

Indo Cotspin Limited



19th

*Annual
Report*

2012 - 2013

19th Annual Report 2012-13 Indo Cotspin Limited

BOARD OF DIRECTORS**CHAIRMAN CUM MANAGING DIRECTOR**

Sh. Bal Kishan Aggarwal

WHOLE TIME DIRECTOR

Sh. Raj Pal Aggarwal
Sh. Sahil Aggarwal
Sh. Arpan Aggarwal
Sh. Sanil Aggarwal

DIRECTOR

Sh. Ankush Aggarwal
Sh. Anil Aggarwal
Sh. Vinod Kumar Garg
Sh. Pawas Aggarwal
Mrs. Saroj Garg

AUDITORS

M/s Anil Aviral & Co.
Chartered Accountants

RTA

Skyline Financial Services Pvt. Ltd.
D-153 A, 1st Floor, Okhla Industrial Area,
Phase-I, New Delhi-110020

REGISTERED OFFICE & WORKS

Delhi Mile Stone, 78 K.M., G.T. Road,
NH-1, Village Jhattipur, Post Box-3,
Post Office Samalkha,
Distt. Panipat-132103
Haryana (INDIA)

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INDO COTSPIN LIMITED

Regd. Office: Delhi Mile Stone 78 K.M, G.T. Road, NH-1
Village Jhattipur, Post Box-3, Post Office, Samalkha, Panipat-132103(Haryana)

NOTICE

Notice is hereby given that the 19th Annual General Meeting of the Members of the Company will be held on Monday, 30th September, 2013 at 11:30 A.M. at the Registered Office at Delhi Mile Stone 78 K.M,G.T, Road,N.H.-1 ,Village Jhattipur, Post Office,Samalkha,Panipat-132103 (Haryana) to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2013 and Profit and Loss Account for the year ended on that date together with the Reports of the Auditors and Directors thereon.
2. To appoint a Director in place of Mr. Anil Aggarwal, who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Sanil Aggarwal, who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Ankush Aggarwal, who retires by rotation and, being eligible, offers himself for re-appointment.
5. To re-appoint the Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next annual general meeting and to authorize the Board to fix their remuneration.

The present Statutory Auditors M/s Anil Aviral & Co., Chartered Accountants, Panipat, are holding the office till the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

Special Business:

6. 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 sections 198, 269, 309 read with schedule XIII of the Companies Act, 1956 and other applicable provisions, if any, Mr. Sanil Aggarwal be and is hereby appointed as a Whole Time Director of the Company for a period of 3 years with effect from 1st October, 2013 till 30th September, 2016 at a monthly remuneration of Rs. 22,000/- (Rupees Twenty Two Thousand only), whether paid as Salary, allowance(s), perquisites or a combination thereof.

Resolved Further That Mr Sanil Aggarwal as Whole Time Director of the Company shall also be paid the following statutory perquisites as per Company's policy:

- a. Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961;
- b. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
- c. Encashment of leave at the end of tenure

Resolved Further That Mr. Sanil Aggarwal as Whole Time Director of the Company shall not be paid any sitting fees for attending the meetings of the Board of Directors or committee thereof.

Resolved Further That in case of inadequate or absence of profits during any financial year of the tenure of the Whole Time Director; the aforesaid remuneration will be the Minimum Remuneration.

Resolved Further That the Board of Directors and the Remuneration Committee of the Company be and are hereby severally authorized to fix such remuneration and to work out various components of the remuneration package as it may deem fit and proper within the overall limits of the remuneration as approved above.

Resolved Further That the office of Mr Sanil Aggarwal as Whole Time Director of the Company shall be liable for determination through retirement by rotation.

Resolved Further That the Board of Directors be and is hereby authorized to do all such acts, deeds and things and to take such other steps as may be necessary in this regard.”

For and on Behalf of the Board
For **Indo Cotspin Limited**

Bal Kishan Aggarwal
Chairman & Managing Director
DIN: 00456219

Date: 25th August, 2013

Place: Panipat

NOTES:

- A. Appointment of proxy:** A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the company. The proxy form in order to be effective must be deposited with the company not less than 48 hours before the time fixed for commencement of the meeting.
- B. Corporate Members:** Corporate Members intending to send their authorized representatives are requested to send a duly certified copy of the Board Resolution authorizing the representatives to attend and vote at the Annual General Meeting.
- C. Members/Proxies attending the meeting** are requested to bring their copy of Annual Report to the Meeting.
- D. Queries at the AGM:** Queries proposed to be raised at the Annual General Meeting may be sent to the Company at its registered office at least seven days prior to the date of AGM to enable the management to compile the relevant information to reply the same in the meeting.
- E. Book Closure:** The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 27th September 2013 to Monday, 30th September 2012 (both days inclusive) for the purpose of the AGM.
- F. Inspection of Documents:** Documents referred to in the Notice etc., are open for inspection at the registered office of the Company at all working days except Saturdays between 11 A.M. and 2 P.M. up to the date of Annual General Meeting.
- G. Explanatory Statement:** Explanatory Statement as required under section 173(2) of the Companies Act, 1956, in respect of Special Business under item no. 6 is enclosed herewith.
- H.** The company has appointed Skyline Financial Services Pvt Ltd, as its Registrar and Share Transfer Agent. All correspondence with regard to share transfers, matters related therewith or any other shareholder's query may be directly be addressed to the Registrar and Share Transfer Agents at the address given below:

Skyline Financial Services Pvt Ltd
 D-153 A, 1st Floor, Okhla Industrial Area
 Phase – I, New Delhi-110 020
 Phone: 011-26812682-83
 Fax: 26812682

- I.** The information required to be provided under the Listing Agreement regarding the Directors proposed to be reappointed is enclosed herewith.

ADDITIONAL INFORMATION IN TERMS OF CLAUSE 49 OF THE LISTING AGREEMENT

Name/ Particulars	Mr. Anil Aggarwal	Mr. Ankush Aggarwal	Mr. Sahil Aggarwal
DIN	03060777	03060781	03073407
Father's Name	Late Shri Hari Krishan Aggarwal	Shri Anil Aggarwal Aggarwal	Mr Raj Pal Aggarwal Aggarwal
Date of Birth	05/08/1958	13/07/1985	02/09/1991
Designation	Director	Director	Director
Education	Graduate	Graduate	Graduate
Experience	25 Years	5 Years	2 Years
Other Companies in which holds Directorship	Nil	Nil	Nil
Other Companies in which holds membership of committees	Nil	Nil	Nil
Shareholding in the Company	4000(0.09%)	80000(11.64%)	184200(2.90%)

Note: Mr Bal Kishan Aggarwal and Mr Raj Pal Aggarwal are brothers. Mr Arpan Aggarwal is son of Mr Bal Kishan Aggarwal. Mr Sanil Aggarwal and Mr Sahil Aggarwal are sons of Mr Raj Pal Aggarwal. Mr. Ankush Aggarwal is son of Mr. Anil Aggarwal. Mrs. Saroj Garg is wife of Mr. Vinod Kumar Garg.

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Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956**Item No. 6**

Mr. Sanil Aggarwal is a promoter director and instrumental to the growth of the Company. It is proposed to appoint Mr. Sanil Aggarwal as a Whole Time Director of the Company and make payment of remuneration under Clause – 1(A) of Section – II, Part – II of the Schedule XIII of the Companies Act, 1956.

The aforesaid explanatory statement read with the resolution proposed for item no. 6 should also be deemed to be notice of the abstract for terms of appointment and payment of remuneration to Mr. Sanil Aggarwal under section 302 of the Companies Act 1956.

The members' approval is required by way of Ordinary Resolution for appointment of and payment of remuneration to the aforesaid appointee as Whole Time Directors of the Company. The proposal for re-appointment and payment of remuneration has already been considered and approved by the Board of Directors and Remuneration Committee.

Your directors recommend the adoption of resolution in the larger interest of the Company.

None of the Directors except Mr. Bal Kishan Aggarwal, Mr. Raj Pal Aggarwal, Mr. Sahil Aggarwal, Mr. Arpan Aggarwal and Mr. Sanil Aggarwal are interested and concerned in the proposed resolutions.

For and on Behalf of the Board
For **Indo Cotspin Limited**

Bal Kishan Aggarwal
Chairman & Managing Director
DIN: 00456219

Date: 25th August, 2013
Place: Panipat

INDO COTSPIN LIMITED

Regd. Office: Delhi Mile Stone 78 K.M. G.T. Road, NH-1
Village Jhattipur, Post Box-3, Post Office, Samalkha, Panipat-132103(Haryana)

DIRECTORS' REPORT

Dear Members

Your Directors have pleasure in presenting the 19th Annual Report of your Company together with the Audited Annual Accounts for the financial year ended 31st March, 2013.

Financial Highlights

Particulars	Amount (Rs. in lacs)	
	FY 2012-13	FY 2011-12
Net Sales	605.74	566.31
Other Income	7.18	0.37
Total Revenue	612.93	566.68
Total Expenditure	606.22	555.84
Profit before tax	6.70	10.84
Provision for tax	1.35	2.12
Deferred Tax	1.63	1.86
Profit after tax	3.72	(6.87)
EPS (Rs.)	0.13	0.27
Transfer to Reserve	Nil	Nil
Paid-up Share Capital	420.05	320.12
Reserves and Surplus (excluding revaluation reserve)	33.48	(97.48)

Year in Retrospect

During the year under review, total income of the Company was Rs. 605.74 lacs as against Rs. 566.31 lacs in the previous year. The Company was able to earn a profit after tax of Rs. 3.72 lacs in the current financial year 2012-13 as against a profit of Rs. 6.87 lacs in the financial year 2011-12. Your Directors are putting in their best efforts to improve the performance of the Company.

The detailed Management Discussion & Analysis Report is attached hereto with the Director's Report and should be read as part of this Directors Report.

Material Changes after the close of the financial year

Save as mentioned else where in this Report, no material changes and commitments affecting the financial position of the Company has occurred between the end of the financial year of the Company-31st March, 2013.

Dividend

The Board of Directors of your Company has decided to retain and plough back the profits into the business of the Company, thus no dividend is being recommended for this year.

Corporate Governance

A Report on Corporate Governance is attached as a part of this Directors Report along with the Auditors' Certificate on compliance of Clause 49 of the Listing Agreement.

Public Deposits

During the year under report, your Company did not accept any deposits from the public in terms of the provisions of section 58A of the Companies Act, 1956.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

Information as required under Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is given in **Annexure A**, forming part of this report.

Particulars of Employees

During the financial year under review, none of the Company's employees was in receipt of remuneration as prescribed under section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, and hence no particulars are required to be disclosed in this Report.

Directors

After the last Annual General Meeting, there has been no change in the Board of directors of the Company.

In accordance with the provisions of the Companies Act, 1956 and the Company's Articles of Association, Mr. Anil Aggarwal, Mr. Ankush Aggarwal and Mr. Sanil Aggarwal are liable to retire by rotation and being eligible offer themselves for re-appointment. Directors recommend their re-appointment.

It is proposed to appoint Mr. Sanil Aggarwal as the Whole Time Director of the Company. Resolution for his appointment as a whole time director of the Company is proposed in the notice of the annual general meeting.

Auditors

M/s Anil Aviral & Co., Chartered Accountants, Statutory Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. A certificate under section 224(1) of the Companies Act, 1956 regarding their eligibility for the proposed re-appointment has been obtained from them. Your Directors recommend their re-appointment.

Auditors' Report

Comments made by the Statutory Auditors in the Auditors' Report are self-explanatory and do not require any further clarification.

Directors' Responsibility Statement

In terms of the provisions of section 217(2AA) of the Companies Act, 1956, and to the best of their knowledge and belief and according to the information and explanations obtained by them and save as mentioned elsewhere in this Report, the attached Annual Accounts and the Auditors' Report thereon, your Directors confirm that:

- a. in preparation of the annual accounts, the applicable accounting standards have been followed;
- b. the Directors have 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 as at 31st March, 2013 and of the profit of the Company for the year ended on that date;

- c. the Directors have taken proper and sufficient care for the 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 fraud and other irregularities; and
- d. the Directors have prepared the Annual Accounts on a going concern basis.

Stock Exchange Listing

The shares of the Company are listed on the Delhi Stock Exchange Ltd (DSE), Jaipur Stock Exchange Ltd (JSE) and Ahmedabad Stock Exchange Ltd (ASE). The listing fee for the financial year 2013-14 has already been paid to the stock exchanges.

Acknowledgement

Your Directors take this opportunity to place on record their sincere appreciation for the co-operation and assistance the Company has received from Banks and various Government Departments. The Board also places on record its appreciation of the devoted services of the employees, support and co-operation extended by the valued business associates and the continuous patronage of the customers of the Company.

For and on Behalf of the Board
For **Indo Cotspin Limited**

Date: 25th August, 2013
Place: Panipat

Bal Kishan Aggarwal
Chairman & Managing Director
DIN: 00456219

Raj Pal Aggarwal
Whole Time Director
DIN: 00456189

ANNEXURE A

Report on conservation of energy, technology absorption and foreign exchange earnings and outgo in the manner prescribed as per Companies (Disclosure of Particulars in respect of Board of Directors) Rules, 1988, read with provision of section 217(1)(e) of the Companies Act, 1956

A. CONSERVATION OF ENERGY

a. Energy conservation measured taken

- (i) The Company has already installed plant and machinery, which is energy efficient.
- (ii) Use of automatic power factor correction system
- (iii) Uninterrupted power supply system are being used
- (iv) Lighting devices are sodium vapour, which effect saving in lighting energy usage

b. additional investments and proposals, if any, being implemented for reduction of consumption of energy;

- (i) general measures for conservation of energy are pursued on an ongoing basis
- (ii) no specific investment is proposed in immediate future

c. impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods

- (i) reduction in cost of production, though exact quantification is not felt necessary
- (ii) improvement in energy usage efficiency
- (iii) improvement in plant efficiency

d. total energy consumption and energy consumption per unit of production as per Form A below:

Form A
Form for Disclosure of Particulars with respected to Conservation of Energy

A. Power and fuel consumption

1.	<i>Electricity</i>	Current Year	Previous Year
	<i>(a) Purchased</i>	2012-13	2011-12
	Unit	138478	156906
	Total amount	993091	900315
	Rate/unit	7.17	5.74
	<i>(b) Own generation</i>		
	<i>(i) Through diesel generator</i>		
	Unit	Nil	Nil
	Units per ltr. of HSD oil	Nil	Nil
	Cost/unit	Nil	Nil
	<i>(ii) Through steam turbine/generator</i>		
	Units	Nil	Nil
	Units per ltr. of fuel oil/gas	Nil	Nil
	Cost/units	Nil	Nil

2.	<i>Coal</i>		
	Quantity (tones)	Nil	Nil
	Total cost	Nil	Nil
	Average rate	Nil	Nil
3.	<i>Furnace Oil</i>		
	Quantity (K/Ltrs.)	Nil	Nil
	Total cost	Nil	Nil
	Average rate	Nil	Nil
4.	<i>Others/internal generation</i>		
	Quantity (Fire Wood)	NA	NA
	Total cost	1093374	406070
	Rate/unit	NA	NA

B. Consumption per unit of production

	Standards	Current Year	Previous Year
Product: Jute Matting	In Meters	527563.24	363469.99
Product: Non Woven Fabrics	In Meters	250566	397283.00
Electricity	-	-	-
Coal	-	-	-
Furnace Oil	-	-	-
Others/internal generation (Fire Wood)	-	-	-

B. TECHNOLOGY ABSORPTION:

Details are mentioned as per Form B below:

Form B
Form for disclosure of particulars with respect to absorption

I. Research and development (R & D)

- i. Specific areas in which R & D carried out by the company : NIL
- ii. Benefits derived as a result of the above R&D :NIL
- iii. Future plan of action: NIL
- iv. Expenditure on R & D
 - Capital : NIL
 - Recurring: NIL
 - Total: NIL
 - Total (as % of total sales): NIL

II. Technology, absorption, adaptation and innovation

- i. Efforts, in brief, made towards technology absorption, adaptation and innovation: No new Technology has been adopted during the year under review

- ii. Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc.: NA
- iii. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished:
 - a. Technology imported : NA
 - b. Year of import: NA
 - c. Has technology been fully absorbed: NA
 - d. If not fully absorbed, areas where this has not taken place, reasons there for and future plans of action:NA

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

I. activities relating to exports; initiatives taken to increase exports ; development of new export markets for products and services ; and export plans:

There is no export activities by the Company. Further there is no plan in immediate future for export of products by the Company.

II. Details of Foreign Exchange earnings & Outgo is as below

	2012-13	2011-12
Total Foreign Exchange Earnings	Nil	Nil
Total Foreign Exchange outgo (import of Raw material & Stock)	Nil	Nil

For and on Behalf of the Board
For **Indo Cotspin Limited**

Date:25th August, 2013
Place: Panipat

Bal Kishan Aggarwal
Chairman & Managing Director
DIN: 00456219

Raj Pal Aggarwal
Whole Time Director
DIN: 00456189

COMPANY SECRETARIES

G-3, Industrial Area, Sarawati Vihar, PANIPAT-132 103 (HARYANA),
M 09254107191, e.mail.: caparveenbansal@sify.com

COMPLIANCE CERTIFICATE

CIN: L17111HR1995PLC032541

Authorised Capital: Rs. 5,00,00,000/-

Paid-up Capital: Rs. 4,20,05,000/-

The Members of

Indo Cotspin Ltd.

Delhi Mile Stone 78 K.M, G.T, Road

Village Jhattipur, Post Office

Samalkha, Panipat-132103(Haryana)

We have examined the registers, records, books and papers of **Indo Cotspin Ltd** (the Company) as required to be maintained under the Companies Act, 1956 (the Act) and the rules made there under, the provisions contained in the Memorandum & Articles of Association of the Company for the financial year ended on 31st March, 2013. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the financial year ended on 31st March, 2013:

1. The Company has kept and maintained registers as stated in “**Annexure: A**” to this Certificate, as per the provisions of the Act and the rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in “**Annexure: B**” to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made there under save as mentioned in the aforesaid “Annexure: B”.
3. The Company is a public limited company listed with Delhi Stock Exchange Limited and Jaipur Stock Exchange Limited and Ahmedabad Stock Exchange Ltd.
4. The Board of Directors and the Operations Committee duly met on the following dates in respect of which meetings proper notices were given and the proceedings were properly recorded including the resolutions passed by circulation in the Minutes Book maintained for the purpose:
 - **Meeting of Board of Directors:** Nine Board Meetings held on 30-04-2012, 31-05-2012, 01-06-2012, 28-06-2012, 26-07-2012, 31-07-2012, 25-08-2012, 31-10-2012 and 31-01-2013;

- **Meeting of Audit Committee:** Five Audit Committee Meetings held on 30-04-2012, 31-05-2012, 31-07-2012, 31-10-2012 and 31-01-2013;
 - **Meeting of Shareholder's Grievances Committee:** Two Shareholder's Grievances Meetings held on 03-08-2012 and 04-01-2013;
 - **Meeting of Remuneration Committee:** One Remuneration Committee Meetings held on 25-08-2012;
5. The Company has closed its Register of Members from Friday, 28th September 2012 to Saturday, 29th September 2012 (both days inclusive) and complied with the provisions of section 154 of the Act in this regard. The Company did not have any debentures.
 6. The annual general meeting for the financial year ended on 31st March, 2012 was held on 29th September, 2012 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
 7. One extra ordinary general meeting was held during the financial year on 23-07-2012 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
 8. The Company has not advanced any loans to its directors and/or persons or firms or companies referred to in section 295 of the Act.
 9. The Company has not entered into any contracts falling within the purview of section 297 of the Act
 10. The Company has made necessary entries in the register(s) maintained under section 301 of the Act.
 11. As there were no instances falling within purview of Section 314 of the Act, the company has not obtained any approvals from the Board of directors, members or Central Government.
 12. The Company has not issued any duplicate share certificate.
 13.
 - a. The Company has delivered all the certificates on allotment and transfers of shares in accordance with the provisions of the Act during the financial year under scrutiny.
 - b. The Company has not declared any dividend during the financial year.
 - c. Since the Company has not declared any dividend during the financial year, postage of dividend warrants, etc., was not applicable. The Company was not required to transfer any unclaimed/unpaid dividend to Unpaid Dividend Account with the Bank.
 - d. The Company was not required to transfer any amount on account of un-paid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained un-claimed or un-paid for a period of seven years to the Investor Education and Protection Fund.
 - e. The Company has duly complied with the requirements of section 217 of the Act.

14. The Board of Directors of the Company is duly constituted. Appointment, re-appointment of director(s), additional director(s) etc., have been duly made.
15. The Company has not appointed any managing director, whole time director or manager during the financial year, except that Mr. Bal Kishan Aggarwal was re-appointed as the Managing Director and Mr. Raj Pal Aggarwal, Mr. Arpan Aggarwal and Mr. Sahil Aggarwal were re-appointed as whole Time Directors of the Company. The Company has complied with relevant provisions of the Act in this regard.
16. The Company has not appointed any sole-selling agents during the financial year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar of Companies or other prescribed authorities under the various provisions of the Act during the financial year.
18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued any shares during the financial year. However, 9,99,000 shares were re-issued by the Company, which were earlier forfeited due to non-payment of call money.
20. The company has not bought back any shares during the financial year.
21. There was no redemption of preference shares or debentures during the financial year as the Company did not have any preference shares or debentures.
22. The Company was not required to keep in abeyance rights to dividend, rights shares and bonus shares pending registration of transfer of shares, as there was no such offering from the Company during the financial year.
23. The Company has not invited or accepted any public deposits including un-secured loans taken, falling under section 58A of the Act during the financial year.
24. The amount borrowed by the Company from directors, members, public, financial institutions, banks and others was within the borrowing limits of the Company.
25. The Company has complied with applicable provisions of the Act in making loans and investments or giving guarantees or providing securities to other bodies corporate and has made necessary entries in the register kept for the purpose.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Registered Office of the Company from one State to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the Objects Clause of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to the Name of the Company during the year under scrutiny.

29. The Company has not altered the provisions of the Memorandum with respect to the Authorised Share Capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the financial year.
31. There was no prosecution initiated against or show cause notice received by the Company for alleged offenses under the Act. Similarly, no fines, penalties or punishment was imposed on the Company under the Act during the financial year.
32. The Company has not received any amount as security from its employees in terms of section 417(1) of the Act.
33. Since the Company has not constituted any provident fund under section 418 of the Act, provisions of section 418 are not applicable to **Indo Cotspin Ltd.**

PLACE : PANIPAT
DATE : 25TH AUGUST, 2013

FOR LALITA BANSAL
COMPANY SECRETARIES

ACS-32489,C.P-12307

Annexure: A

Registers maintained by the Company

SI. NO	Particulars	Relevant Section
1.	Minutes Book of the meetings of the Board of Directors, Shareholders of the Company and the Committee(s) of the Board of Directors	193 159
2.	Copies of Annual Returns	150
3.	Register of Members	
4.	Register of Transfer	-
5.	Register of Particulars of Directors, Managing Director, Manager and Secretary	303
6.	Register of Directors' Share holding	307
7.	Register(s) of contracts, companies and firms in which Directors are interested	301
8.	Register of Charge	130

Annexure: B

A. Forms & Returns filed with the Registrar of Companies, New Delhi

S.No.	Particulars of Forms	Date of Filing & Returns Filed	Whether filed within prescribed time	Additional Fees paid
1.	Form 66 for filing Compliance Certificate u/s 383A for the financial year ended 31 st March, 2012	16.10.2012	Yes	N.A.
2.	Form 23AC XBRL and 23ACA XBRL for filing Annual Accounts u/s 220 for the financial year ended 31 st March, 2012	15.01.2013	Yes	N.A.
3.	Form 20B for filing Annual Return u/s 159 for the Annual General Meeting held on 29-09-2012	26.10.2012	Yes	N.A.
4.	Form 25C u/s 269 for re-appointment of Mr. Bal Krishan Aggarwal as Managing Time Director of the Company w.e.f. 01-10-2012	16.10.2012	Yes	N.A.
5.	Form 25C u/s 269 for re-appointment of Mr. Raj Pal Aggarwal as Whole Time Director of the Company w.e.f. 01-10-2012	16.10.2012	Yes	N.A.
6.	Form 25C u/s 269 for re-appointment of Mr. Sahil Aggarwal as Whole Time Director of the Company w.e.f 01-10-2012	16.10.2012	Yes	N.A.
7.	Form 25C u/s 269 for re-appointment of Mr. Aparn Aggarwal as Whole Time Director of the Company w.e.f 01-10-2012	16.10.2012	Yes	N.A.

8.	Form 32 u/s 303(2) for appointment of Mr. Pawas Aggarwal, Mrs. Saroj Garg and Mr. Vinod Kumar Garg as director in the annual general meeting held on 29-09-2012 and reappointment of Mr. Bal Krishan Aggarwal as managing Director w.e.f 01-10-2012 and reappointment of Mr. Raj Pal Aggarwal , Mr. Sahil Aggarwal and Mr. Arpan Aggarwal as Whole Time Directors w.e.f 01-10-2012	16.10.2012	Yes	N.A.
9.	Form 23 u/s 192 for re-appointment of Mr. Bal Krishan Aggarwal as Managing Director of the Company w.e.f. 29-09-2012	16.10.2012	Yes	N.A.
10.	Form 23 for special resolution passed u/s 81(1A) for re-issue of forfeited shares in the EGM held on 23-07-2012	14.08.2012	Yes	N.A.
11.	Form 23 u/s 192 for Board resolution dated 25-08-2012 re-appointment of Mr. Bal Krishan Aggarwal as Managing Director of the Company	28.08.2012	Yes	N.A.
12.	Form 32 u/s 303(2) for appointment of Mr. Pawas Aggarwal as an Additional Director w.e.f. 01-06-2012	18.06.2012	Yes	N.A.
13.	Form 232 u/s 303(2) for appointment of Mr. Vinod Kumar Gard and Mrs. Saroj Garg as an Additional Director w.e.f. 20-03-2012	17.04.2012	Yes	N.A.
14.	Form 23C u/s 233B for appointment of Cost Auditor for the financial year 2012-13	21.02.2013	No	N.A.
15.	Form A XBRL u/s 209(1)(d) for Cost compliance report for the year 2011-12	31.01.2013	N.A.	N.A.

B. Forms & Returns filed with the Regional Director, Central Government or other authorities

Nil

INDO COTSPIN LIMITED

Regd. Office: Delhi Mile Stone 78 K.M, G.T. Road, NH-1
 Village Jhattipur, Post Box-3, Post Office, Samalkha, Panipat-132103(Haryana)

REPORT ON CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement a Report on Corporate Governance is given below:

1. COMPANY’S PHILOSOPHY ON CORPORATE GOVERNANCE

Our Company’s philosophy on Corporate Governance envisages attainment of highest levels of accountability, transparency, responsibility and fairness in all aspects of its operations. Our business culture and practices are founded upon a common set of values that govern our relationships with customers, employees, shareholders, suppliers and the communities in which we operate. The Company believes that all its actions must serve the underlying goal of enhancing overall shareholder value on a sustained basis.

The Company is conscious of its responsibility as a good corporate citizen. The Company values transparency, professionalism and accountability.

2. BOARD OF DIRECTORS

The Company maintains an optimum combination of Executive, Non Executive and Independent Directors. The Board consists of total ten (10) directors on 31st March, 2012, out of which five (5) are independent. Mr Bal Kishan Aggarwal is the Chairman cum Managing Director of the Company and Mr Raj Pal Aggarwal, Mr Sahil Aggarwal and Mr Arpan Aggarwal are the Whole Time Directors. The Constitution of the Board as on 31st March 2013 is as follows:

Name	Designation	Category	No. of positions held in other Public Companies		
			Board	Committee	
				Membership	Chairmanship
Mr Bal Kishan Aggarwal	Chairman & Managing Director	Promoter (Executive)	Nil	Nil	Nil
Mr Raj Pal Aggarwal	Whole-Time Director	Promoter (Executive)	Nil	Nil	Nil
Mr Sahil Aggarwal	Whole-Time Director	Promoter (Executive)	Nil	Nil	Nil
Mr Arpan Aggarwal	Whole-Time Director	Promoter (Executive)	Nil	Nil	Nil
Mr Sanil Aggarwal	Director	Promoter (Executive)	Nil	Nil	Nil
Mr Anil Aggarwal	Director	Independent (Non Executive)	Nil	Nil	Nil
Mr Ankush Aggarwal	Director	Independent (Non Executive)	Nil	Nil	Nil
Mr Vinod Kumar Garg	Director	Independent (Non Executive)	Nil	Nil	Nil
Mrs Saroj Garg	Director	Independent (Non Executive)	Nil	Nil	Nil
Mrs Pawas Agarwal	Director	Independent (Non Executive)	Nil	Nil	Nil

Directors' Attendance Record

During the Financial Year 2012-13, nine meetings of the Board of Directors were held on 30.04.2012, 31.05.2012, 01-06-2012, 28-06-2012, 26-07-2012, 31-07-2012, 25-08-2012, 31-10-2012 and 31-01-2013. The Board was duly supplied with the agenda of the meetings incorporating all material information for facilitating meaningful and focused discussions at the meeting. The intervening period between the Board Meetings was well within the maximum time gap of four months as prescribed in clause 49 of the Listing Agreement. Details of attendance of Directors in the Board meeting during the financial year 2012-13 are as under:

Name of the Director	No. of Board Meeting	Attendance at the Board Meeting	Whether attended Last AGM
Mr Bal Kishan Aggarwal	9	9	Yes
Mr Raj Pal Aggarwal	9	9	Yes
Mr Sahil Aggarwal	9	9	Yes
Mr Arpan Aggarwal	9	9	Yes
Mr Sanil Aggarwal	9	8	Yes
Mr Anil Aggarwal	9	8	Yes
Mr Ankush Aggarwal	9	8	Yes
Mr Vinod Kumar Garg	9	8	Yes
Mrs Saroj Garg	9	8	Yes
Mr Pawas Aggarwal	7	7	Yes
Mrs Shradha Jain	3	0	N.A.

* Appointed w.e.f. 01-06-2012. ** Resigned w.e.f. 01-06-2012.

3. AUDIT COMMITTEE

(a) Terms of Reference

The Audit Committee has been constituted as per Section 292A of the Companies Act, 1956 and the provisions of the Clause 49 of the Listing Agreement. The Audit Committee shall have the authority to investigate into any matter that may be prescribed and the matters listed below and for this purpose the Audit Committee shall have full access to information contained in the records of the Company and external professional advice, if necessary:

- a. To review the Company's financial reporting process and ensure that the financial statements give a true and fair view of the affairs of the Company.
- b. To review the Company's audit procedures and techniques.
- c. To review with the management, external and internal procedures and the adequacy of internal control systems.
- d. To review the quarterly and annual financial statements and submit the same to the Board.
- e. Any other matter that may be delegated by the Board from time to time.

(b) Composition

The Audit Committee was reconstituted on 31st May, 2011 and comprises of the following Directors:

Name of the Director	Category
Mr Anil Aggarwal	Chairman(Non Executive Independent)
Mr Ankush Aggarwal	Member (Non Executive Independent)
Mr Raj Pal Aggarwal	Member(Promoter & Executive)

(c) Attendance

The Committee met five (5) times during the Financial Year 2012-2013 on 30-04-2012, 31-05-2012, 31-07-2012, 31-10-2012 and 31-01-2013. Details of attendance of Directors in the Audit Committee meeting are as under:

Name of the Director	Number of Audit Committee Meeting	Attendance at the Audit Committee Meeting
Mr Anil Aggarwal	5	5
Mr Ankush Aggarwal	5	5
Mr Raj Pal Aggarwal	5	5

4. REMUNERATION COMMITTEE

(a) Composition & Terms of Reference

The Remuneration Committee comprises of the following Directors:

Name of the Director	Category
Mr Anil Aggarwal	Chairman (Non Executive Independent)
Mr Ankush Aggarwal	Member (Non Executive Independent)
Mr Pawas Aggarwal	Member (Non Executive Independent)

The Remuneration Committee has been constituted to recommend/ review and approve the remuneration payable to Managing Director, Whole time Director or other directors of the Company based on their performance.

There was one Remuneration Committee meeting held on 25.08.2012 during the Financial Year 2012-2013, where all the Committee members were present.

(b) Remuneration Policy of the Company

The remuneration policy of the Company is directed towards rewarding performance. The Managing Director and the Whole Time Director of the Company are entitled for payment of Remuneration as decided by the Board and approved by the members as per the provisions of the Companies Act, 1956. Directors are also entitled for the sitting fee for attending Board Meeting except the Managing Director and Whole Time Director. However, no sitting fee is paid for attending any committee meeting by the Committee members.

(c) Details of the Directors' Remuneration for the financial year ended 31st March, 2012.

Name of Director	Designation	Sitting fees (In Rs.)	Salaries & Perquisites (In Rs.)	Commission, Bonus Ex-gratia	Total Amount (In Rs.)	No. of Shares held & %
Mr Bal Kishan Aggarwal	Managing Director	Nil	252000	Nil	252000	495100 (11.79%)
Mr Raj Pal Aggarwal	Whole Time Director	Nil	252000	Nil	252000	488900 (11.64%)
Mr Sahil Aggarwal	Whole Time Director	Nil	252000	Nil	252000	121900 (2.90%)
Mr Arpan Aggarwal	Whole Time Director	Nil	252000	Nil	252000	124500 (2.96%)
Mr Sanil Aggarwal	Director	8000	Nil	Nil	8000	184200 (4.39%)

Mr. Anil Aggarwal	Director	8000	Nil	Nil	8000	4000 (0.09%)
Mr Ankush Aggarwal	Director	8000	Nil	Nil	8000	80000 (1.90%)
Mr Vinod Kumar Garg (Appointed w.e.f. 01-06-2012)	Director	8000	Nil	Nil	8000	1000 (0.02%)
Mrs Saroj Garg (Appointed w.e.f. 01-06-2012)	Director	8000	Nil	Nil	8000	1000 (0.02%)
Mr Pawas Aggarwal (Resigned w.e.f. 01-06-2012)	Director	8000	Nil	Nil	8000	Nil
Mrs Shradha Jain (Appointed w.e.f. 01-06-2012)	Director	Nil	Nil	Nil		Nil

5. INVESTORS' GRIEVANCE COMMITTEE

(i) The Company has constituted an "Investors' Grievance Committee" to look into redressal of Shareholder's / investors' complaints, to approve share transfer, share transmission etc and to oversee all matters connected with the Shareholders.

(ii) **Composition:** The Investor's Grievance Committee comprises of the following Directors:

The committee met Two times during the year on 03-08-2012 and 04-01-2013.

Name of the Director	Category
Mr Anil Aggarwal	Chairman(Non Executive Independent)
Mr Ankush Aggarwal	Member (Non Executive Independent)
Mr Raj Pal Aggarwal	Member(Promoter & Executive)

(iii) Mr Bal Kishan Aggarwal is the Compliance Officer of the Company for the purpose of Clause 47 of the Listing Agreements to look after the compliances under the Listing Agreement and other SEBI Rules & Regulations etc.

(iv) During the financial year, there is no investor complaint were received and no investor complaint were pending at the end of the financial year 31st March, 2012.

6. GENERAL BODY MEETINGS

a). **Annual General Meetings:** Particulars of past three Annual General Meetings of the Company:

Year	Date	Venue	Time	No. of Special Resolution(s) passed
2010	30.09.2010	Delhi Mile Stone 78 K.M, G.T. Road, NH-1, Village Jhattipur, Post Box-3 Post Office, Samalkha, Panipat-132103(Haryana)	11:00 AM	NIL
2011	30.09.2011	Delhi Mile Stone 78 K.M, G.T. Road, NH-1, Village Jhattipur, Post Box-3, Post Office, Samalkha, Panipat-132103(Haryana)	11:30 AM	NIL
2012	29.09.2012	Delhi Mile Stone 78 K.M, G.T. Road, NH-1, Village Jhattipur, Post Box-3, Post Office, Samalkha, Panipat-132103(Haryana)	11:30 AM	NIL

b). Postal Ballot: No resolution has been passed through postal ballot process during the last three years. Further, there is no resolution proposed in the proposed AGM to the passed through postal ballot process.

7. DISCLOSURES

(a) Related Party Transactions

There are no materially significant related party transactions with its Promoters, the Directors or the Management, their Subsidiaries or Relatives etc., which may have potential conflict with the interest of the company at large.

(b) Non compliance by the Company, Penalties, Structures

There were no instances of non-compliance by the Company, penalties, structures imposed on the Company by the Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the last three years.

(c) Non mandatory requirements

The Company proposes to adopt the non-mandatory requirements including adoption of Whistle Blower Policy given in Annexure-3 of Clause 49 of the listing agreement in due course of time.

8. CODE OF CONDUCT

The Board has formulated a code of conduct for the Board members and senior management of the Company. All Board members and senior management personnel have affirmed their compliance with the code.

Declaration on compliance with code of conduct by the Chairman & Managing Director:

The Board has formulated a code of conduct for the Board members and senior management of the Company.

It is hereby affirmed that all the Directors and senior management personnel have complied with the code of conduct framed by the Company and a confirmation to that effect has been obtained from the directors and senior management.

Sd/-

Bal Kishan Aggarwal
Chairman & Managing Director

9. MEANS OF COMMUNICATION

(a) At present quarterly/ half-yearly reports are not being sent to each household of shareholders.

(b) The Quarterly / half-yearly / annual accounts results are published in the English and Hindi Newspapers.

- Which newspaper normally published in Pioneer (English) & Vir Arjun (Hindi)
- Any website where displayed Yes – www.indocotspin.com

(c) The Management Discussion and Analysis forms a part of the Annual Report.

10. GENERAL SHAREHOLDERS INFORMATION

i) Annual General Meeting

Day & Date	Time	Venue
Monday, September 30, 2013	11.30 A.M.	Delhi Mile Stone 78 K.M, G.T.Road, NH-1, Village Jhattipur, Post Box-3, Post Office, Samalkha, Panipat-132103(Haryana)

ii) Financial Calendar

Events	Tentative time frame
Financial Reporting for the first quarter ended 30 th June, 2012	31 st July, 2013 (actual)
Financial Reporting for the second quarter ending 30 th September, 2012	By 15 th November 2013
Financial Reporting for the third quarter ending 31 st December, 2012	By 15 th February 2014
Financial Reporting for the fourth quarter ending 31 st March, 2013	By 15 th May 2014

- iii) **Dates of Book Closure** 27th September, 2013 to 30th September, 2012 (Both days inclusive)
- iv) **Dividend Payment Date** Not applicable
- v) **Listing on Stock Exchanges:** The Shares of the Company is listed on the Delhi Stock Exchange Ltd, Jaipur Stock Exchange Ltd and Ahmedabad Stock Exchange Ltd.
- vii) **Market Price Data :** As there is no trading on Delhi, Jaipur of Ahmedabad stock exchanges, the stock market data, pertaining to Monthly High and Low prices of Equity shares of the Company, during the previous financial year are not available.
- viii) **Registrar and Share Transfer Agent & Share Transfer System**
The Company has not appointed Registrar & Share Transfer Agent. Share registry works are handles In-house by the Company.

ix) Distribution of Shareholding as on 31st March 2012:

Share Range		Shareholders		Share Amount	
		Number	% to Total	In Rs.	% to Total
(1)		(2)	(3)	(4)	(5)
Up to 500		424	76.951	19850	0.473
501	1000	64	11.615	51900	1.236
1001	2000	13	2.359	16200	0.386
2001	3000	4	0.726	10900	0.259
3001	4000	4	0.726	14600	0.348
4001	5000	13	2.359	64500	1.536
5001	10000	6	1.089	45500	1.083
10001 and 9999999		23	4.174	3973950	94.680
Total		551	100.000	4200500	100

- x) **Dematerialization of shares and liquidity:** the Company has not yet admitted with any of the Depositories namely National Security Depositories Ltd. (NSDL) or Central Depository Services Ltd. (CDSL).
- xi) There are no outstanding GDRs/ ADRs/ Warrants or any Convertible other Instruments as on the date.
- xii) **Factory Locations:** The Company has nonwoven plant located at:
Delhi Mile Stone 78 K.M, G.T, Road, NH-1, Village Jhattipur,
Post Box No-3, Post Office, Samalkha, Panipat-132103(Haryana)

xiii) Address for Correspondence: The shareholders may send their communication grievances/ queries to the Registrar and Share Transfer Agents at their Address mentioned above or to the Company at:

Investor Relation Centre
Indo Cotspin Limited
Delhi Mile Stone 78 K.M, G.T, Road, NH-1, Village Jhattipur,
Post Box No-3, Post Office, Samalkha, Panipat-132103(Haryana)

11. NON-MANDATORY REQUIREMENTS

The Company proposes to adopt the non-mandatory requirements given in Annexure-3 of Clause 49 of the listing agreement in due course of time.

CEO/CFO Certification

We, Bal Kishan Aggarwal, Managing Director and Raj Pal Aggarwal, Whole Time Director, responsible for the finance function certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year ended 31st March 2013 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) To the best of our knowledge and belief, no transactions entered into by the company during the years which are fraudulent, illegal or violative of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit committee
 - (i) Significant changes in internal control over financial reporting during the year;
 - (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) Instances of significant fraud of which they have become aware and 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
For **Indo Cotspin Limited**

Place : Panipat
Date : 25th August, 2012

Bal Kishan Aggarwal
Chairman & Managing Director
DIN: 00456219

Raj Pal Aggarwal
Whole Time Director
DIN: 00456189

LALITA BANSAL**COMPANY SECRETARIES**

G-3, Industrial Area, Sarawati Vihar, PANIPAT-132 103 (HARYANA),

M 09254107191, e.mail.: caparveenbansal@sify.com

CERTIFICATE OF COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE

To
The Members of
Indo Cotspin Limited

We have examined the compliance of conditions of Corporate Governance by Indo Cotspin Ltd. (hereinafter referred as "the Company") for the year ended March 31, 2013, as stipulated in clause 49 of the listing agreement of the said Company with the stock exchanges on Corporate Governance.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement on Corporate Governance.

We further state that no investor grievance(s) are pending for a period exceeding one month against the Company as per the records maintained by the Investor's Grievance Committee.

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

PLACE: PANIPAT
DATE : 25TH AUGUST, 2013.

FOR LALITA BANSAL
COMPANY SECRETARY

MEMBER NO. 32489
CP. 12307 DT. 16/08/2013
PAN NO. AJBPB0215E
ADDRESS:- G-3 ,INDUSTRIAL
AREA, SARSWATI VIHAR,
PANIPAT-13210
MOBILE. 09254107191

INDO COTSPIN LIMITED**Regd. Office:** Delhi Mile Stone 78 K.M, G.T. Road, NH-1Village Jhattipur, Post Box-3, Post Office, Samalkha, Panipat-132103(Haryana)**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****Cautionary Statement**

The management Discussion and Analysis Report may contain certain statements that might be considered forward looking. These statements are subject to certain risks and uncertainties. Actual results may differ materially from those expressed in the statement as important factors could influence Company's operations such as Government policies, economic development, political factors and such other factors beyond the control of the Company.

Overview, Industry Structure & Developments

Giving importance to fashion and trend is the foremost adage for our company, Indo Cotspin Limited incepted in the year 1995, the Company is renowned Manufacturer, Exporter, Importer and Trader of Non Woven Products such as Non-Woven Fabrics, Non-Woven Carpets, Felts, Automatic Felts, Non-Woven Designer Carpets and many others.

Product Range

- Non-Woven Fabrics
- Non-Woven Carpets
- Non-Woven Felts
- Non-Woven Automotive Felts
- Non-Woven Designer Carpets
- Non-Woven Filter fabrics
- Non-Woven geo textiles
- Jute-matting
-

The Indian economy including the Textile Industry has been facing unprecedented period of difficulty, due to slowing down of GDP growth rate, rupee depreciation and increasing current account deficit. The uncertainties in the export policy of Government of India related to cotton fibre and cotton yarn have added to the woes of the Textile Industry. However, we are confident about the bright future of Textile Industry in long term. At present, Textile Industry in India is one of the most modern as compared to our competitors such as Pakistan and China.

Product wise performance

Product wise performance of the Company has been mentioned in the attached balance sheet of the Company.

Opportunities & Threats

The new age Indian consumer, the organized retail potential, which is creating the huge consumption opportunity, is by far the biggest Opportunity for companies like us. With the aspirational and rich class in India having a better penetration, our product led growth will help the company in both the immediate and long run. Also, with the rural India being revisited by marketers through the modern retail philosophy, the opportunity is huge.

Competition from Indian and global players remain a matter of concern and probable threat; while the company is well prepared to tackle such issues on an ongoing basis.

Risks & Concern

There is stiff competition in the Non-woven fabrics market with new national and international entrants. On a macro level business continues to be impacted by changes in Government Policy and International Markets.

- Factors that may affect results of operations
- Fluctuation and increase in raw material prices.
- Non-availability of raw material and other resources
- Supply of Power
- New Competitive products
- Government rules and regulations relating to Textiles Industry
- Any slowdown in the economic growth in general in particular

The Company continues to follow a suitable strategy to modify its risk profile by eliminating and significantly reducing key business risks.

Outlook

From the reports available in public domain, it is believed that the global economic recovery is in its way. It is only hoped that the growth momentum gathers, steam soon and fast. Indian textile industry is generally competitive and considering the positive business conditions developing, outlook for cotton textiles appears to be good.

Human resource / Industrial relations

The Company recognizes the importance and contribution of its human resources for its growth and development and is committed to the development of its people.

The Company has cordial relations with employees and staff. There are no industrial relations problems during the year and the Company does not anticipate any material problems on this count in the current year. The management is also committed to help the employees and workers to sharpen their skills and to improve their knowledge base.

Internal Control Systems and Adequacy

The Company has disciplined approach to cost and follows prudential norms in every sphere of its activities. The Profit making is put at the center of decision making. The cost are budgeted, reviewed and monitored. The Company has established internal control systems for ensuring optimum use of resources and safeguarding the assets. The Internal Control Systems and procedure are adequate and commensurate with the size of the Company. These business control procedures ensure efficient use and protection of the resources and compliance with the policies, procedures and status.

ANIL AVIRAL & CO.
Chartered Accountants

1231-A, BINDLE BHAWAN,
I.B. SCHOOL LANE, G.T. ROAD,
PANIPAT-132103.

INDEPENDENT AUDITOR'S REPORT

To
The Shareholders
Indo Cotspin Limited
Panipat

Report on Financial Statements

1. We have audited the accompanying financial statements of Indo Cotspin Limited, which comprise of the Balance Sheet as at 31 March, 2013 and the Statement of Profit & Loss and the Cash Flow Statement for the year ended 31 March, 2013 and summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. Management is responsible for the preparation of these financial statements in accordance with the provisions of Companies Act, 1956. This responsibility includes the design, implementation and maintenance of Internal Control relevant to the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with the ethical requirement and plan & perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend upon the auditor's judgement, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the said accounts together with the notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) In the case of Balance Sheet, of state of affairs of the company as at 31 March, 2013.
 - (ii) In the case of Profit & Loss Account, of the profit for the year ended on that date; and

(iii) In the case of Cash Flow Statement, of Cash Flows for the year ended on that date.

Report on Other Legal and Regulatory Matters

7. The Balance Sheet and the Profit & Loss Account have been drawn up in accordance with the provisions of section 211 of the Companies Act, 1956.
8. We report that:
 - (i) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory.
 - (ii) In our opinion, proper books of accounts as required by the law have been kept by the company, so far, as appears from our examination of such books.
9. In our opinion, the Balance Sheet, Profit & Loss Account and the Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
10. We further report that:
 - (i) The Balance Sheet and the Profit & Loss Account dealt with by this report are in agreement with the books of accounts.
 - (ii) On the basis of written representations received from the directors, as on 31 March, 2013 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2013 from being appointed as a director in terms of clause(g) of sub-section (1) of section 274 of the Companies Act, 1956.

ANIL AVIRAL & CO.
Chartered Accountants

**1231-A, BINDLE BHAWAN,
I.B. SCHOOL LANE, G.T. ROAD,
PANIPAT-132103.**

ANIL AVIRAL & CO.
Chartered Accountants

**1231-A, BINDLE BHAWAN,
I.B. SCHOOL LANE, G.T. ROAD,
PANIPAT-132103.**

Annexure to Auditor's Report

1. In respect of its Fixed Assets:
 - (a) The Company had maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.
 - (b) As explained to us, the fixed assets have been physically verified by the management during the year, in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the company and nature of its fixed assets. No material discrepancies were noticed on such physical verification.
 - (c) In our opinion, the company has not disposed of substantial part of fixed assets during the year and the going concern status of the company is not affected.

2. In respect of its Inventories:
 - (a) As explained to us, inventories have been physically verified by the management at regular intervals during the year.
 - (b) In our opinion and according to the information and explanations given to us, the procedure of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - (c) The company has maintained proper records of inventories. As explained to us, there was no material discrepancies noticed on physical verification of inventory as compared to the book records.

3. In respect of Loans:
 - (a) As per the information furnished, the company has not granted any loans, secured or unsecured, to the company, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
 - (b) As the party has not granted any loans, secured or unsecured to the companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956, the clause (iii) (b) of the order is not applicable.
 - (c) As the company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956, the clause (iii) (c) of the order is not applicable.
 - (d) As the company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956, the clause (iii) (d) of the order is not applicable.
 - (e) As per the information furnished, the company has not taken any loans, secured or unsecured, from the companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.

- (f) As the company has not taken any loans, secured or unsecured from the companies, firms or the other parties covered in the register maintained under section 301 of the Companies Act, 1956, the clause (f) of the order is not applicable.
 - (g) As the company has not taken any loans, secured or unsecured from the companies, firms or the other parties covered in the register maintained under section 301 of the Companies Act, 1956, the clause (g) of the order is not applicable.
 - (h) There is no overdue amount outstanding regarding loans.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the company and the nature of its business for the purchase of inventory fixed assets and also for the sale of goods. During the course of audit, we have not observed any major weaknesses in internal controls.
5. In respect of the transactions covered under Section 301 of the Companies Act, 1956.
- (a) In our opinion and according to the information and explanations given to us, particulars of contracts or arrangements, referred to in section 301 of the Act have been entered in the register required to be maintained under that section, and
 - (b) The transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. The company has not accepted any deposits from the public and therefore section 58A, 58AA or any other relevant provisions of the Companies Act, do not apply.
7. In our opinion, the internal audit system of the Company is commensurate with its size and nature of the business.
8. We have broadly reviewed the cost records maintained by the company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209 (1) (d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed cost records have been maintained. We have however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
9. In respect of Statutory Dues:
- (a) According to the records of the Company, undisputed statutory dues including Provident Fund, Investor Education, and Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other Statutory Dues have been generally regularly deposited with the appropriate authorities, except the fees of Rs. 2,18,273.00 payable to Stock Exchange regarding previous years.
 - (b) According to the information and explanations given to us, no disputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2013 for a period of more than six months from the date of becoming payable.

10. The company has accumulated business losses of Rs. 93,75,360.18 as on 31st March, 2013 and the company has not incurred any cash losses during the financial year covered by our audit or in the immediately preceding financial year.
11. Based on our audit procedure and according to the information and explanation given to us, we are of the opinion that the company has not defaulted in repayment of dues to financial institutions, banks or any other organization.
12. In our opinion and according to the information and explanation given to us, no loans & advances have been granted by the company on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore clause 4(xiii) of the Companies (Auditor's Report) Order 2003 is not applicable.
14. In our opinion, the company is not engaged in trading of securities, debentures and other investments, etc. Therefore clause 4(xiv) of the Companies (Auditor's Report) Order 2003 is not applicable to the Company.
15. The company has not given any guarantee for loan taken by others from bank or financial institutions.
16. The Company has not raised any term loan during the year.
17. According to the information and explanations given to us, on overall basis, funds raised on short term basis have, prima facie, not been used during period for long term investments.
18. During the year, the company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956
19. The company has not issued any debentures during the year.
20. The company has not raised any money by way of public issue during the year.
21. In our opinion and according to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year that causes the financial statements to be materially misstated.

**For Anil Aviral & Co.
Chartered Accountants**

**FCA Anil Kumar
Proprietor
M.No. 82187
Firm Regd. No. 007733N
Panipat : May 15, 2013**

INDO COTSPIN LIMITED**ANNUAL REPORT 2012-13**

ANIL AVIRAL & CO.
Chartered Accountants

1231-A, BINDLE BHAWAN,
I.B. SCHOOL LANE, G.T. ROAD,
PANIPAT-132103.
Ph. No. 0180-2630831

INDO COTSPIN LIMITED
REGD. OFFICE : DELHI MILSTONE 78KM, G. T. ROAD, NH-1,
VILLAGE-JATTIPUR, POST BOX NO.-3, POST OFFICE SAMALKHA, PANIPAT
BALANCE SHEET AS AT 31ST MARCH, 2013

<u>PARTICULARS</u>	<u>NOTE NO.</u>	<u>AS AT</u> <u>31.03.2013</u>	<u>AS AT</u> <u>31.03.2012</u>
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2.01	4,20,05,000.00	3,97,43,036.00
(b) Reserves & Surplus	2.02	33,47,675.82	(97,47,579.11)
(2) Non-Current Liabilities			
(a) Deferred Tax Liabilities (Net)	2.30	14,88,832.03	13,25,654.16
(b) Long Term Provisions	2.03	5,42,667.00	4,94,359.00
(3) Current Liabilities			
(a) Short Term Borrowings	2.04	(53,71,117.80)	(54,56,288.10)
(b) Trade Payables	2.05	1,57,03,747.60	2,06,88,446.00
(c) Other Current Liabilities	2.06	3,70,089.00	3,45,557.00
(d) Short-Term Provisions	2.07	1,34,827.00	2,11,664.00
Total Equity & Liabilities		5,82,21,720.65	4,76,04,848.95
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets	2.08		
(i) Tangible Assets		2,29,07,049.93	2,19,51,222.14
(ii) Intangible Assets		0.00	0.00
(iii) Capital Work-in Progress		0.00	0.00
(b) Non Current Investments	2.09	77,89,657.00	78,66,486.00
(c) Long Term Loans & Advances	2.10	1,96,750.00	1,96,750.00
(2) Current Assets			
(a) Inventories	2.11	1,16,40,902.00	60,56,176.00
(b) Trade Receivables	2.12	1,11,04,324.94	99,83,847.85
(c) Cash & Cash Equivalentents	2.13	41,00,513.22	10,90,600.10
(d) Short -Term Loans & Advances	2.14	4,75,774.56	4,59,766.86
(e) Other Current Assets	2.15	6,749.00	0.00
Total Assets		5,82,21,720.65	4,76,04,848.95

INDO COTSPIN LIMITED

ANNUAL REPORT 2012-13

ANIL AVIRAL & CO.
Chartered Accountants

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INDO COTSPIN LIMITED
REGD. OFFICE : DELHI MILSTONE 78KM, G. T. ROAD, NH-1,
VILLAGE-JATTIPUR, POST BOX NO.-3, POST OFFICE SAMALKHA, PANIPAT
BALANCE SHEET AS AT 31ST MARCH, 2013

<u>PARTICULARS</u>	<u>NOTE NO.</u>	<u>AS AT</u>	<u>AS AT</u>
		<u>31.03.2013</u>	<u>31.03.2012</u>
Significant Accounting Policies	1		
Notes to Accounts	2		
As per our separate report of even date.			

For Anil Aviral & Co.

Chartered Accountants

For Indo Cotspin Limited

(FCA Anil Kumar)

Proprietor

Membership No. 082187

Firm's Regn. No. 007733 N

(Raj Pal Aggarwal)

Whole Time Director

DIN: 00456189

(Bal Kishan Aggarwal)

Managing Director

DIN: 00456219

Place : Panipat

Date : 15 May, 2013

INDO COTSPIN LIMITED**ANNUAL REPORT 2012-13**

ANIL AVIRAL & CO.
Chartered Accountants

1231-A, BINDLE BHAWAN,
I.B. SCHOOL LANE, G.T. ROAD,
PANIPAT-132103.
Ph. No. 0180-2630831

INDO COTSPIN LIMITED
REGD. OFFICE : DELHI MILSTONE 78KM, G. T. ROAD, NH-1,
VILLAGE-JATTIPUR, POST BOX NO.-3, POST OFFICE SAMALKHA, PANIPAT
MANUFACTURING, TRADING & PROFIT & LOSS FOR THE YEAR ENDED ON 31.03.2013

<u>PARTICULARS</u>	<u>NOTE NO.</u>	<u>AS AT</u> <u>31.03.2013</u>	<u>AS AT</u> <u>31.03.2012</u>
I. Revenue from Operations	2.16	6,05,74,229.00	5,66,31,463.60
II. Other Income	2.17	7,18,331.00	36,725.00
Total Income		6,12,92,560.00	56,668,188.60
III. Expenditure			
Cost of Material Consumed	2.18	3,30,26,034.90	3,06,58,562.28
Purchase of Stock-in-Trade	2.19	2,27,54,776.95	1,69,07,090.00
(Increase)/Decrease in F.G.,WIP & Stock in Trade	2.20	(25,41,390.00)	17,33,664.00
Employee Benefit Expenses	2.21	19,65,630.00	19,90,168.00
Finance Costs	2.22	22,423.40	65,300.90
Depreciation & Amortisation Expense	2.23	13,84,070.53	11,38,480.36
Other Expenses	2.24	40,10,790.42	30,90,548.90
Total Expenses		6,06,22,336.20	5,55,83,814.44
IV Profit/(Loss) for the year Before Tax		6,70,223.80	10,84,374.16
V Tax Expense:			
(1) Current Tax		1,34,827.00	2,11,664.00
(2) Deferred Tax		1,63,177.87	1,85,643.16
VI Profit/(Loss) for the year After Tax		3,72,218.93	6,87,067.00
VII Earning Per Equity Share:			
Basic/Diluted		0.13	0.27
Significant Accounting Policies	1		
Notes to Accounts	2		

As per our separate report of even date.

For Anil Aviral & Co.

Chartered Accountants

For Indo Cotspin Limited

(FCA Anil Kumar)

Proprietor

Membership No. 082187

Firm's Regn. No. 007733 N

(Raj Pal Aggarwal)

Whole Time Director

DIN: 00456189

(Bal Kishan Aggarwal)

Managing Director

DIN: 00456219

Place : Panipat

Date : 15 May, 2013

**INDO COTSPIN LIMITED
SIGNIFICANT ACCOUNTING POLICIES**

Note:1

A. Basis of Preparation of Financial Statements

The financial statements are prepared on historical cost method , in accordance with the generally accepted accounting principles in India and the provisions of the Companies Act , 1956 .

B. Fixed Assets

(i) Tangible Assets

Fixed assets are stated at cost less accumulated depreciation.

(ii) Intangible Assets

There is no intangible asset.

C. Depreciation and Amortisation

Depreciation on fixed assets is provided to the extent of depreciable amount on Straight Line Method (SLM) at the rates and in the manner prescribed in Schedule XIV to the Companies Act , 1956 over their useful life.

D. Investments

Long term investments are stated at cost.

E. Inventories

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any.

Cost of inventories comprises of cost of purchase , cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition. Stock in process is determined at cost upto estimated stage of production and packing material at average sale prices.

F. Revenue Recognition

Revenue is recognized only when it can be reliably measured . Interest income is recognised on the time proportion basis taking into account the amount outstanding and rate applicable.

G. Sales Tax / Value Added Tax

Sales tax/Value added tax is charged to Profit & Loss account.

H. Provision for Current and Deffered Tax

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act , 1961 . Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. Deferred tax asset is recognised and carried forward only to the extent that there is a virtual certainty that the asset will be realised in future.

I. Contingent Liabilities and Contingent Assets

There is no contingent liability & assets.

INDO COTSPIN LIMITED**ANNUAL REPORT 2012-13**

ANIL AVIRAL & CO.
Chartered Accountants

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INDO COTSPIN LIMITED
REGD. OFFICE : DELHI MILSTONE 78KM, G. T. ROAD, NH-1,
VILLAGE-JATTIPUR, POST BOX NO.-3, POST OFFICE SAMALKHA, PANIPAT
BALANCE SHEET AS AT 31ST MARCH, 2013

Notes to Accounts Forming Integral Part of the Balance Sheet As At 31st March, 2013

<u>PARTICULARS</u>	<u>AS AT</u> <u>31.03.2013</u>	<u>AS AT</u> <u>31.03.2012</u>
Note : 2.01 Share Capital		
A.AUTHORISED SHARE CAPITAL		
50,00,000 Equity Shares of Rs 10/- each.	5,00,00,000.00	5,00,00,000.00
	<u>5,00,00,000.00</u>	<u>5,00,00,000.00</u>
ISSUED & SUBSCRIBED SHARE CAPITAL		
42,00,500 Equity Shares of Rs 10/- each.	4,20,05,000.00	4,20,05,000.00
	<u>4,20,05,000.00</u>	<u>4,20,05,000.00</u>
PAID UP SHARE CAPITAL		
42,00,500 Equity Shares of Rs 10/- each. Fully Paid-Up (Previous Year 32,01,500 Shares of Rs 10/- each)	4,20,05,000.00	3,20,15,000.00
	<u>4,20,05,000.00</u>	<u>3,20,15,000.00</u>
FORFEITED SHARES		
9,99,000 Shares of Rs 10/- each.	0.00	99,90,000.00
Less: Calls In Arrears	0.00	22,61,964.00
	<u>0.00</u>	<u>77,28,036.0</u>
Total	<u>4,20,05,000.00</u>	<u>3,97,43,036.00</u>

The Company has only one class of Equity Share having Par Value of Rs. 10 Per Share and Each Shareholder is eligible for One

Vote Per Share.

9,99,000 Forfeited Shares, were re-issued during the year at a premium Rs. 5 Each.

B. Reconciliation of Number of Equity Shares outstanding at the beginning and at the end of the year.

Number of Shares Outstanding at the beginning of the year	32,01,500.00	32,01,500.00
Add : Number of Shares allotted & paid up during the year	9,99,000.00	0.00
	<u>42,00,500.00</u>	<u>32,01,500.00</u>
Less : Number of Shares Bought Back during the year	0.00	0.00
Number of Shares outstanding at the end of the year.	<u>42,00,500.00</u>	<u>32,01,500.00</u>

Forfeited Equity Shares were re-allotted & paid up during the year at a premium of Rs. 5 each.

C.Details of Shares held by Shareholders having more than 5% of the aggregate shares in the company.

Name of Shareholder	As ast 31st March , 2013		As ast 31st March , 2012	
	No. of Shares Held	% of Shareholding	No. of Shares Held	% of Shareholding
Indo Non Woven Pvt. Ltd.	7,24,000	17.24	-	-
Bal Kishan Aggarwal	4,95,100	11.78	4,95,100	15.47
Raj pal Aggarwal	4,88,900	11.64	4,88,900	15.27
Vishakha Aggarwal	2,28,000	5.43	2,11,700	6.61
Meenu Singla	-	-	2,08,600	6.52
Shama Singla	-	-	2,08,000	6.50
Sanjay Singla	-	-	1,98,400	6.19
Sanil Aggarwal	-	-	1,84,200	5.75

D.Details of Shares allotted/forfeited pertaining to following categories

PARTICULARS	2012-13	2011-12	2010-11	2009-10	2008-09
Fully Paid up by way of Bonus Shares	Nil	Nil	Nil	Nil	Nil
Shares Bought Back	Nil	Nil	Nil	Nil	Nil
Shares Forfeited during the year	Nil	Nil	Nil	Nil	Nil

Note : 2.02 Reserves & Surplus

1 Securities Premium Reserve	49,95,000.00	0.00
Sub Total (A)	49,95,000.00	0.00
2 Capital Reserve	77,28,036.00	0.00
Sub Total (B)	77,28,036.00	0.00
Amount on account of forfeited shares have been transferred to Capital Reserve.		
3 Surplus (Profit & Loss Account)		
Balance Brought forward from Previous Year	(97,47,579.11)	(1,03,79,661.11)
Add : Profit for the year	3,72,218.93	6,87,067.00
Less : Previous Year Exp. Written Off	0.00	54,985.00
Sub Total (C)	(93,75,360.18)	(97,47,579.11)
Total (A+B+C)	33,47,675.82	97,47,579.11

Note : 2.03 Long Term Provisions

1 Retirement Benefits (Gratuity)	5,42,667.00	4,94,359.00
	5,42,667.00	4,94,359.00

Note : 2.04 Short Term Borrowings

1 Secured		
(a) Loan Repayable On Demand		
- From Banks	(53,71,117.80)	(54,56,288.10)

INDO COTSPIN LIMITED

ANNUAL REPORT 2012-13

- From Other Parties	0.00	0.00
(b) Current Liabilities of Long Term Debt (Due within one year)	0.00	0.00
Sub Total (A)	<u>(53,71,117.80)</u>	<u>(54,56,288.10)</u>

Cash Credit Limit of Rs. 48,00,000.00 sanctioned from Union Bank of India was not availed during the year, rather the company have Credit Balance in its Account.

Cash Credit Limit , if availed , is secured by the hypothecation of Current Assets both Current & Future and by the Personal Guarantee of Directors.

2 Unsecured

(a) Loan Repayable On Demand

- From Directors	0.0	0.00
- From Other Parties	0.00	0.00
Sub Total (B)	0.00	0.00

Total (A+B)	<u>(53,71,117.80)</u>	<u>(54,56,288.10)</u>
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NOTE : 2

Notes to Accounts Forming Integral Part of the Balance Sheet As At 31st March, 2013.

Note : 2.05 Trade Payables

1 Micro, Small and Medium Enterprises	0.00.	00
2 Others	1,57,03,747.60	2,06,88,446.00
Total	<u>1,57,03,747.60</u>	<u>2,06,88,446.00</u>

Note : 2.06 Other Current Liabilities

1 Statutory Dues

(a) Auditor Remuneration Payable	40,500.00	40,500.00
(b) T.D.S. Payable	4,500.00	4,500.00
(c) Stock Exchange Fees Payable	2,18,273.00	2,03,273.00

2 Employee Expenses

(a) Wages Payable	54,280.00	51,296.00
(b) Salary Payable	10,029.00	16,500.00
(c) Labour Welfare Payable	240.00	125.00

3 Creditors for Other Expenses

(a) Telephone Bill Payable	15,885.00	9,046.00
(b) Security Service Exp. Payable	14,382.00	14,317.00
(c) Fees & Taxes Payable	12,000.00	6,000.00

4 Creditors for Capital Goods

	0.00	0.00
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5 Advance from Customers	0.00	0.00
Total	<u>3,70,089.00</u>	<u>345,557.00</u>

Note : 2.07 Short Term Provisions

1	Provision for Taxation	<u>1,34,827.00</u>	2,11,664.00
	Total	<u>1,34,827.00</u>	<u>2,11,664.00</u>

Note : 2.09 Non Current Investments

1	Investment In Popular Plant	48,627.00	48,627.00
2	Investment In Property (Plots)	<u>77,41,030.00</u>	78,17,859.00
	Total	<u>77,89,657.00</u>	<u>78,66,486.00</u>

1.1 Reconciliation of Investment In Plots at the beginning and at the end of the year.

	Investment in Plots at the beginning of the year	78,17,859.00	80,55,237.00
	Add : Installments paid during the year	2,33,205.00	5,62,622.00
	Less : Refund for Non Acceptation of Booking	0.00	8,00,000.00
	Less : Plot sold during the year	<u>3,10,034.00</u>	0.00
	Total	<u>77,41,030.00</u>	<u>78,17,859.00</u>

1.2 The above investments are stated at cost.

Note : 2.10 Long Term Loans & Advances

1 Security Deposits			
(a)	Secured Considered Good	1,96,750.00	1,96,750.00
	(b) Unsecured Considered Good	0.00	0.00
	(c) Doubtful	<u>0.00</u>	<u>0.00</u>
	Total	<u>1,96,750.00</u>	<u>1,96,750.00</u>

NOTE : 2

Notes to Accounts Forming Integral Part of the Balance Sheet As At 31st March, 2013.

Note : 2.11 Inventories

1	Raw Materials	56,92,646.00	30,83,746.00
2	Work-In-Progress	40,530.00	62,885.00
3	Finished Goods		
-	Manufactured Goods	43,15,318.00	24,74,858.00
-	Trading Stock	8,86,335.00	1,63,050.00
4	Consumable Stores & Spares	6,25,551.00	2,71,637.00
5	Power & Fuel	<u>80,522.00</u>	0.00
	Total	<u>1,16,40,902.00</u>	<u>60,56,176.00</u>

Note : 2.12 Trade Receivables

1 Outstanding for more than six months			
(a)	Secured Considered Good	18,03,859.94	0.00
	(b) Unsecured Considered Good	0.00	0.00
	(c) Doubtful	<u>23,593.00</u>	<u>0.00</u>
	Sub Total (A)	<u>18,27,452.94</u>	<u>0.00</u>

1231-A, BINDLE BHAWAN,
I.B. SCHOOL LANE, G.T. ROAD,
PANIPAT-132103.

ANIL AVIRAL & CO.
Chartered Accountants

INDO COTSPIN LIMITED

NOTE - 10
FIXED ASSETS
(Amount in Rupees)

PARTICULARS	GROSS BLOCK			DEPRECIATION BLOCK			NETBLOCK		
	AS ON 01.04.2012	ADDITION DURING THE YEAR	DEDUCTIONS DURING THE YEAR	AS ON 31.03.2013	AS ON 01.04.2012	ADDITION DURING THE YEAR	DEDUCTIONS DURING THE YEAR	AS ON 31.03.2013	AS ON 31.03.2012
A. TANGIBLE ASSETS									
LAND	4548411.00	0.00	0.00	4548411.00	0.00	0.00	0.00	4548411.00	4548411.00
BUILDING	7307794.30	0.00	0.00	7307794.30	2838796.33	244080.33	0.00	3182876.66	4124917.64
PLANT AND MACHINERY	43956.00	0.00	0.00	43956.00	0.00	0.00	0.00	43956.00	43956.00
PLANT AND MACHINERY (NEW)	7644317.81	339660.00	0.00	7983977.81	950318.10	375779.62	0.00	1326097.72	6657880.09
FURNITURE AND FIXTURES	318571.00	52490.00	0.00	372061.00	220406.14	21012.68	0.00	241418.82	130642.18
VEHICLES	7448783.00	2214287.00	674571.00	8988499.00	1315683.22	708686.72	408032.32	1616337.62	7372161.38
COMPUTER	209413.51	0.00	0.00	209413.51	156139.44	33945.93	0.00	190085.37	19328.14
FIRE EXTINGUISHERS	11900.00	0.00	0.00	11900.00	1581.25	565.25	0.00	2146.50	9753.50
TOTAL	275914662	2806437.00	674571.00	2946607262	5582924.48	1394070.53	408032.32	658962.89	2290704933
B. INTANGIBLE ASSETS									
TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CAPITAL WORK IN PROGRESS									
TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

A) FIXED ASSETS

Fixed assets are stated at cost less depreciation.

B) DEPRECIATION

Depreciation on fixed assets is provide on Straight Line Method at the rates and in the manner prescribed in schedule XIV to the companies Act, 1956.

2 Others		
(a) Secured Considered Good	92,76,872.00	99,83,847.85
(b) Unsecured Considered Good	0.00	0.00
(c) Doubtful	0.00	0.00
Sub Total (B)	<u>92,76,872.00</u>	<u>99,83,847.85</u>
Total (A + B)	<u>1,11,04,324.94</u>	<u>99,83,847.85</u>

Note : 2.13 Cash & Cash Equivalents

1 Cash-in-Hand		
Cash-in-Hand	1,30,591.12	2,12,356.12
Sub Total (A)	<u>1,30,591.12</u>	<u>2,12,356.12</u>

2 Bank Balances

Balance with Scheduled Banks

Union Bank of India - 36374	4,54,698.98	1,26,779.98
Union Bank of India - 19054	34,848.65	94,945.65
HDFC Bank Limited	5,02,180.21	2,27,077.09
Axis Bank Limited	58,194.26	9,441.26

FDR's with Union Bank Of India	29,20,000.00	4,20,000.00
Sub Total (B)	<u>39,69,922.10</u>	<u>8,78,243.98</u>
Total (A + B)	<u>41,00,513.22</u>	<u>10,90,600.10</u>

Note : 2.14 Short Term Loans & Advances

1 Other Advances (Secured)		
(a) Balance with Income Tax(Advance Tax)	50,000.00	2,15,000.00
(b) Prepaid Expenses	1,63,227.00	1,62,548.00
(c) TDS Receivable	3,644.00	3,413.00
(d) VAT Receivable	2,58,903.56	78,805.86
Total	<u>4,75,774.56</u>	<u>4,59,766.86</u>

NOTE : 2

Notes to Accounts Forming Integral Part of the Balance Sheet As At 31st March, 2013.

Note : 2.15 Other Current Assets

1 Income Tax Refund	6,749.00	0.00
Total	<u>6,749.00</u>	<u>0.00</u>

NOTE : 2

Notes to Accounts Forming Integral Part of the Profit & Loss Account for the Year Ended 31st March, 2013.

PARTICULARS	Year Ended 31st March, 2013	Year Ended 31st March, 2012
Note : 2.16 Revenue from Operations		
1 Domestic Sales	6,05,74,229.00	5,66,31,463.60
2 Export Sales	0.00	0.00
3 Add : Excise Duty	0.00	0.00
Total	<u>6,05,74,229.00</u>	<u>5,66,31,463.60</u>

Note : 2.17 Other Income

1 Interest On FDR's	36,435.00	34,125.00
2 Profit on Sale of Plot	6,64,966.00	0.00
3 Additional Duty Received	16,930.00	0.00
4 Other Income	0.00	2,600.00
Total	<u>7,18,331.00</u>	<u>36,725.00</u>

Note : 2.18 Cost Of Material Consumed

1 Raw Material Consumed	2,65,47,434.60	2,50,32,985.99
2 Consumable Stores & Spares	64,78,600.30	56,25,576.29
Total	<u>3,30,26,034.90</u>	<u>3,06,58,562.28</u>

(a) Previous Year Figure of Raw Material Consumed have been re-organised. Handloom Purchase is transferred to Stock-in-Trade.

(b) Packing Material of Rs. 40,888 in the previous year was also included in Cost of Material consumed which have been t/f to Selling Expenses under the Head Other Expenses.

Note : 2.19 Purchase Of Stock-in-Trade

1 Finished Goods	1,91,52,971.00	1,69,07,090.00
2 Machinery Imported	36,01,805.95	0.00
Total	<u>2,27,54,776.95</u>	<u>1,69,07,090.00</u>

Note : 2.20 (Increase) / Decrease in Finished Goods, WIP & Stock in Trade

1 Opening Stock		
(a) Finished Goods		
Manufactured Goods	24,74,858.00	17,53,839.00
Trading Stock	1,63,050.00	26,46,458.00
(b) Work in Progress	62,885.00	34,160.00
	<u>27,00,793.00</u>	<u>44,34,457.00</u>

NOTE : 2

Notes to Accounts Forming Integral Part of the Profit & Loss Account for the Year Ended 31st March, 2013.

PARTICULARS	Year Ended 31st March, 2013	Year Ended 31st March, 2012
2 Closing Stock		
(a) Finished Goods		
Manufactured Goods	43,15,318.00	24,74,858.00
Trading Stock	8,86,335.00	1,63,050.00
(b) Work in Progress	40,530.00	62,885.00
	<u>52,42,183.00</u>	<u>27,00,793.00</u>
Total (1 - 2)	<u>(25,41,390.00)</u>	<u>17,33,664.00</u>

Note : 2.21 Employee Benefit Expenses

1 Direct Expenses		
(a) Wages	6,49,641.00	6,39,873.00
(b) E.P.F. on Wages	25,407.00	34,448.00
(c) E.S.I. on Wages	35,331.00	33,767.00
(d) Welfare Account	2,430.00	1,395.00
2 Indirect Expenses		
(a) Salaries	1,20,970.00	2,10,495.00
(b) Director's Remuneration	10,56,000.00	9,95,000.00
(c) Staff Welfare	27,543.00	29,184.00
(d) Gratuity	48,308.00	46,006.00
Total	<u>19,65,630.00</u>	<u>19,90,168.00</u>

Note : 2.22 Finance Costs

1 Interest on Working Capital Loan	375.00	42,476.00
2 Bank & Financial Charges	22,048.40	22,824.90
Total	<u>22,423.40</u>	<u>65,300.90</u>

Note : 2.23 Depreciation & Amortisation Expenses

1 Depreciation	13,84,070.53	11,38,480.36
2 Amortisation	0.00	0.00
Total	<u>13,84,070.53</u>	<u>11,38,480.36</u>

Note : 2.24 Other Expenses

1	Manufacturing Expenses		
	(a) Power & Fuel	10,93,374.00	4,06,070.00
	(b) Machinery Repairs & Spares	7,54,981.74	4,53,272.31
	(c) Diesel Expenses	79,600.00	68,198.00
	(d) Electricity Expenses	9,93,091.00	9,00,315.00
	(e) Electrical Expenses	13,577.00	8,030.00
	Sub-Total (A)	<u>29,34,623.74</u>	<u>18,35,885.31</u>
2	Selling & Distribution Expenses		
	(a) Advertisement Expenses	89,499.00	69,611.00
	(b) Commission	0.00	1,13,292.00
	(c) Freight & Cartage (Outward)	6,000.00	24,000.00
	(d) Packing Expenses	45,868.00	40,888.00
	(e) Rebate & Discount	3,499.00	2,097.00
	Sub-Total (B)	<u>1,44,866.00</u>	<u>2,49,888.00</u>
NOTE : 2			
Notes to Accounts Forming Integral Part of the Profit & Loss Account for the Year Ended 31st March, 2013.			
3	Establishment Expenses		
	(a) Auditor Remuneration	45,000.00	45,000.00
	(b) Fees & Taxes	1,42,301.00	8,360.00
	(c) Loss on sale of Car	41,538.68	7,359.00
	(d) Insurance	2,12,939.00	1,39,261.00
	(e) Courier Expenses	12,495.00	18,775.00
	(f) Printing & Stationary	670.00	900.00
	(g) Security Expenses	1,69,560.00	1,55,919.00
	(h) Stock Exchange Fees	15,000.00	39,414.00
	(i) Foreign Tour Expenses	6,600.00	1,80,850.00
	(j) Travelling Expenses	1,15,924.00	1,60,276.00
	(k) Telephone Charges	1,39,198.00	1,33,341.00
	(l) Service Charges on Camera's	22,500.00	17,500.00
	(m) Miscellaneous Expenses	7,575.00	37,820.59
	Sub-Total (C)	<u>9,31,300.68</u>	<u>10,04,775.59</u>
	Total Other Expenses (A+B+C)	<u>40,10,790.42</u>	<u>30,90,548.90</u>

NOTE : 2

Notes to Accounts Forming Integral Part of the Balance Sheet as at 31st March, 2013.

2.25 Provision for Taxation of Rs. 1,34,827.00 for the financial year 2012-13 represents Income Tax computed as per, MAT prescribed under the Income Tax Act, 1961.

2.26 Based on the given by the with the company , in respect of MSME (as defined in the Micro Small & Medium Enterprises Development Act, 2006) there are no outstanding payments to such companies at the end of the year. This has been relied upon by the auditor.

2.27 Remuneration paid/payable to Managing Director and Whole Time Directors.

Particulars	Year Ended 31st March, 2013	Year Ended 31st March, 2012
Director's Remuneration	10,08,000.00	9,60,000.00

2.28 Remuneration paid / payable to Auditors

Particulars	Year Ended 31st March, 2013	Year Ended 31st March, 2012
Statutory Audit Fees	45,000.00	45,000.00

2.29 In the opinion of the Board, the Current Assets, Loans & Advances are approximately of the value stated, if realised, in the ordinary course of business.

NOTE : 2

Notes to Accounts Forming Integral Part of the Balance Sheet as at 31st March, 2013.

2.30 Deferred Taxation

Particulars	Year Ended 31st March, 2013	Year Ended 31st March, 2012
Computation of Deferred Tax Assets/ Liabilities		
Deferred Tax Liabilities on Account of Depreciation Difference	16,56,516.14	14,78,411.09
Less : Deferred Tax Assets on Account of Disallowances under Income Tax Act, 1961	1,67,684.10	1,52,756.93
Net Deferred Tax Liabilities	14,88,832.03	13,25,654.16

2.31 Related Party Disclosures for the Year Ended 31st March, 2013.

(a)	1	Key Management Personnel	Sh. Bal Kishan Aggarwal Sh. Raj Pal Aggarwal Mr. Arpan Aggarwal Mr. Sahil Aggarwal
	2	Relative of Key Management Personnel	Nil
	3	Enterprises that directly/indirectly through one or more intermediaries control or controlled by, or under common control with, the company.	Nil
	4	Associate Company	Indian non- Woven Private Limited
	5	Members or their relatives having significant influence over the company by having an interest in the voting power of of the company.	Nil
	6	Enterprises in which substantial interest in the voting power is owned directly/indirectly by the key management personnel or their relatives including directors and senior management of the company.	Nil
(b) Details of Transaction with the Related Parties			
		Particulars	Details
	1	Key Management Personnel	Rs. 1,008,000.00 (Remuneration Paid)
	2	Relative of Key Management Personnel	Nil
	3	Enterprises where Control Exists	Nil
	4	Associate Company	7,24,000 Shares of Rs 10 Each Plus Rs 5 Premium on Each Share
	5	Members or their relatives having significant influence	Nil
	6	Enterprises in which substantial interest	Nil

NOTE : 2

Notes to Accounts Forming Integral Part of the Balance Sheet as at 31st March, 2013.

2.32 Earning per Share

Particulars	Year Ended 31st March, 2013	Year Ended 31st March, 2012
Profit After Tax	5,35,396.80	8,72,710.16
Weighted Average No. of Equity Shares	42,00,500	32,01,500
Basics/ Diluted EPS	0.13	0.27

2.33 Additional Information, where applicable, pursuant to the provisions of Schedule VI of the Companies Act, 1956, is as under :

A. Licensed Capacity

The Company is not required to obtain License under the Industrial Development & Regulation Act, 1951 as informed by the management; therefore the said details are not applicable.

B. Installed Capacity

The said details are not applicable.

C. Statement of Finished Goods				(Quantity)	
S.No.	Particulars	Opening Stock as on 01.04.2012	Purchase Production 31.03.2013	/Sales	Closing Stock as on
Manufactured					
1	Jute Mat	31,264.88	5,27,563.24	4,74,717.97	84,110.15
2	Non Woven Fabric	36,786.42	2,50,566.00	2,74,489.11	12,863.31
Trading Stock					
3	Handloom (In Mtrs)	0.00	70,221.40	62,200.80	8,020.60
4	Handloom (In Pcs.)	1,583.00	32,578.00	34,061.00	100.00

D. Cost of Material Consumed

Particulars	(Amount in Rupees)		
	Year Ended 31st March , 2013		
	Unit	Quantity	Amount
Poly Fiber	KGS	3,64,133.70	1,45,34,842.60
Backing Cloth	KGS	1,00,237.02	1,20,12,592.00
Dolomite	KGS	5,66,575.00	8,80,649.00
Oil & Chemicals	KGS	91,472.00	55,97,951.30
Total			3,30,26,034.90

NOTE : 2

Notes to Accounts Forming Integral Part of the Balance Sheet as at 31st March, 2013.

E. Value of Imported & Indigenous Raw Material Consumed, Purchases and Percentage with Total Consumption. (Amount in Rupees)

Particulars	Year Ended 31st March , 2013	
	%	Amount
Imported	6.46	36,01,805.95
Indigenous	93.54	5,21,79,005.90
Total	100.00	5,57,80,811.85

F. Expenditure in Foreign Currency (on payment basis)

Particulars	Year Ended 31st March , 2013
Machinery Imported for Trading	36,01,805.95

G. Earnings in Foreign Currency -Nil

H. Amount remitted during the year in foreign currency on dividends and number of non-resident Shareholders - Nil.

I. Value of Imports Calculated on CIF basis by the Company during the financial year in respect of:

S.No.	Particulars	Amount
1	Raw Material & Stock-in-Trade	51,100 USD
2	Capital Goods	Nil
3	Components & Spare Parts	Nil

2.34 A. Registration Details

Registration Number	32541	32541
State Code	5	5
Balance Sheet Date	31.03.2013	31.03.2012

2.34 B. Position Of Mobilisation & Development of Funds

Total Equity & Liabilities	5,82,21,720.65	4,76,04,848.95
Total Assets	5,82,21,720.65	4,76,04,848.95
Equity & Liabilities		
Paid Up Capital	4,20,05,000.00	3,20,15,000.00
Forfeited Shares	0.00	77,28,036.00
Reserves and Surplus	33,47,675.82	(97,47,579.11)
Share Application Money	0.00	0.00
Non Current Liabilities	20,31,499.03	18,20,013.16
Current Liabilities	1,08,37,545.80	1,57,89,378.90
Assets		
Net Fixed Assets	2,29,07,049.93	2,19,51,222.14
Non Current Assets other than Fixed Assets	79,86,407.00	80,63,236.00
Net Current Assets	2,73,28,263.72	1,75,90,390.81

NOTE : 2

Notes to Accounts Forming Integral Part of the Balance Sheet as at 31st March, 2013.

2.34	C. Performance of Company		
	Revenue From Operations	6,05,74,229.00	5,66,31,463.60
	Other Income	7,18,331.00	36,725.00
	 Total Expenditure	6,06,22,336.20	5,55,83,814.44
	Profit before tax	6,70,223.80	10,84,374.16
	Provision for Taxation		
	-Current Tax	1,34,827.00	
	-Deferred Tax	1,63,177.87	1,85,643.16
	Profit after Tax	3,72,218.93	6,87,067.00

2.34	D. Generic Name of the Principal Product of Co.	N.A.
	(As per monetary Terms)	Manufacturing of Non Woven Fabric
	Item Code No.	& Trading of Textiles Goods
	Product Description	

For Anil Aviral & Co.

**Chartered Accountants
For Indo Cotspin Limited**

(FCA Anil Kumar)

Proprietor
Membership No. 082187
Firm's Regn. No. 007733 N

(Raj Pal Aggarwal)
Whole Time Director

DIN: 00456189

(Bal Kishan Aggarwal)
Managing Director

DIN: 00456219

Place : Panipat
Date : 15 May, 2013

INDO COTSPIN LIMITED**ANNUAL REPORT 2012-13**

ANIL AVIRAL & CO.
Chartered Accountants

1231-A, BINDLE BHAWAN,
I.B. SCHOOL LANE, G.T. ROAD,
PANIPAT-132103.
Ph. No. 0180-2630831

INDO COTSPIN LIMITED
CASH FLOW STATEMENT FOR THE PERIOD ENDED ON 31.03.2012

<u>PARTICULARS</u>	<u>YEAR ENDED</u> <u>MARCH 31, 2012</u>	<u>YEAR ENDED</u> <u>MARCH 31, 2012</u>
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit for the year	372218.93	6,87,067.00
Add: Depreciation	13,84,070.53	11,38,480.36
Financial Expenses	22,423.40	65,300.90
Provision for Taxation	1,34,827.00	2,11,664.00
Provision For Gratuity	48,308.00	46,006.00
Loss on Sale of Fixed Assets (Car)	41,538.68	7,359.00
Deferred Tax Liability	1,63,177.87	1,85,643.16
	<u>2166564.41</u>	<u>23,41,520.42</u>
Less: Profit on sale of Fixed Assets/ Plots	6,64,966.00	-
Operating Profit before working capital changes	<u>1501598.41</u>	<u>23,41,520.42</u>
Less: Increase/(Decrease) in Current Assets	6727959.79	(71,03,121.49)
Add: Increase/(Decrease) in Current Liabilities	<u>(5037003.40)</u>	<u>81,74,463.00</u>
Operating Profit After Working Capital Changes	<u>(1,02,63,364.78)</u>	<u>1,76,19,104.91</u>
Less: Provision for Taxation	134827.00	2,11,664.00
Previous Year Expenses	0.00	54,985.00
Net Cash from Operating Activities	<u>(1,03,98,191.78)</u>	<u>1,73,52,455.91</u>
B. CASH FROM INVESTING ACTIVITIES		
Sale of Fixed Assets (Car)	225000.003,	35,000.00
Plot Refund	-	8,00,000.00
Sale of Plots	975000.00	-
Purchase of Fixed Assets	(26,06,437.00)	(54,52,317.00)
Transfer of Plots from Investment	-	(80,55,237.00)
Plot Installment	<u>(2,33,205.00)</u>	<u>(5,62,622.00)</u>
Net Cash from Investing Activities	<u>(16,39,642.00)</u>	<u>(1,29,35,176.00)</u>
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Share Capital	22,61,964.00	-
Proceeds From Share Premium	49,95,000.00	-

INDO COTSPIN LIMITED**ANNUAL REPORT 2012-13**

Proceeds form Forfeiture of Shares	77,28,036.00	-
Proceeds from Secured Loans	85,170.30	(54,56,288.10)
Proceeds from Unsecured Loans	-	-
Net Cash from Financing Activities	<u>1,50,70,170.30</u>	<u>(54,56,288.10)</u>
Less: Repayment of Loans	-	-
Financial Charges	<u>22,423.40</u>	<u>65,300.90</u>
Net Cash Flow from Financing Activities	<u>1,50,47,746.90</u>	<u>(55,21,589.00)</u>
Net increase in Cash & Cash Equivalents	30,09,913.12	(11,04,309.09)
Cash & Cash Equivalents at the Beginning of the Year	<u>10,90,600.10</u>	<u>21,94,909.19</u>
Cash & Cash Equivalents at the End of the Year	<u>41,00,513.22</u>	<u>10,90,600.10</u>

For Anil Aviral & Co.

Chartered Accountants

For Indo Cotspin Limited

(FCA Anil Kumar)

Proprietor

Membership No. 082187

Firm's Regn. No. 007733 N

(Raj Pal Aggarwal)

Whole Time Director

DIN: 00456189

(Bal Kishan Aggarwal)

Managing Director

DIN: 00456219

Place : Panipat

Date : 15 May, 2013

PROXY FORM

INDO COTSPIN LIMITED

**Delhi Mile Stone 78 K.M., G.T. Road, NH-1, Vill : Jhattipur, Post Box No. 3,
Post Office Samalkha, Distt. Panipat, (HARYANA)**

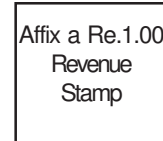
I/We of
.....
.....being a Member/

Members of Indo Cotspin Limited, hereby appoint
of
or failing him
of

as my/our proxy to attend and vote for me/us, and on my/our behalf, at the 19th Annual General Meeting of the Company, to be held on September 30th, 2013 at Delhi Mile Stone 78 K.m. G.T. Road,NH-1,Village Jhattipur, Post Box No. 3, Post Office Samalkha, Distt. Panipat (Haryana) and at any adjournment thereof.

As WITNESS my/our hand(s) this.....day of.....2013

Signed by said



Note : This proxy must be deposited at the Registered Office of the Company at Delhi Mile Stone

ATTENDANCE SLIP

INDO COTSPIN LIMITED

**Delhi Mile Stone 78 K.M., G.T. Road, NH-1, Vill : Jhattipur,
Post Box-3, Post Office Samalkha, Distt. Panipat, (HARYANA)**

- 1. Full Name of Shareholder/ Proxy
- 2. Registered Folio No.
- 3. If Proxy, full name of Shareholders

I hereby record my presence at the 19th Annual General Meeting of the Company, held at Delhi Mile Stone 78 K.M., G.T. Road, NH-1,Village Jhattipur, Post Box No. 3, Post Office Samalkha, Distt. Panipat (Haryana) on September 30th, 2013 at 11.30 a.m.

(Signature of Shareholder/Proxy)

IMPORTANT

This attendance slip may please be handed over at the entrance of the Meeting Hall.

Book Post

If undelivered please return to :

Indo Cotspin Limited

Delhi Mile Stone 78 K.M., G. T. Road,
NH-1, Village Jhatipur, Post Box No 3, Post Office,
Samalkha Distt, Panipat (Haryana)

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