

# Indo Cotspin Limited

BSE SCRIP CODE -538838 - ICL



## 27th

*Annual  
Report*

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**2020 - 2021**

## **27th Annual Report 2020-21**

### **Indo Cotspin Limited**

ISIN/INE 407P01017, BSE SCRIP CODE - 538838-ICL

#### **BOARD OF DIRECTORS**

##### **CHAIRMAN CUM MANAGING DIRECTOR**

Sh. Bal Kishan Aggarwal

##### **WHOLE TIME DIRECTOR**

Sh. Raj Pal Aggarwal

Sh. Arpan Aggarwal

Sh. Sahil Aggarwal

Sh. Sanil Aggarwal (Additional Director)

##### **INDEPENDENT DIRECTOR**

Ms. Shally Aggarwal

Sh. Shubham Singla

##### **AUDITORS**

M/s Manish Jain & Associates

Chartered Accountants

##### **RTA**

**Skyline Financial Services Pvt. Ltd.**

D-153 A, 1st Floor, Okhla Industrial Area,  
Phase-I, New Delhi-110020

Ph:- 011-40450193 - 97, Fax:- 011-41044923

Email Id : viren@skylinerta.com

Website : www.skylinerta.com

##### **REGISTERED OFFICE & WORKS**

Delhi Mile Stone, 78 K.M., NH-44, G.T. Road,  
Village Jhattipur, Post Box-3,

Post Office Samalkha,

Distt. Panipat-132103 Haryana (INDIA)

Website : www.indocotspin.com

Email Id : rajpalaggarwal2000@yahoo.com

info@indocotspin.com

cs@indocotspin.com

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**NOTICE**

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**NOTICE TO THE 27<sup>TH</sup> ANNUAL GENERAL MEETING**

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**Notice** is hereby given that the 27<sup>th</sup> Annual General Meeting of the Members of the Company will be held on Thursday, **2<sup>nd</sup> September, 2021** at the registered office of the Company at Delhi Mile Stone 78 K.M, NH-44 , G.T. Road, Village Jhattipur, Post Box No. 3 , Post Office, Samalkha, Panipat-132103 (Haryana) to transact the following business:

**Ordinary Business**

**Item no. 1: Adoption of Financial Statements**

To receive, consider and adopt the audited financial statements of the Company for the year ended 31<sup>st</sup> March, 2021, including the audited balance sheet as at 31<sup>st</sup> March 2021 and Statement of Profit and Loss Account for the year ended on that date together with the Reports of the Auditors and Directors' thereon.

**Item no. 2: Appointment of Director**

To appoint a director in place of Mr. Raj Pal Aggarwal (DIN: 00456189), who retires by rotation and, being eligible, offers himself for re-appointment.

**Item no. 3: Appointment of Auditors To appoint the Statutory Auditors of the Company and to authorize the Board to fix their remuneration and to pass the following resolution thereof, as an Ordinary Resolution**

"Resolved that, pursuant to the provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, pursuant to the recommendations of the audit committee of the Board, the company hereby appoints M/s Dinesh Kumar Goel and Co., Chartered Accountants, (Firm Registration No.- 011027N) as the Auditors of the company to hold office till the conclusion of the Annual General Meeting (AGM) to be held in the calendar year 2026 at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors."

**Special business**

**Item no. 4:** To regularise the appointment of Mr. **Sanil Aggarwal** (DIN No: 03073407), as Director who was appointed as an Additional Director and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:-

**"RESOLVED THAT** Mr. **Sanil Aggarwal** (DIN No: 03073407), who was appointed as an Additional Director by the Board of Directors with effect from 24.07.2021, in terms of Section 161 of the Companies Act, 2013 and Article of Association of the Company, who holds office up to the date of this Annual General Meeting, be and is hereby appointed as Director of the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all the acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

**Item no. 5: Appointment of Mr. Sanil Aggarwal as a Whole Time Director**

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

**"Resolved That** pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the members be and is hereby accorded to the appointment of Mr. Sahil Aggarwal (DIN: 03073407) who was appointed as an additional director of the company as on 24.07.2021, as a Whole Time Director of the Company, for a period of three (5) years with effect from 02.09.2021 till 01.09.2026, at a remuneration of Rs. 40,000/- (Rupees Forty Thousand only) per month, whether paid as salary, allowance(s), perquisites or a combination thereof.

**Resolved further that** payment towards the following statutory perquisites will not be included in the aforesaid remuneration:

- 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** the aforesaid Whole Time Director 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 Whole Time Director 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."

**Item no. 6: Sale/transfer or dispose-off undertaking of the Company**

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

"RESOLVED THAT pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder (including any statutory amendment(s) or modification(s) or re-enactment(s) thereof, for the time being in force), the provisions of the Memorandum and Articles of Association of the Company, the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time) and subject to the necessary approvals, consents, permissions and/or sanctions from the appropriate authorities and consent of the Members of the Company be and is hereby accorded to Board of Directors of the Company (hereinafter referred to as the "Board") to sell or transfer or otherwise dispose-off its whole or part of undertaking, to the purchaser/third party investor, for a consideration as determined by independent valuer or such higher value, to be discharged in form of cash and/or kind, on such terms and conditions and with such modifications as the Board may deem fit and appropriate in the interest of the Company."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of the Board or any Director(s) or Officer(s) of the Company and to generally do and perform all such acts, deeds, matters and things as it may, in their absolute discretion, deem fit, necessary, proper or desirable, including finalizing, varying and settling the terms and conditions of such sale and to finalize, execute, deliver and perform the agreement, contracts, deeds, undertakings, and other documents in respect thereof and seek the requisite approvals, consents and permissions as may be applicable."

For and on Behalf of the Board  
For Indo Cotspin Ltd.

Date: 24<sup>th</sup> July, 2021  
Place: Panipat

Sd/-  
Bal Kishan Aggarwal  
Chairman & Managing Director  
DIN: 00456219

**NOTES:**

a. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.

**b. APPOINTMENT OF PROXY: A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/PROXIES TO ATTEND AND VOTE IN THE MEETING INSTEAD OF HIMSELF / HERSELF, AND THE PROXY/PROXIES NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY, DULY COMPLETED, MUST BE DEPOSITED AT THE COMPANY'S REGISTERED OFFICE DULY COMPLETED AND SIGNED, NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY FORM FOR THE ANNUAL GENERAL MEETING (AGM) IS ENCLOSED.**

c. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.

d. **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.

e. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

f. Members/Proxies attending the meeting are requested to bring their copy of Annual Report to the Meeting.

g. **Queries at the Annual General Meeting:** 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.

h. **Book Closure:** The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 1<sup>st</sup> September, 2021 to Tuesday, 2<sup>nd</sup> September, 2021 for the purpose of the Annual General Meeting.

i. All the documents, transfers, dematerialization requests and other communications in relation thereto should be addressed direct to the Company's Registrar and Transfer Agent, M/s. Skyline Financial Services Private Limited at D-153A, 1st Floor, Okhla Industrial Area, Phase – I, New Delhi - 110 020.

j. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form shall submit their PAN details to the Company.

k. The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose e-mail IDs are registered with the Company or the Depository Participant(s) unless the Members have registered their request for a hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their e-mail IDs with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit duly filled Attendance Slip at the registration counter to attend the AGM.

l. In compliance with provisions of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and the SEBI (ICDR) Regulations, 2015, the Company is pleased to provide Members facility to exercise their right to vote on resolutions proposed to be considered at the AGM by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the Members

**INDO COTSPIN LIMITED**  
**CIN NO.: L17111HR1995PLC032541**

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using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL). Members who have not cast their vote through remote e-voting facility may cast the vote at the annual general meeting Company the Company through Polling Paper. Resolution(s) passed by Members through Polling Papers or e-voting is / are deemed to have been passed as if they have been passed at the AGM. Detailed instructions with regard to remote e-voting process are enclosed with this AGM Notice.

**Explanatory statement pursuant to section 102 of the Companies Act, 2013 annexed to the notice**

**Item no.: 4 & 5**

Mr. Sanil Aggarwal and instrumental to the growth of the Company. It is proposed to appoint Mr. Sanil Aggarwal as the Whole Time Director of the Company and make payment of remuneration under section 196 and 197 read with Schedule V of the Companies Act, 2013. Proposed payment of remuneration has already been approved by the Nomination and Remuneration Committee of the Board of Directors of the Company.

Further details as required under Section II of Part-II of Schedule V of the Companies Act, 2013 are as below:

**I. General Information**

1.	Nature of Industry	Manufacture of Non-Woven Products such as Non-Woven Fabrics, Non-Woven Felts, Non-Woven Designer, Tufted Carpet.
2.	Date or expected date of commencement of commercial production	The Company is already in existence and is in operation since February, 1995.
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	N.A.
4.	Financial Performance in the FY 2020-21	Amount (Rs. In lakhs)
	Net Sales	784.71
	Other Income	31.37
	<b>Total Revenue</b>	<b>816.08</b>
	Total Expenditure	812.79
	Profit before tax	3.29
	Provision for tax	0.54
	Deferred Tax	-2.02
	<b>Profit after tax</b>	<b>4.77</b>
	EPS (Rs.)	0.07
5.	Export performance and net foreign exchange collaborations	Nil
6.	Foreign investments or collaborators, if any	Nil

**II. Information about the Appointee**

Sr.no.	Particulars	Mr. Sanil Aggarwal
(1)	Background details	Mr. Sanil Aggarwal is having 10 years of experience in nonwoven fabric and other related industry
(2)	Recognition or awards	N.A. N.A.
(3)	Job profile and his suitability	He has expertise in nonwoven fabric/tufted carpet/textiles yarns and other related industry for more than 10 years. He possess superb creative & innovative skills along with supervisory skill. Having good

		knowledge of non woven/tufted carpet/yarns products & textiles products makes him beneficial person for the organization.
(4)	Remuneration proposed	Rs. 40,000/- per month
(5)	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)	The exact figures are not readily available. However, the proposed remuneration is reasonably justified in comparison with the general market trends and remuneration package of top-level managerial persons having comparative qualifications and experience.
(6)	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	The appointees are promoters of the Company. Save as the managerial remuneration and their shareholding in the Company they do not have any other material pecuniary relationship with the Company.

**III. Other Information**

(1)	Reasons for loss or inadequate profits	The Company is in profit. However fixed remuneration is proposed to be paid as minimum remuneration in the event of loss/ absence/ inadequacy of profits due to unavoidable circumstances.
(2)	Steps taken or proposed to be taken for improvement	The Board of directors of the Company is taking their best efforts to improve the business and profitability of the Company.
(3)	Expected increase in productivity and profits in measurable terms	The Company is expected to have improved sales and profitability figures in the next financial years.

**IV. Disclosures**

Necessary disclosure regarding the remuneration component has been disclosed in the Board's Report under the section "Corporate Governance".

The Board recommends the resolution set forth in Item no. 4 to 5 for the approval of the members.

**Item no.: 6**

The Company seeks to take strategic steps of business restructuring. Due to Covid-19, operating cost of the company increased exponentially. Therefore, the company is looking for other business avenues to sustain in long run. This exercise may also lead to disposing-off its whole or part of undertaking.

Hence, your Directors propose resolution under section 180(1)(a) of the Companies Act, 2013 for the approval of the shareholders. Members of the Company are further requested to note that Section 180(1)(a) of the Companies Act, 2013 mandates that the Board of Directors of the company shall exercise the power to sell, lease or otherwise dispose-off the whole or substantially the whole of any undertaking(s) of the company, only with the approval of the members of the Company by way of a special resolution.

None of the Directors, Key Managerial Personnel and their relatives are, in any way, concerned or interested in the proposed resolution. The Board recommends the Special Resolution as set out at Item No. 4 of the Notice of the AGM for approval by the members.

For and on Behalf of the Board  
For Indo Cotspin Ltd.

Date: 24<sup>th</sup> July, 2021  
Place: Panipat

Sd/-  
**Bal Kishan Aggarwal**  
Chairman & Managing Director  
DIN: 00456219

**ANNEXURE TO ITEMS 4 & 5 OF THE NOTICE**

**Details of Directors seeking appointment/re-appointment or increase in remuneration at the forthcoming Annual General Meeting  
(in pursuance of Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 of the Listing Agreement)**

<b>Particulars</b>	<b>Mr. Rajpal Aggarwal</b>	<b>Mr. Sanil Aggarwal</b>
DIN	00456189	03073407
Age	56	29
Nationality	Indian	Indian
Date of appointment on the Board	08/02/1995	24/07/2021
Father's Name	Sri Ram Aggarwal	Rajpal Aggarwal
Date of Birth	10/09/1965	02/09/1991
Address	1324, Sector-12, HUDA, Panipat-132103 HR	1324, Sector-12, HUDA, Panipat-132103 HR
Designation	Whole Time Director	Director
Education/Qualifications	Graduate	Graduate
Expertise in specific functional area	Mr. Rajpal Aggarwal is having 29 years of experience in nonwoven fabric and other related industry.	Mr. Sanil Aggarwal is having 10 years of experience in nonwoven fabric and other related industry
Experience	31 Years	10 Years
Companies in which holds Directorship	INDO NONWOVEN PRIVATE LIMITED	N.A.
Companies* in which holds membership/ chairmanship of committees	Nil	Nil
Shareholding in the Company (No. & %)	488,900 equity shares , (11.64)%	184,200 equity shares (4.39%)
Relationship with other Directors, Manager and other Key Managerial	Brother of Balkishan Aggarwal, Managing Director	Son of Rajpal Aggarwal Whole Time Director
No. of Board meetings attended during the Financial year 2020-21	4	N.A

\* Public Companies



**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-**

The remote e-voting period begins on Monday, 30<sup>TH</sup> AUGUST, 2021 at 9:00 A.M. and ends on Wednesday, 01<sup>ST</sup> SEPTEMBER, 2021 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Wednesday, 25<sup>TH</sup> AUGUST, 2021 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Wednesday, 25<sup>TH</sup> AUGUST, 2021.

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

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





**Step 1: Access to NSDL e-Voting system**

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<p>1. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the "<b>Beneficial Owner</b>" icon under "<b>Login</b>" which is available under '<b>IDeAS</b>' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "<b>Access to e-Voting</b>" under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p> <p>2. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "<b>Register Online for IDeAS Portal</b>" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com">https://www.evoting.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the</p>

	<p>icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p> <p>4.Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p><b>NSDL Mobile App is available on</b></p> <p> <b>App Store</b>       <b>Google Play</b></p> <div style="display: flex; justify-content: space-around;">   </div>
Individual Shareholders holding securities in demat mode with CDSL	<p>1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</p> <p>2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</p> <p>3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a> Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period</p>