurement of defined benefit obligation			
Opening Balance	4.61	1.57	
Add: During the year	(4.13)	3.04	
Closing Balance	0.48	4.61	
Total Reserve and Surplus	4,576.13	3,060.11	

		(₹ in Lakhs)	
Particulars	As at 31st March, 2024 Rs.	As at 31st March, 2023 Rs.	
11 Long Term Borrowings			
a) Secured Long Term Borrowings			
i) Term Loans from Banks			
HDFC Bank Limited (ECLGS Loan)	274.12	477.07	
SVS Co-operative Bank Ltd	631.27	834.93	
Less: Current maturities of term loans	(332.41)	(434.64)	
Term Loans from Banks	572.98	877.36	
ii) Other Loans from Banks (Vehicle Loan)			
SVC Bank	78.90	13.93	
Vehicle Loans from Banks	78.90	13.93	
Secured Long Term Borrowings "a"	651.88	891.30	
Total Long Term Borrowings	651.88	891.30	

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 extention 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 Year - HDFC - 60 Months]
- 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, 2024

(₹ in Lakhs)

Particulars	As at 31st March, 2024 Rs.	As at 31st March, 2023 Rs.
12 Long term provisions		
Provision for Employee benefits		
Gratuity	44.06	40.36
Total Long Term Provisions	44.06	40.36

Note 12.1 : During the year, the Company has provided for the liability of Rs. 9.34 lakhs on account of Gratuity benefits on actuarial basis.

(₹ in Lakhs)

Particulars	As at 31st March, 2024 Rs.	As at 31st March, 2023 Rs.
13 Short Term Borrowings		
a) Secured Short Term Borrowings		
i) Cash Credit from various Bank		
HDFC Bank Cash credit Account	2,002.67	1,330.78
HDFC Bank (PCFC loan - Export)	-	-
Axis bank Cash Credit Account	849.37	829.74
ii) Pledge Loan	1,182.14	741.05
b) Current maturities of Long Term Debts (Including Current maturities of Vehicle loans)	332.41	434.64
Secured Short Term Borrowings	4,366.59	3,336.21

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.

(₹ in Lakhs)

Particulars	As at 31st March, 2024 Rs.	As at 31st March, 2023 Rs.
14 Trade Payables		
a) Total Outstanding dues of micro, small and medium enterprises	74.87	287.19
b) Total Outstanding dues of creditors other than micro, small and medium enterprises	291.10	252.70

For the Year ended 31st March, 2024

Particulars	Outstanding for following Years from due date of payments				Total
	Less 1 year	1-2 years	2-3 Years	More than 3 years	
i) Undisputed trade Payable - considered good	342.38	15.61	6.86	1.12	365.97
ii) Undisputed trade Payable - considered doubtful					
iii) Disputed trade Payable - considered good					
iv) Disputed trade Payable - considered doubtful					

For the Year ended 31st March, 2023

Particulars	Outstanding for following Years from due date of payments				Total
	Less 1 year	1-2 years	2-3 Years	More than 3 years	
i) Undisputed trade Payable - considered good	525.02	13.20	0.20	0.34	538.76
ii) Undisputed trade Payable - considered doubtful	-	-	-	1.12	1.12
iii) Disputed trade Payable - considered good					
iv) Disputed trade Payable - considered doubtful					

365.97

539.88



Laxmi Cotspin Limited
Notes to the Financial Statements as at 31st March, 2024

Particulars	(₹ in Lakhs)	
	As at 31st March, 2024 Rs.	As at 31st March, 2023 Rs.
16 Other Current Liabilities		
a) Statutory Dues (Note 15.1)	12.64	24.00
b) Advance from customer and others	122.20	42.94
c) Other Payables	-	-
i) Outstanding liabilities for expenses(Note 16.2)	133.48	172.72
Total Other Current Liabilities	268.32	239.66
Note 15.1 - Statutory dues include Contribution made for Provident Fund, Local Tax, Professional Tax and Leave encashment		
Particulars	(₹ in Lakhs)	
	As at 31st March, 2024 Rs.	As at 31st March, 2023 Rs.
15 Current tax Liabilities (Net)		
a) Other Provisions		
Provision for Employee benefits		
Gratuity	11.33	12.26
Total Short Term Provisions	11.33	12.26



Laxmi Cotspin Limited

Notes to the Financial Statements as at 31st March, 2024

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2024 Rs.	For the Year Ended 31st March, 2023 Rs.
17 Revenue From Operations		
Sale of Products		
Sale of Finished Goods	14,367.06	14,037.85
Finished Goods - Traded	-	276.74
Revenue from Services	35.15	14.36
	14,402.21	14,328.95
Particulars Of Sales		
(A) Export Sales		
i) Sale of Goods (Cotton Bales and Yarn)	504.88	-
(B) Domestic Sales		
i) Sale of Goods(Note 17.1)	13,862.19	14,037.85
ii) Sale of Goods Traded	-	276.74
iii) Sale of Services	35.15	14.36
Note 20.1: Domestic sales includes cotton bales, yarn, seeds, cotton waste, wash oil, oil cake, etc.)		
Other operating revenue	14,402.21	14,328.95
Total Revenue from operations	14,402.21	14,328.95

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2024 Rs.	For the Year Ended 31st March, 2023 Rs.
18 Other Income		
a) Duty Drawback and Incentives	454.52	92.57
b) Other operating income		
a) Forex Gain & Loss	1.76	2.57
b) Interest on FDR and RD	14.39	9.45
c) Other Income	70.60	38.52
Total Other Income	541.27	143.11
Total Revenue	14,943.49	14,472.06

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2024 Rs.	For the Year Ended 31st March, 2023 Rs.
19 Cost of Material Consumed		
a) Opening Stock of Raw material	3,775.51	4,129.65
b) Purchases of Raw material	11,768.76	11,636.65
c) Add: Freight Expenses	29.87	44.91
d) Less: Closing Stock	(4,659.14)	(3,775.51)
Total Cost of Material Consumed	10,915.00	12,035.70
a) Purchases of Raw material - Trading Concern	481.45	277.20
	481.45	277.20



Laxmi Cotspin Limited

Notes to the Financial Statements as at 31st March, 2024

(₹ in Lakhs)

Particulars	For the Year Ended	For the Year Ended
	31st March, 2024	31st March, 2023
	Rs.	Rs.
20 Changes in inventories of finished goods, work-in-process and stock-in-trade		
a) Opening Stock		
Finished Goods	443.50	288.29
Work in Process	308.97	213.67
	752.47	501.96
b) Closing Stock		
Finished Goods	193.98	443.50
Work in Process	107.22	308.97
	301.20	752.47
Net (Increase)/Decrease in Stock	451.27	(250.50)

(₹ in Lakhs)

Particulars	For the Year Ended	For the Year Ended
	31st March, 2024	31st March, 2023
	Rs.	Rs.
21 Employee Benefit Expenses		
a) Salaries and wages	778.35	789.88
b) Directors remuneration	72.00	64.00
c) Contribution to provident & other funds	38.30	33.74
e) Staff Welfare expenses	32.81	30.98
Total Employee Benefit Expenses	921.46	918.60



Laxmi Cotspin Limited
Notes to the Financial Statements as at 31st March, 2024

(₹ in Lakhs)

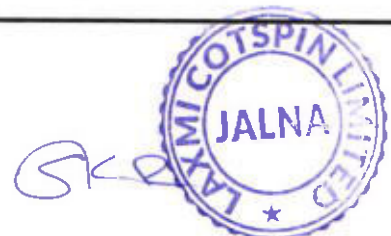
Particulars	For the Year Ended 31st March, 2024 Rs.	For the Year Ended 31st March, 2023 Rs.
22 Finance Cost		
a) Bank Charges	23.17	26.01
	23.17	26.01
b) Interest Expenses		
Interest on Term Loan	98.14	127.83
Interest on Working Capital Loan	226.93	129.06
Interest on Pledge Loan	59.91	16.86
Interest on Trading Yarn & Others	12.37	13.88
<u>Less: Interest from customers</u>	(99.33)	(110.92)
	298.01	176.70
Total Finance Cost	321.18	202.70

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2024 Rs.	For the Year Ended 31st March, 2023 Rs.
23 Depreciation & Amortization Expenses		
a) Depreciation	303.56	326.20
	-	-
Total Depreciation & Amortization Expenses	303.56	326.20

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2024 Rs.	For the Year Ended 31st March, 2023 Rs.
24 Other Expenses		
a) Consumption of Stores and Spares and Packing Material	126.03	173.77
b) Consumption of Power and Fuel	1,005.48	1,008.06
c) Repair & Maintenance	24.26	27.67
d) Insurance	22.33	29.44
e) Office Expenses	26.62	35.73
f) Audit Fees	5.00	5.40
g) Legal, Professional and Subscription Charges	50.23	41.52
h) Rent, Rates & Taxes (Refer Note 25.1)	20.88	108.77
i) Communication Expenses	2.42	2.58
j) Travelling & Conveyance Expenses	3.51	4.60
k) Clearing and forwarding expenses	126.30	99.03
l) Selling Expenses	83.68	93.48
m) CSR Expense	1.62	5.26
n) MSME Interest	0.11	0.47
o) Provision for ECL	0.49	6.44
p) Listing fees	3.00	3.00
Total of other expenses	1,501.96	1,645.21



Laxmi Cotspin Limited
Notes to the Financial Statements as at 31st March, 2024

Key Financial Ratios

Particulars of Ratio	Formulae	FY 2023-24	FY 2022-23	% change	Reason
Current Ratio (times)	Current Assets/Current Liabilities	1.57	1.67	5%	-
Debt Equity ratio (times)	Total Borrowings/Total Equity	0.80	0.89	10%	-
Debt Service Coverage Ratio (times)	Operating Income/(Interest+Principal Repayment)	0.73	-0.22	432%	Due to increase in the margin the profitability of the company has increased
Return on equity ratio	Profit for the year/Avg Total Equity	-0.49%	-11.56%	96%	Increase in operating income due to Increase in Sales
Trade Receivable Turnover ratio (times)	Revenue from operations/Avg Trade Receivable	28.85	19.42	-49%	Turnover
Trade Payable Turnover ratio (times)	Credit Purchases/Avg Trade Payables	27.05	20.34	-33%	Sales made at shorter credit period
Inventory Turnover ratio (times)	COGS/Avg Inventory	2.29	2.61	12%	Due to increase in Purchase and decrease in payables
Net Capital turnover ratio (times)	Sales/Avg Working Capital	5.04	5.17	3%	-
Net profit ratio	Net Profit for the year/Total Revenue	-0.18%	-4.05%	96%	Due to increase in Operating Income
Return on capital employed (times)	EBIT/ Capital Employed	0.05	-0.08	151%	Due to increase in Operating Income



Laxmi Cotspin Limited

Notes to the Consolidated financial statement as at and for the year ended 31st March, 2024

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:

The financial statements comply in all material aspects with Indian Accounting Standards notified under Section 133 of the Companies Act 2013 (the Act), read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other accounting principles generally accepted in India (referred "Ind AS").

b) Functional and presentation currency:

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

c) Historical cost convention

These financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities that are measured at fair value.

d) Current and Non-Current Classification:

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

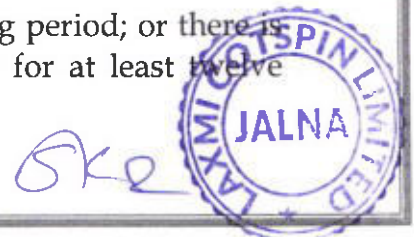
An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current assets.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.



All other liabilities are non-current liabilities.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The Ind AS are prescribed under section 133 of the act read with rule 3 of companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The operating cycle of an entity is the time between the acquisition of assets for processing and their realization in the form of cash or cash equivalents. The Company has determined that its operating cycle is 12 months.

e) **Foreign currency translation**

Functional and presentation currency

'The items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the company operates (that is, 'functional currency'). The financial statements are presented in INR which is the Company's functional and presentation currency.

Transactions and balances

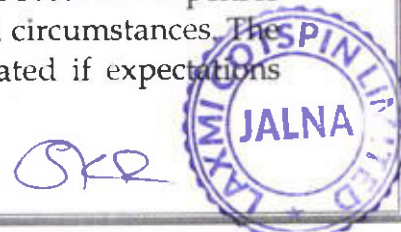
'Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in profit or loss.

f) **Use of Estimates:**

The preparation of financial statements in conformity with Indian Accounting Standards 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.

g) **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.

h) Provisions, contingent liabilities and Contingent Assets:

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 Consolidated financial statements. Contingent assets are neither recognised nor disclosed in the Consolidated financial statements

Note 2.1 Summary of Material 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 date of addition/deduction.
- c) The management has estimated the useful lives and residual values of all assets and adopted useful lives based on management's technical assessment of their respective economic useful lives.
- d) The old asset before 31st March 2022, whose useful life is over has been measured below scrap value since amount is not recoverable from them based on management assumption. Balance other assets are depreciated as per Companies Act 2013 and whose life is over is maintained at scrap value.

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.

- e) 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.

- f) Pre-operative Expenses: It is stated at cost incurred for acquisition of fixed assets including borrowing Cost and administrative expenses.
- g) Leasehold land is accounted at cost including incidental expenses.
- h) **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 fair market value.

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) Capital subsidy received or receivable on Term loan taken under Technology up Gradation Fund Scheme (TUFS) Subsidy is treated as income and apportioned to revenue over the period of life of asset i.e. 10 years.
- c) 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.

Bifurcation of Employee benefit obligation is given below:

Employee Benefit obligation	(Rs in lakhs)	
	31 st March, 2024	31 st March, 2023
Current Liability	11.33	12.26
Non-current Liability	44.06	40.36
Total	55.39	52.62

Sensitivity Analysis:

Sensitivity analysis indicates the influence of a reasonable change in certain significant assumptions on the outcome of the Present value of obligation (PVO) and aids in understanding the uncertainty of reported amounts. Sensitivity analysis is done by varying one parameter at a time and studying its impact.

**A] Impact of change in discount rate when base assumption is
Decreased/increased by 100 basis point**

Discount Rate	(Rs in lakhs)	
	31 03 2024 Present value of obligation	
6.20%	58.96	
8.20%	52.21	



**B) Impact of change in salary increase rate when base assumption is
Decreased/increased by 100 basis point**

(Rs in lakhs)

Discount Rate	31 03 2024
	Present value of obligation
6.00%	52.61
8.00%	58.44

**C) Impact of change in withdrawal rate when base assumption is
Decreased/increased by 100 basis point**

(Rs in lakhs)

Withdrawal rate	31 03 2024
	Present value of obligation
9.00%	55.35
11.00%	55.43

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'.

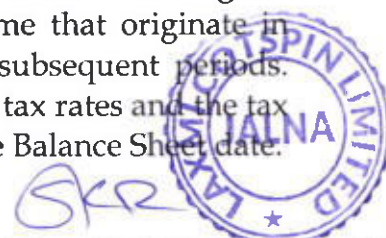
xi) Taxes on Income:

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 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. 222.74 Lacs.
- The company has given Bank Guarantee in favor of Director of Agriculture Produce Marketing Committee State Pune Rs. 3 Lacs.
- 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 Income Tax appeals filed:

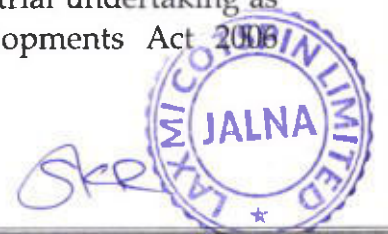
The Income Tax Department have raised a demand of Rs. 89.20 lacs against which the company has filed appeals for respective assessment years i.e. AY 2020-21 and AY 2022-23.

- In respect of TDS returns filed:

There is an outstanding demand of 1.62 lacs reflected on the traces website.

- ii) 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.

- iii) 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).



iv) Payments to auditors:

(Rs in lakhs)

	31 st March, 2024	31 st March, 2023
Statutory Audit Fees	5.00	5.40
Tax Audit	0.75	0.75
Total	5.75	6.15

v) The Consolidated Deferred tax liability/ Asset comprises of following:

(Rs in lakhs)

Particulars	31/03/2024	31/03/2023
Deferred Tax Liability/(Asset)		
On account of Timing Difference (Depreciation)	126.67	142.17
Total (a)	126.67	142.17
Deferred Tax Assets		
On Account of Disallowances	(14.40)	(14.16)
On Account of carried forward losses	(155.74)	(164.80)
Total (b)	(170.14)	(178.96)
Net Deferred Tax Liability/(Asset)	(43.47)	(36.78)
Less: - Provision up to previous year	(36.78)	40.58
Provision of Deferred Tax (Liability) /Assets (Net) for the year	(6.69)	(77.36)

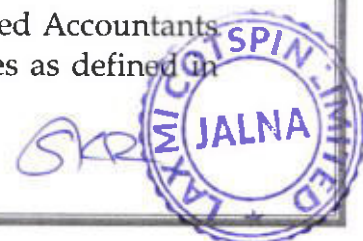
vi) The Consolidated Earnings per share is worked out as under:

(Rs in lakhs)

except EPS)

Earnings per Share	31/03/2024	31/03/2023
Profit After Tax (Balance available for Equity Shareholders)	(26.87)	(585.89)
No. of shares outstanding	171.48	171.48
Weighted Average number of equity shares used as denominator for calculating of EPS (No)	171.48	171.48
Basic and Diluted Earnings Per Share of face value of Rs 10 each ()	(0.16)	(3.42)

vii) 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	Mr. Ramesh Mundada	Key Managerial Person (Director of Laxmi Cotspin)
3	Sanjay Rathi (HUF)	Director is Karta
4	Mr. Anupkumar Gindodiya	Chief Financial Officer
5	Vitthal Polypack Private Limited	Common Director
6	Rtcamp Solutions Private Limited	
7	Icon Five Hundred Ispat Private Limited	
8	Laxmi Surgical and Healthcare Private Limited	Subsidiary Company
9	Laxmi Spintex Private Limited	Subsidiary Company
10	Soni Karwa	Company Secretary

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

Nature of Transaction	Sanjay Rathi (MD)	Ramesh Mundada (Director)	Anupkumar Gindodiya (CFO)	Soni Karwa (CS)	Vitthal Polypack Pvt Ltd
Services Received	72.00	13.53	10.92	3.84	-
Material Purchases	-	-	-	-	60.65

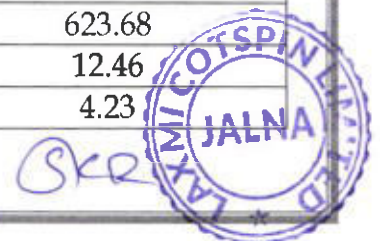
viii) Previous Year Figures regrouped/rearranged/reclassified where ever necessary to confirm to current year grouping & classifications.

ix) There were no transaction during the year with struck off Company.

x) Fair Value Measurements

i. Category wise classification of Financial Instruments (Rs. in Lakhs)

Particulars	Carrying Amount	
	As at March 31, 2024	As at March 31, 2023
Financial Assets		
Amortised cost		
Other Non-Current Financial Assets	242.25	210.34
Current		
Trade receivables	383.47	623.68
Cash and Cash Equivalents	57.47	12.46
Bank Balances Other than above	26.56	4.23



Total	709.75	850.71
Particulars	Carrying Amount	
	As at March 31, 2024	As at March 31, 2023
Financial Liabilities		
Amortised cost		
Non-Current		
Borrowing	651.88	891.30
Current		
Borrowing	4366.59	3336.21
Trade Payables	365.97	539.88
Total	5384.44	4767.39

The management assessed that the fair value of cash and cash equivalent, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

Level 1 - Level 1 hierarchy includes financial instruments measured using quoted prices.

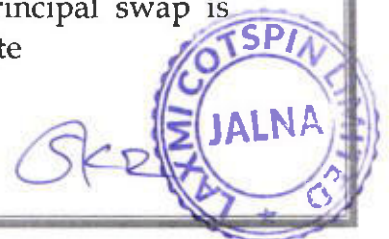
Level 2 - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 - If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3.

iii. Valuation technique used to determine fair value

Specific Valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves
- the fair value of forward foreign exchange contracts and principal swap is determined using forward exchange rates at the balance sheet date



- the fair value of foreign currency option contracts is determined using discounted cash flow analysis
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis

iv. Valuation processes

The accounts and finance department of the company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the chief financial officer (CFO) and the audit committee. Discussions of valuation processes and results are held between the CFO, AC and the valuation team regularly in line with the company's reporting requirements.

xi) Risk Management Framework

1. Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including loans and borrowings, foreign currency receivables and payables.

The Company manages market risk through treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures and borrowing strategies."

2. Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to significant interest rate risk as at the respective reporting dates.

3. Foreign Currency Risk

The Company's exposure to exchange fluctuation risk is very limited for its purchase from overseas suppliers in various foreign currencies. Foreign Currency Risk is risk that fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchanges rates. The Company entered into forward exchanges contract average maturity of 90-180 days to hedge against its foreign currency exposures relating to underlying liabilities firm commitments. The Company has not entered into any Derivatives instruments for trading and speculative purposes.



4. Credit Risk

Credit risk refers to the risk of default on its obligation by the counter party resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to Rs. 383.47 lakhs and Rs. 614.83 lakhs as of March 31, 2024 and March 31, 2023 respectively. Trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors and the Company's historical experience for customers.

5. Liquidity Risk

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

As of 31st March 2024, The Company had a working capital of Rs. 2843.44 Lakhs including cash and cash equivalent of Rs. 100.20 Lakhs.

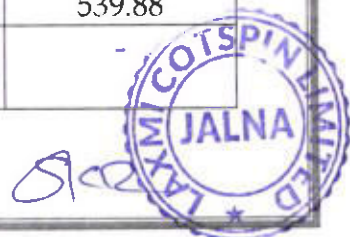
As of 31st March 2023, The Company had a working capital of Rs. 2751.82 Lakhs including cash and cash equivalent of Rs. 35.20 Lakhs."

6. Maturities of Financial Liabilities

The table below analyse the Company's financial liabilities into relevant maturity grouping based on their contractual maturities. The amounts disclosed in the tables are contractual undiscovered cash flow.

(Rs. In lakhs)

Particulars	Less than 1 Year	Between 1 to 5 Year	Over 5 Years	Total
As at 31st March 2024				
Borrowings	4366.59	651.88	-	5018.47
Trade Payables	342.38	23.59	-	365.97
Other Financial Liabilities	-	-	-	-
As at 31st March 2023				
Borrowings	3336.21	891.30	-	4227.51
Trade Payables	525.02	14.86	-	539.88
Other Financial Liabilities	-	-	-	-



7. Capital Management

The Company manages its capital to ensure that Company will be able to continue as going concern while maximizing the return to shareholders by striking a balance between debt and equity. The capital structure of the Company consists of net debts (offset by cash and bank balances) and equity of the Company (Comprising issued capital, reserves, retained earnings). The Company is not subject to any externally imposed capital requirements except financial covenants agreed with lenders.

In order to optimize capital allocation, the review of capital employed is done considering the amount of capital required to fund capacity expansion, increased working capital commensurate with increase in size of business and also fund investments in new ventures which will drive future growth. The Chief Financial Officer ("CFO") reviews the capital structure of the Company on a regular basis. As part of this review, the CFO considers the cost of capital and the risks associated with each class of capital."

(Rs. In lakhs)

Particulars	March 31, 2024	March 31, 2023
Total Borrowings	5018.47	4227.51
Less : Cash and cash equivalents	100.20	35.20
Adjusted Net Debt	4918.27	4192.31
Total Equity	6290.90	4774.88
Adjusted Equity	6290.90	4774.88
Adjusted net debt to adjusted equity ratio	0.78	0.88

xii) Security of current assets against borrowings from banks or financial institutions on the basis of security of current assets:

The Company has been sanctioned working capital limit in excess of five crore rupees, in aggregate from banks or financial institutions on the basis of security of current assets. Quarterly returns or statements filed by the company with such banks/financial institutions are in agreement with the books of the account of the Company.

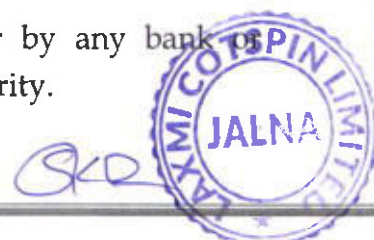
3) Additional Regulatory Information

a. Details of benami property held:

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

b. Willful Defaulter:

The Company has not been declared as willful defaulter by any bank or financial institution or government or any government authority.



- c. Relationship with struck off companies:
During the year, company has made not made any transaction with struck off companies under section 248 of the Companies act 2013 or section 560 of the Companies act 1956.
- d. Compliance with number of layers of companies:
The Company has complied with the number of layers prescribed under the Companies Act, 2013.
- e. Compliance with approved scheme(s) of arrangements:
The Company has not entered into any scheme of arrangement which has an accounting impact for the years ended March 31, 2024 and March 31, 2023.
- f. Utilization of borrowed funds and share premium:
The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
 - ii. provide any guarantee, security or the like to or on behalf of ultimate beneficiaries.

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- ii. provide any guarantee, security or the like on behalf of the ultimate beneficiaries

- g. Undisclosed income:
There is no income surrendered or disclosed as income during the current year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- h. Details of crypto currency or virtual currency :
The Company has not traded or invested in crypto currency or virtual currency during the years ended March 31, 2024.
- i. Valuation of PP&E, intangible asset and investment property :
The Company has revalued its property, plant and equipment during the year March 31, 2024 at market valuation.

- j. Registration of charges or satisfaction with Registrar of Companies :



There are no charges or satisfactions which are yet to be registered with the Registrar of Companies beyond the statutory period.

k. Utilisation of borrowings availed from banks:

During the year, the company has availed borrowing facility from existing banks. (ref note 12 and 14 of the Notes accompanying Financial Statements as at 31st March 2024).

l. Title deeds of immovable properties not held in name of the company

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 has constructed the Factory building on said land, the amount of construction is unascertainable. The said fact came to light after technical verification by Bank and their survey team.

m. 'Corporate Social Responsibility (CSR)

'As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief, COVID-19 relief and rural development projects.

CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the Company during the year is Rs. 1.62 Lakhs

The Board is of the opinion that remaining amount shall spent in the coming year on good projects as per the approved policy.

Policy of the Company to send CSR amount under following activities

- Preventive Health Care and Sanitation under the slogan of "techno Run, Rakt Samarpan"
- Promoting education of Girl Child under the slogan of "Beti Bachao Beti Padhao"
- Promoting education of Children under the slogan of "School Chale Hum"
- Ensuring environmental sustainability
- Protection of national heritage, art and culture
- Rural development projects & Slum area development



n. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

The information as required to be disclosed under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act') has been determined to the extent such parties have been identified on the basis of information available with the company. The amount of principal and Interest outstanding during the year is given below:

(Rs in lakhs)

Particulars	Amount Rs.
'Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	74.87
'Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	0.58
'Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-
'Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-
'Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-
'Interest due and payable towards suppliers registered under MSMED Act, for payments already made	0.58

o. Utilisation of borrowings availed from banks

The borrowings obtained by the Company from banks have been applied for the purposes for which such loans were taken.



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p. Critical estimates and judgements:

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies. The areas involving critical estimates or judgements are:

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history and existing market conditions as well as forward-looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in note 29.

In terms of our report of even
date

For DMKH & Co.

Chartered Accountants

FRN 116886W



CA Manish Kankani
(Partner)
M. No. 158020

For & on behalf of the
Board of Directors



Sanjay Rathi
(Managing Director)
DIN 00182739



Ramesh Mundada
(Director)
DIN 00153255

UDIN:

Date: 17/05/2024

Place: Mumbai



Anupkumar Gindodiya

(CFO)



Soni Karwa
(Company
Secretary)

M No. A69381

Date: 17/05/2024

Place: Jalna

