

219608



17th

**Annual
Report**

2010 - 2011

Indo Cotspin Limited

17th Annual Report 2010-11

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. Sanjay Kumar Singla

Sh. Pawas Singla

Sh. Saurav Singla

AUDITORS

M/s Anil Aviral & Co.

Chartered Accountants

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

DELHI MILE STONE 78 K.M., G.T. ROAD, NH-1, VILLAGE JHATTIPUR, POST BOX- 3, POST OFFICE SAMALKHA,
PANIPAT -132103, HARYANA (INDIA)

NOTICE

Notice is hereby given that the 17th Annual General Meeting of the members of INDO COTSPIN LIMITED will be held on Friday, September 30, 2011 at 11.30 A.M. at the Registered Office of the company i.e. DELHI MILE STONE 78 K.M., G.T. ROAD, NH-1, VILLAGE JHATTIPUR, POST BOX- 3, POST OFFICE SAMALKHA, PANIPAT -132103, HARYANA (INDIA), to transact the following businesses:

ORDINARY BUSINESS:

1. To consider and adopt the audited balance sheet as at 31st March 2011 and report of the board of directors and auditors thereon.
2. To appoint director in place of Shri Rajpal Aggarwal, who retire by rotation and being eligible offer themselves for reappointment.
3. To appoint director in place of Shri Pawas Aggarwal, who retire by rotation and being eligible offer themselves for reappointment.
4. To appoint director in place of Shri Saurav Singla, who retire by rotation and being eligible offer themselves for reappointment.
5. To reappoint M/s Anil Aviral & Co. chartered accountants as auditors to hold office from the conclusion of this AGM until the conclusion of next AGM and to authorise the board of directors to fix their remuneration.

SPECIAL BUSINESS:**6. REAPPOINTMENT OF SHRI ARPAN AGGARWAL AS WHOLE TIME DIRECTOR**

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

"RESOLVED THAT the pursuant to the provisions of Sections 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII thereof, the consent of Shareholders of the Company be and is hereby accorded to the reappointment of Shri Arpan Aggarwal as Whole Time Director of the Company for further period of 5 years with effect from 01.06.2011 on such terms and conditions including remuneration to be paid @ Rs. 20,000/- per month as set out in the draft agreement submitted to the meeting and initialed by the chairman, for the purpose of identification, which draft agreement is hereby approved and sanctioned with liberty to the Board of Directors to alter and vary the terms and conditions of the said Agreement so as not to exceed the limit specified in Schedule XIII to the Companies Act, 1956 or any amendment thereto, as may be agreed to between the Board of Directors and Shri Arpan Aggarwal."

"RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to take such steps and do all other acts, deeds and things as may be necessary or desirable to give effect to this resolution or connected therewith or incidental thereto."

7. REAPPOINTMENT OF SHRI SAHIL AGGARWAL AS WHOLE TIME DIRECTOR

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

"RESOLVED THAT the pursuant to the provisions of Sections 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII thereof, the consent of Shareholders of the Company be and is hereby accorded to the reappointment of Shri Sahil Aggarwal as Whole Time Director of the Company for further period of 5 years with effect from 01.06.2011 on such terms and conditions including remuneration to be paid @ Rs. 20,000/- per month as set out in the draft agreement submitted to the meeting and initialed by the chairman, for the purpose of identification, which draft agreement is hereby approved and sanctioned with liberty to the Board of Directors to alter and vary the terms and conditions of the said Agreement so as not to exceed the limit specified in Schedule XIII to the Companies Act, 1956 or any amendment thereto, as may be agreed to between the Board of Directors and Shri Sahil Aggarwal."

"RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to take such steps and do all other acts, deeds and things as may be necessary or desirable to give effect to this resolution or connected therewith or incidental thereto."

8. APPOINTMENT OF SHRADHA JAIN AS DIRECTOR

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

"RESOLVED THAT Shradha Jain in respect of whom a notice in writing along with requisite deposit under section 257 of the Companies Act, 1956, has been received by the company, proposing his candidature for the office of Director be and is hereby appointed as Director of the Company, liable to retire by rotation."

By the Order of the Board
For INDO COTSPIN LIMITED

PLACE: Panipat
DATE: 10 August, 2011

BAL KISHAN AGGARWAL
Chairman cum Managing Director

NOTES:

1. A member entitled to attend the meeting is entitled to appoint proxy to attend and vote instead of himself and such proxy need not be a member of the company. The proxy in order to be effective should be duly stamped, completed and signed and must be deposited at the registered office of the company not less than 48 hours before the time for holding the aforesaid meeting.
2. Members/proxies should be in attendance slip for attending the meeting.
3. The register of members and the share transfer book shall remain closed from 24th of September 2011 to 30th September 2011 (both days inclusive).
4. Member seeking any information regarding accounts are requested to write the company at the earliest so as to enable the management to keep the information ready.
5. Members are requested to intimate the company change of address, if any, immediately, for updating of records.
6. Members who are registered under two or more folios are requested to write to company for consolidation of folios.
7. Members are requested to bring the copy of Annual Report along with them to the meeting as copies of Annual Report shall not be distributed at the meeting.

INDO COTSPIN LIMITED

DELHI MILE STONE 78 K.M., G.T. ROAD, NH-1, VILLAGE JHATTIPUR, POST BOX- 3, POST OFFICE SAMALKHA,
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Explanatory Statements Pursuant to Section 173(2) of the Companies Act 1956**ITEM NO. 5**

The Board of Directors of the Company in its meeting held on 31st May 2011 re-appointed Shri Arpan Aggarwal as Whole Time Director of the Company for a further period of 5 years w.e.f from 1st June 2011 at remuneration of Rs 20,000 p.m. each and such other terms and conditions as approved by the Remuneration Committee and Board, subject to the approval of the Shareholders by way of Ordinary Resolution at this Annual General meeting.

Shri Arpan Aggarwal, Whole Time Director of the company, is associated with the company since last 5 years. He has working experience of more than 5 years in the industry.

As Whole Time Director of the company he has been entrusted with the responsibilities of forming and executing the companies' strategies, operational activities, Information Technology needs, and other works entrusted by the Board of Directors from time to time.

The gist of the terms of the agreement entered by the company with him is given below herewith:

REMUNERATION

The Company shall pay the following remuneration to Shri Arpan Aggarwal as Whole Time Director.

1. SALARY AND OTHER FIXED ALLOWANCES:

- a) Salary: Rs. 20,000/- per month
- b) Perquisites: Nil

Other terms and Conditions

- 1) So long as Shri Arpan Aggarwal functions as Whole Time Director he shall not be paid any sitting fee for attending the meeting of the Board of Directors or Committee thereof.
- 2) The Head Quarter of the Whole Time Director shall be at Panipat, where he has to stay regularly for attending to his office.
- 3) The Whole Time Director shall not so long as he functions as such, become interested or otherwise concerned directly or through his wife, sons or unmarried daughters in any selling Agency of the Company in future without the prior approval of the Company and Company Law Board.
- 4) Any dispute of different whatsoever concerning or arising out of this agreement whether during the currency or otherwise shall be entitled by arbitration in accordance with the law relating to the arbitration for the time being in force.
- 5) The appointee shall also be entitled to reimbursement of entertainment expenses actually and properly incurred in the course of legitimate business of the company.

The copy of the agreement entered by the company with Sh. Arpan Aggarwal is available for inspection at the Registered office of the company any day between 10.00A.M. to 3.00 P.M till the date of the Annual General Meeting of the company.

In accordance with the provisions of Section 309 of the Act the terms of remuneration specified above now being placed before the members in general Meeting for their approval.

This may be treated as an extract of the draft terms and conditions of appointment of Shri Arpan Aggarwal pursuant to Section 302 of the Act.

Shri Arpan Aggarwal, who is being appointed, Shri Bal Kishan Aggarwal, Shri Raj Pal Aggarwal, Shri Sahil Aggarwal and Shri Sanil Aggarwal, being relative of Shri Arpan Aggarwal, may also be deemed to be concerned or interested in the said resolution.

The Board recommends passing of the above Resolution 5 as Ordinary Resolution.

ITEM NO. 6

The Board of Directors of the Company in its meeting held on 31st May 2011 re-appointed Shri Sahil Aggarwal as Whole Time Director of the Company a for a further period of 5 years w.e.f from 1st June 2011 at remuneration of Rs 20,000 p.m. each and such other terms and conditions as approved by the Remuneration Committee and Board, subject to the approval of the Shareholders by way of Ordinary Resolution at this Annual General meeting.

Shri Sahil Aggarwal, Whole Time Director of the company, is associated with the company since last 5 years. He has working experience of more than 5 years in the industry.

As Whole Time Director of the company he has been entrusted with the responsibilities of forming and executing the companies' strategies, operational activities, Information Technology needs, and other works entrusted by the Board of Directors from time to time.

The gist of the terms of the agreement entered by the company with him is given below herewith:

REMUNERATION

The Company shall pay the following remuneration to Shri Sahil Aggarwal as Whole Time Director.

1. SALARY AND OTHER FIXED ALLOWANCES:

- a) Salary: Rs. 20,000/- per month
- b) Perquisites: Nil

Other terms and Conditions

- 1) So long as Shri Sahil Aggarwal functions as Whole Time Director he shall not be paid any sitting fee for attending the meeting of the Board of Directors or Committee thereof.
- 2) The Head Quarter of the Whole Time Director shall be at Panipat, where he has to stay regularly for attending to his office.

- 3) The Whole Time Director shall not so long as he functions as such, become interested or otherwise concerned directly or through his wife, sons or unmarried daughters in any selling Agency of the Company in future without the prior approval of the Company and Company Law Board.
- 4) Any dispute of different whatsoever concerning or arising out of this agreement whether during the currency or otherwise shall be entitled by arbitration in accordance with the law relating to the arbitration for the time being in force.
- 5) The appointee shall also be entitled to reimbursement of entertainment expenses actually and properly incurred in the course of legitimate business of the company.

The copy of the agreement entered by the company with Sh. Sahil Aggarwal is available for inspection at the Registered office of the company any day between 10.00A.M. to 3.00 P.M till the date of the Annual General Meeting of the company.

In accordance with the provisions of Section 309 of the Act the terms of remuneration specified above now being placed before the members in general Meeting for their approval.

This may be treated as an extract of the draft terms and conditions of appointment of Shri Sahil Aggarwal pursuant to Section 302 of the Act.

Shri Sahil Aggarwal, who is being appointed, Shri Bal Kishan Aggarwal, Shri Raj Pal Aggarwal, Shri Arpal Aggarwal and Shri Sanil Aggarwal, being relative of Shri Sahil Aggarwal, may also be deemed to be concerned or interested in the said resolution.

The Board recommends passing of the above Resolution 6 as Ordinary Resolution.

ITEM NO. 7

The company has received a notice under section 257 of the Companies Act, 1956 in writing from a member of the company proposing the candidature of Smt. Shradha Jain for the office of Director liable to retire by rotation. The Board consider it beneficial and in the interest of the company to have the guidance and advice of Smt. Shradha Jain and accordingly recommend his appointment as Director of the Company.

The Board recommends passing of the above Resolution 7 as Ordinary Resolution.

None of the directors is deemed to be concerned or interested in the abovesaid resolution.

By the Order of the Board
For INDO COTSPIN LIMITED

PLACE: Panipat
DATE: 10 August, 2011

BAL KISHAN AGGARWAL
Chairman cum Managing Director

Brief Profile of director proposed to be appointed/re-appointed is as follows:**Shri Rajpal Aggarwal**

Shri Rajpal Aggarwal is about 46 year old. He is associated with the company since incorporation and working as whole time director since long. He is graduate and has rich experience of the industry.

Shri Pawas Aggarwal

Shri Pawas Aggarwal is about 29 year old. He is associated with the company since year 2002 as Director. He is Commerce Graduate.

Shri Saurav Singla

Shri Saurav Singla is about 33 year old. He is associated with the company since year 2009 as Director.

Shri Arpan Aggarwal

Shri Arpan Aggarwal is about 24 year old. He is associated with the company since year 2005 as Director. He has done M.B.A.

Shri Sahil Aggarwal

Shri Sahil Aggarwal is about 24 year old. He is associated with the company since year 2005 as Director. He has done M.B.A.

Smt. Shradha Jain

Smt. Shradha Jain is about 22 year old. She is proposed to be appointed as Director at the ensuing Annual General Meeting. She is B.Tech.

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PANIPAT -132103, HARYANA (INDIA)

DIRECTORS REPORT

To

The members

Your directors have pleasure in presenting the 17th Annual Report together with audited accounts for the year ended on 31st March 2011.

FINANCIAL RESULT

The financial results for the year ended on March 31, 2011 are as under:

Particulars	Year ended 31.03.2011	Year ended 31.03.2010
1. Net Sales	47102351.00	59,022,792.00
2. Other income	80035.00	885,147.40
3. Interest	0.00	7775.00
4. Depreciation	895110.00	708475.00
5. Profit before tax	177,491.69	34019.77
6. Profit after tax	152,588.69	28763.77
7. Paid up capital	32,015,000.00	32,015,000.00z

COMPANY PERFORMANCE

During the year ended on March 31, 2011 the company has achieved turnover of Rs. 471.02 Lacks as compared to previous year of Rs. 590.22. The company has made Profits of Rs. 152,588.69 this year as compared to Rs.28763.77 earned last year.

DIRECTOR

Shri Rajpal Aggarwal, Shri Pawas Aggarwal and Shri Mr. Saurav Singla , Director of the company, retire by rotation at ensuing annual general meeting and being eligible offer themselves for reappointment.

Smt. Shradha Jain is proposed to be appointed as Director of the company at the ensuing general meeting.

Shri Tej Parkash has resigned as director of the company w.e.f 1st April, 2010. The Board places on record their sincere appreciation for his active involvement and support.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 217(2AA) of the companies Act, 1956 with respect to the directors responsibility statement, it is hereby confirmed

- that in the preparation of the annual account for the financial year ended March 31, 2011 the applicable accounting standard has been followed along with proper explanation relating to material departure, if any.
- The directors had selected such accounting policies and applied them consistently and made judgments & estimates that are reasonable & prudent so as to give a true & fair view of statement of affairs of the company at the end of the financial year and of the profit & loss of the company for that period:
- The directors had taken proper & sufficient care for the maintenance of adequate accounting record in accordance with the provisions of the Act for safeguarding the Assets of the company and for preventing & detecting fraud & other irregularities; and
- The directors have prepared the annual accounts of the company on a going concern' basis.

DIVIDEND

In view of the need to conserve the resources of the company for future growth, your Directors not recommended any dividend for the year ended March 31, 2011.

PUBLIC DEPOSIT

The company has not invited/or accepted any deposit during the year with in the meaning of section 58-A and 58- AA of the companies Act, 1956.

AUDITORS:

M/S Anil Aviral & Co., Chartered Accountants, Statutory Auditors of the company holds office until the forthcoming annual general meeting and are eligible for reappointment. The company has received letter from them to the effect that their appointments, if made, would be within the prescribed limits under section 224(1-B) of the companies act, 1956.

AUDITORS REPORT:

The notes on accounts referred to in the Auditor's report are self explanatory and thereof do not call for any further comments.

CORPORATE GOVERNANCE

A Certificate regarding compliance of conditions of Corporate Governance as stipulated under clause 49 of the listing Agreement with the Stock Exchanges, form part of the Annual Report.

PARTICULARS OF EMPLOYEES:

No employee is covered under section 217(2a) of the companies Act, 1956 read with companies (particulars of employees) rules, 1975.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

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

ACKNOWLEDGEMENT

Your Directors would like to express their grateful appreciation for the assistance and co-operation received from the Financial Institutions, Banks, Government Authorities, Customers, Vendors and Shareholders during the year under review.

Your Directors also wish to place on record their deep sense of appreciation for the committed services of the executives, staff and workers of the company.

By the order of the board
For INDO COTSPIN LIMITED

BAL KISHAN AGGARWAL
(Managing Director)

RAJ PAL AGGARWAL
(Whole Time Director)

PLACE: Panipat:

DATE: August 10, 2011

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 the 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 measures 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 systems are being used.
- (iv) Lighting devices are sodium vapour, which effect saving in lighting energy usage.

b) Additional investments and proposal, 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) & (b) above for reduction of energy consumption and consequent impact on the cost of production of goods

- (i) reduction in cost of production, through exact quantification is not felt necessary.
- (ii) Improvement in energy usage efficiency.
- (iii) Improvements in plant efficiencies.

d) Total energy consumption and energy consumption per unit of production as per Form A below:

FORM A

(Form for disclosure of particulars with respect to conservation of energy)

A). POWER AND FUEL CONSUMPTION

	2010-11	2009-10
1. ELECTRICITY		
i) Purchase units		
Total amount	726435	33851
Rate/Unit	5.40	4.66
ii) Own Generation	NIL
a) through Diesel Generation unit	NIL	NIL
Total amount	NIL	NIL
Units per litre of Diesel Oil	NIL	NIL
b) through Steam Turbine Generator units		NIL
Total amount	NIL	NIL
Units per litre of fuel/Gas	NIL	NIL
2. Coal (Steam Coal for Boiler)	NIL	NIL
3. Furnace Oil	NIL	NIL
4. Other/Internal Generation	425671	NIL

B) CONSUMPTION PER UNIT PRODUCTION (IN KGS.)

Product: Textiles Materials	2010-11	2009-10
Electricity Units		NIL
Furnace Oil		NIL
Coal	NIL	NIL
Other	NIL	NIL

B. TECHNOLOGY ABSORPTION

(e) Efforts made in technology absorption as per Form B below:

FORM B

Disclosure of particulars with respect to technology absorption.

RESEARCH AND DEVELOPMENT (R & D).

1) Specific Area in which Company carried out the R & D:	N.A.
2) Benefits derived as a result of the above R & D:	N.A.
3) Future plan of action:	N.A.
4) Expenditure on R & D	
Total	Nil Nil
Total R & D as percentage of total sales	Nil Nil

B) TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION.

- Efforts in brief made towards technology absorption, adoption and innovation: No new technology has been adopted during the year.
- Benefits derived as a result of the above efforts e.g. product improvement, cost reduction, product development, import substitution etc: Not Applicable
- In case of improved technology imported during the last 5 years, following information may be furnished.

A) Technology imported	N.A.	N.A.
B) Year of import	N.A.	N.A.
C) Has Technology been fully absorbed	N.A.	N.A.
D) If not absorbed	N.A.	N.A.

C) FOREIGN EXCHANGE EARNINGS AND OUTGO

(f) Activities relating to exports; initiatives taken to increase exports; development of new export markets for products and services; and export plans: The company is still to procure export orders for its products.

(g) Total foreign exchange used and earned: Nil (Previous Year – Nil)

For and on behalf of the Board

BAL KISHAN AGGARWAL (CHAIRMAN CUM MANAGING DIRECTOR)	RAJPAL AGGARWAL (WHOLE TIME DIRECTOR)
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PLACE: Panipat:
DATE: August 10, 2011

COMPLIANCE CERTIFICATE

CIN L17111HR1995PLC032541

Authorised Capital: Rs. 50,000,000/-

Paid up Capital: Rs. 32,015,000/-

To,

The Members,

INDO COTSPIN LIMITED

DELHI MILE STONE, 78 K.M., G.T. ROAD,

NH-1, VILLAGE JHATTIPUR, SAMALKHA,

PANIPAT-132103 HARYANA

I have examined the registers, records, Books and papers of **INDO COTSPIN LIMITED** as required to be maintained under the Companies Act, 1956 (the Act) and the rules made there under and also the provisions contained in the Memorandum and the Article of Association of the Company for the financial year ended on 31st March, 2011. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the company, its officers and agents, I certify that in respect of the aforesaid financial year:

1. The company has kept and maintained all registers as stated in **Annexure "A"** as per the provisions of the Act and the rules made there under and all the entries therein have been duly recorded.
2. The company has filed the forms and the returns as stated in the **Annexure "B"** to this certificate with the Registrar of Companies as prescribed under the Act and the rules made thereunder.
3. The Company has minimum prescribed paid up capital and being a public limited company, the other comments are not required.
4. The Board of Directors duly met 7 (Seven) times respectively on 1/4/2010, 31/05/2010, 31/07/2010, 10/08/2010, 30/10/2010 and 31/01/2011 and 31/03/2011 of which meetings proper notices were given and the proceedings thereat were properly recorded and signed in the minutes Book maintained for the purpose.
5. The company closed its Register of Members from 25th September 2010 to 30th September 2010 and necessary compliance of section 154 of the Act has been made.
6. The Annual General meeting for the financial year ended on 31st March 2010 was held on 30th September 2010 after giving due notice to all the members of the company and the resolution(s) passed thereat were duly recorded in the Minutes Book maintained for the purpose.
7. No Extra Ordinary General meeting was held during the financial year.
8. The company has not entered into any transaction mentioned under section 295 of the Act.
9. The company has not entered into any transaction specified under section 297 of the Act.
10. The company has made necessary entries in the register maintained under section 301 of the Act.

11. As there were no instances falling within the purview of section 314 of the Act, the company was not required to obtain any approval in this respect from the Board of directors, members or Central Govt.
12. The company has not issued any duplicate share certificates during the financial year under review.
13. The company has:
 - (i) Had neither made any allotment of securities and nor received any request of transmission or issue of duplicate shares during the year under review. However the Company has delivered all the certificates on lodgment there of for transfer of shares in accordance with the provisions of the Act.
 - (ii) Not deposit any amount in any separate bank account as the company has not declared any dividend during the year;
 - (iii) Not been required to post any dividend warrant in view of non declaration of dividend;
 - (iv) No unpaid dividend amount in its books of account;
 - (v) Duly complied with the requirements of section 217 of the Act
14. The Board of Directors of the company is duly constituted and the appointment of Director has been duly made.
15. During the year under review, the company has re appointed Managing Director and whole time director of the Company and the appointment of Managing Director/ Whole-time Director were made in compliance with the provisions of Sections 198, 269, 309 read with terms of Schedule XIII. Further during the year under review, Company has also made variation in terms of remuneration of whole time directors in accordance with the provisions of Sections 198, 269, 309 read with terms of Schedule XIII.
16. The company has not appointed any sole selling agents.
17. As per the explanation provided by the Management, company was not required to obtain any approvals of the Central Government, CoZmpany Law Board, Regional Director, Registrar of Companies or other authorities under the various provisions of the Act.
18. The directors have disclosed their interest in the other firms/companies to the Board of Directors pursuant to the provisions of Act and the rules made thereunder.
19. The company has not issued any shares, debentures or other securities during the financial year under review.
20. The company during the year under review has not bought back any shares.
21. The company does not issue any preference shares or debentures, so the provisions of their redemption do not apply to the company.
22. The company has at no occasion required to keep in abeyance the right to dividend, right shares and bonus shares pending registration of transfer of shares.
23. The company has not accepted any deposits and hence the provision of section 58A and 58AA are not applicable to the company.
24. The company has not made any transaction within the purview of section 293 (1) (d) of the Act are not applicable.
25. The company has not made loans/ investments, or given guarantees or provided securities to other bodies corporate.

26. The company has not altered the provisions of the memorandum with respect to the situation of the company's registered office of the company.
27. The company has not altered the provisions of the memorandum with respect to the objects of the company.
28. The company has not altered the provisions of the memorandum with respect to the name of the company during the year under review.
29. The company has not altered the provisions of the memorandum with respect to the share capital of the company.
30. The company has not altered its articles of association.
31. As per the information and explanations given to me by the management and as per our examination of the records, we have not come across with any information or document which suggest that prosecution proceedings is/was initiated against or show cause notices received by the company and fines or penalties or any other punishment imposed on the company during the financial year for any offences under the Act.
32. The company has not received any money as security from its employees.

33. The provision of Section 418 of the Act is not applicable.

JYOTI SURIRA
Company Secretary
C. P. No. 10113

Place: Delhi
Date: 10th August 2011

ANNEXURE "A"

REGISTERS AS MAINTAINED BY THE COMPANY

1. Register of members u/s 150
2. Register of Directors u/s 303
3. Register of Directors Shareholding u/s 307
4. Minute book- Directors u/s 193
5. Minute book – Shareholders u/s 193
6. Register of Share Transfer

ANNEXURE "B"

FORMS AND RETURNS AS FILED BY INDO COTSPIN LIMITED WITH THE REGISTRAR OF COMPANIES DURING THE FINANCIAL YEAR ENDED 31ST MARCH 2011

<u>S. No.</u>	<u>Form No.</u>	<u>Filed for</u>	<u>Date of Filing</u>	<u>Whether filled within prescribed Time</u>
1	Form 32	01.04.201 dt. 26.08.2010	A92431584	No, Additional Fees Paid
2	Form 25C	01.04.2010	A92420504 dt. 26.08.2010	No, Additional Fees Paid
3	Form 25C	01.04.2010	A92419845 dt. 26.08.2010	No, Additional Fees Paid
4	Form 25C	01.04.2010	A92421353 dt. 26.08.2010	No, Additional Fees Paid
5	Form 25C	01.04.2010	A92419282 dt. 26.08.2010	No, Additional Fees Paid
6	Form 23	01.04.2010	A92417989 dt. 26.08.2010	No, Additional Fees Paid
7	Application for grant of immunity certificate under CLSS 2010	01.04.2010	A94151842 dt. 16.09.2010	NA
8	Form 32	30.09.2010	A96942289 dt. 28.10.2010	Yes
9	Form 23 AC/23ACA	31.03.2010	P57222127 dt. 28.10.2010	Yes
10	Form 20B	30.09.2010	P57192643 dt. 28.10.2010	Yes
11	Form 66	31.03.2010	P57181885 dt. 28.10.2010	Yes

REPORT ON CORPORATE GOVERNANCE

The company pursuant to the code of corporate governance introduced by the Securities & Exchange Board of India (SEBI) furnishes its report as under:

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

"INDOCOT SPIN LIMITED" is committed to corporate governance in all its activities and processes and practicing the same. The Board of Directors of the company supports the core and board principles of corporate governance with a motive to achieve the highest levels of transparency, accountability and equity in all phases of operations.

2. BOARD OF DIRECTORS**(a). Size and composition of board**

The board comprises of ten directors. Shri Bal Kishan Aggarwal was appointed as Chairman of the Board of Directors of the Company. The directors are well experienced in the field of business and industry.

None of the Directors on the board holds the office of the Director in more than 15 companies or membership in committees of the board in more than 10 committees or chairmanships of more than 5 committees.

Name of Director	Status
Sh. Bal Kishan Aggarwal	Executive-Interested
Sh. Raj Pal Aggarwal	Executive-Interested
Sh. Arpan Aggarwal	Executive-Interested
Sh. Sahil Aggarwal	Executive-Interested
Sh. Sanjay Singla	Non Executive-Independent
Sh. Saurav Singla	Non Executive-Independent
Sh. Pawas Aggarwal	Non Executive-Independent
Sh. Ankush Aggarwal	Non Executive-Independent
Sh. Sanil Aggarwal	Non Executive-Promoter
Sh. Anil Aggarwal	Non Executive-Independent

(b). Number of board meetings

During the period from 1st April ,2009 to 31st March 2011 the board of directors met Seven times, and board meetings were held on the following dates: -

1st April 2010, 31st May 2010, 31st July 2010, 10th August 2010, 30th October 2010, 31st January 2011 and 31st March 2011.

S.No.	Date of Meeting	Board Strength	No. of Directors present
1	1 st April 2010	11	11
2	31 st May 2010	10	9
3	31 st July 2010	10	9
4	10 th August 2010	10	9
5	30 th October 2010	10	9
6	31 st January 2011	10	4
7	31 st March 2011	10	9

© Attendance of Directors:

Attendance of each Director at the Board Meeting. Last Annual General Meeting and Number of other directorship and Chairmanship/Membership of each director in other companies is as follows:

Name of Director	No of Board Meeting held	No of Board Meeting Attended	Attendance at Last AGM	No of Directorship in other Board as on 31.03.2010	No of Membership in other Committees as on 31.03.2011
Sh. Bal Kishan Aggarwal	7	7	Yes	Nil	Nil
Sh. Raj Pal Aggarwal	7	7	Yes	Nil	Nil
Sh. Arpan Aggarwal	7	7	Yes	Nil	Nil
Sh. Sahil Aggarwal	7	7	Yes	Nil	Nil
Sh. Tej Parkash	1	1	NA	Nil	Nil
Sh. Saurav Singla	7	6	Yes	Nil	Nil
Sh. Pawas Aggarwal	7	6	Yes	Nil	Nil
Sh. Sanjay Singla	7	6	Yes	Nil	Nil
Sh. Sanil Aggarwal	7	Nil	Yes	Nil	Nil
Sh. Anil Aggarwal	7	6	Yes	Nil	Nil
Sh. Ankush Aggarwal	7	6	Yes	Nil	Nil

Note: Shri Tej Parkash has resigned from the Board of Directors w.e.f 01.04.2010.

(d) Remuneration of Directors:

The Company within the statutory limits has determine the remuneration of the Managing Director and Whole Time Director. The company pays sitting fee @ Rs. 800/- for the meeting held during the period form 1st April 2010 to 31st January 2011 and Rs. 1000 for the meeting held there after, for each Board meeting to all non-executive directors. The Details of remuneration paid to the Managing Director and Whole Time Directors for financial year ended 31.03.2011 are as under:

Name of Director	Designation	Salary	Perquisite	Total	Tenure as per Service Contract
Bal Kishan Aggarwal	Managing Director	240000	Nil	240000	01/04/2010 to 31/03/2015
Arpan Aggarwal	Whole Time Director	240000	Nil	240000	01/04/2010 to 31/05/2011 And then from 01/06/2011 to 31/05/2016
Sahil Aggarwal	Whole Time Director	240000	Nil	240000	01/04/2010 to 31/05/2011 And then from 01/06/2011 to 31/05/2016
Raj Pal Aggarwal	Whole Time Director	240000	Nil	240000	01/04/2010 to 31/03/2015

3. BOARD COMMITTEES

The Board has constituted the audit committee, remuneration committee and investors' Grievance committee. The board is responsible for constituting, assigning, co-opting and fixing the terms of reference for the committee. Recommendations/decisions of the committees are submitted to the board for approval. The quorum for the meetings is either two members or one third of the members of the committees and for all other committees.

Audit committee

Audit committee

MEMBERSHIP:- committee has four members

The terms of reference of the committee are as per the SEBI guidelines and the Companies act 1956. The primary objective of the Audit committee is to monitor and provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosures, transparency, integrity and quality of financial reporting. The committee oversees the work carried out in the financial reporting process by the management.

The Audit Committee has been reconstituted on 31.10.2010 with Shri Arpan Aggarwal, Shri Sahil Aggarwal, Shri Pawas Aggarwal and Shri Saurav Aggarwal.

During the financial year ended 31st march 2011 the audit committee met four times on 31st May 2010, 31st July 2010, 30th October 2010, and on 31st January 2011. The attendance record of audit committee members is given below: -

Name	No. of meetings	
	Held	Attended
Pawas Aggarwal (Chairman)	4	4
Arpan Aggarwal	4	4
Sahil Aggarwal	4	4
Saurav Aggarwal	4	4

Remuneration committee

The remuneration committee has been constituted to recommend /review the remuneration package of the managing / whole time directors based on the performance and defined criteria. Remuneration Committee has been reconstituted on 01.04.2010 with Shri Pawas Singla as Chairman and Shri Anil Aggarwal and Shri Saurav Singla as members.

During the year the committee meets once on 31.03.2011 and all members of the committee who are independent, non - executive directors, attend the meeting

Name of director	No. of meetings	
	Held	Attended
Pawas Aggarwal (Chairman)	1	1
Anil Aggarwal	1	1
Saurav Singla	1	1

Shareholders'/investors' Grievance Committee

As a measure of good corporate governance and to specifically look into the redressal of the shareholders and investors complaints, the four member shareholders'/investors' grievance committee was constituted.

The terms of reference of the committee specifically emphasizes on rendering effective and quality service to the investors/shareholders in the following matters: -

- Transfer / transmission of shares;
- Dividends / interests;
- Dematerialization / Rematerialization of shares;
- Replacement of lost / stolen / mutilated share certificates;

- e) Splitting / consolidation;
- f) Conversion; and
- g) Other related issues.

During the financial year ended 31st March 2011, the shareholders'/investors' committee met twice on 15th July 2010 and 15th October 2010. The attendance record of shareholder'/investors' grievance committee members are as follows: -

Name of directors	No. of meetings	
	Held	Attended
Mr. Bal Krishan Aggarwal	2	2
Mr. Raj Pal Aggarwal	2	2
Mr. Arpan Aggarwal	2	2
Mr. Pawas Aggarwal	2	2

The committee is satisfied with the working of the company regarding redressal of shareholders'/investors complaints and its share transfer system.

During the financial year under review no investor complaint were received and no investor complaint were pending at the start and closing of financial year.

4. MANAGEMENT:

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The company has provided a detailed Management Discussion and Analysis Report as Annexure to Directors Report.

5. SHAREHOLDERS

(a) Disclosure regarding appointment/reappointment of directors

According to the articles of association of the company such directors' other than managing director shall retire from the office but shall be eligible for re-election. One third of such of the directors for the time being is liable to retire by rotation shall retire and, if eligible, offer themselves for re-election at the annual general meeting.

(b) Communication to shareholders

The quarterly, half yearly and annual results of the company are reported to the stock exchange where the shares of the company are listed. The company published them in two newspapers one English and one hindi namely Pioneer and Vir Arjun respectively. As per the requirements of the listing agreement, the company is also providing regular information to the stock exchanges and continuously striving to complying with all provisions of the listing agreement. However the company has not filed quarterly results for the quarter ended relating to the year ended 31.03.2011.

(d) General Body Meetings

The last three annual general meeting/Extra Ordinary General Meeting was held at the registered office of the company at 78KM, DELHI MILESTONE, G.T.ROAD, NH-1, VILL. JHATTIPUR, POST BOX-3, P.O.SAMALKHA, DISTT PANIPAT -132103 as per the following details: -

Type	Year	Date	Day	Time
16 th AGM	2010	30.09.2010	Thursday	11:00 am
15 th AGM	2009	30.09.2009	Wednesday	11.30 am
14 th AGM	2008	27.09.2008	Saturday	11.30 am
EGM	2008	02.07.2008	Wednesday	11.30 am

Disclosures

- (a) Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, its directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large: NONE
- (b) Details of non compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any Statutory Authority on any matter related to capital markets, during the last three years: NIL

6. GENERAL SHAREHOLDERS INFORMATION

The following information shall be useful to our shareholders: -

(a) Annual general meeting

The 17th Annual General Meeting of the company will be held on Friday, 30th SEPTEMBER 2011 at 11.00 am at the registered office of the company at Delhi Mile Stone 78 K.M., G.T. Road, NH-1, Village Jhattipur, Post Box- 3, Post Office Samalkha, Panipat -132103, Haryana (India)

(b) Financial year

The last financial year of the company commenced from 1st April 2010 to 31st March 2011 and the next financial year of the company is from 1st April 2011 to 31st March 2012. The tentative financial calendar of the company for the financial year ending on 31st March 2012 is given below: -

Board meeting to take on record	Schedule
Financial results for the quarter ending on June 30, 2011	Will be announced by last week of July, 2011
Financial results for the quarter ending on Sept 30th 2011	Will be announced by last week of October, 2011
Financial results for the quarter ending on Dec 31st, 2011	Will be announced by last week of January 2012
Financial results for the quarter ending on 31st March 2012	Will be announced by last week of May, 2012

(c) Date of book closure

25th September 2011 to 30th September 2011 (Both Days inclusive).

(d) The shares of the company are listed on the following stock exchanges: -

Name and address of stock exchanges
1. Delhi Stock Exchange Ltd. (8608)
2. Jaipur Stock Exchange Ltd. (771)
3. Ahmedabad stock exchange

The company has not paid the annual listing fees of any of above Stock Exchange for the year 2011-2012.

The trading of shares of the company has been suspended from Delhi Stock Exchange, Jaipur Stock Exchange and Ahmedabad Stock Exchange.

- (e) ISIN Number: The Company has to enter into agreement with the Depositories to Dematerialise its shares.
- (f) Market Price data: The Company's Share was not traded on the stock exchanges, during the period under report.
- (g) Share Transfer System: The Company itself looks after the share transfer work. For the Smooth and speedy transfer process, the company has its own share transfer system and share transfer committee, who looks

after the share transfer work and also the investor grievance redressal work.

There are no pending cases for share transfer as on 31.03.2010.

- (h) The company has received no letter or complaint from any investor/ Stock Exchange/ SEBI or other statutory Authorities.

(i) Categories Of Shareholder As On 30th July 2011

SL.NO.	SHARE RANGE	NO.OF HOLDERS	NO.OF SHARES	SHARES %
1	0 - 500	37	10100	0.3155
2	501 - 1000	63	50900	1.5899
3	1001 - 2000	13	16200	0.5060
4	2001 - 3000	4	10900	0.3405
5	3001 - 4000	4	14600	0.4560
6	4001 - 5000	2	9500	0.2967
7	5001 - 10000	4	25500	0.7965
8	10001- 9999999	19	3063800	95.6989
		146	3201500	100.00

SHAREHOLDING PATTERN

Category	No of Share held	% age Holding
Promoters	2142000	66.90
Others	1059500	33.10

COMPLIANCE BY THE COMPANY:

The company has complied with the requirements of the stock exchange, SEBI, and other statutory authorities during the preceding three financial years on all matters related to capital market and no penalty / strictures have been imposed on the company. However the company has not filed quarterly results for the quarter ended relating to the year ended 31.03.2011.

(i) Address for correspondence

All correspondence may be made at the company's corporate office address given below:

Indo Cot Spin Limited

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

Post Box-3, Post Office Samalkha, Dist. Panipat -132103, Haryana (India)

By the Order of the Board
For INDO COTSPIN LIMITED

PLACE: Panipat

DATE: 10 August, 2011

BAL KISHAN AGGARWAL
Chairman cum Managing Director

CERTIFICATE AS PER CLAUSE 49 OF THE LISTING AGREEMENT
REPORT ON CORPORATE GOVERNANCE

To,
 The Members

We have examined the compliance of conditions of corporate governance by INDO COTSPIN LIMITED for the year ended on 31st March 2011 as stipulated in clause 49 of the listing agreement of the said company with Stock Exchanges.

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 in all material aspects with the provisions of clause 49 of the listing agreement as stipulated in the abovementioned clause of the listing agreement.

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 Grievance/ Share Transfer 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.

JYOTI SURIRA
COMPANY SECRETARY
CP 10113

PLACE: DELHI
DATE: August 10, 2011

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. Development in the industry and outlook

The company had set up an open ended spinning project for the manufacturing of cotton yarn but there was a major fire occurred in the factory premises of the company on 19.10.1997 resulting in major loss of plant and machinery, building and inventories etc., which causes delay in factory operations. At present the company is engaged in manufacturing as well as trading of textiles goods and manufacturing of non woven textiles and home furnishing production..

2. Risks & concerns

The company has identified the threats that face the industry, and has already initiated step face for de risking its business, development new production processes & designs, strengthening existing infrastructure to increase productivity and reduce operational costs are part of this endeavor to overcome risks, gain advantage in the changing market place.

3. Quality and cost management

The Company is a cost effective quality producer and has aims to achieve further cost reduction with improvement in existing infrastructure.

Quality control and quality assurance system are being further strengthened. The company has a wealth of trained team to enforce the systems. The awareness levels in quilt control and production departments are high and are regularly upgraded through suitable methods of personnel training.

4. Financial management & Internal controls

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 at regular intervals.

5. Human resources

A knowledge company is built on the strength of its people. The management of the company has been continuously adding skilled and experienced professionals from time to time.

Your company recognized the need for formal human resources planning and strategy, and has initiated steps to create system and producers that will further enhance the work environment. The company values the resources and will endeavor to make them better.

6. Outlook

Indo will face challenges both anticipated & unanticipated. We are poised meet the challenges. The employees and customers remain happy. the balance sheet has improved. The company has a proved its ability to deliver the best quality products constantly and regularly and has resources including technologies to excel.

The company has strong foundation for growth. The set of changes being carried out will transform the future of the company into a better and create wealth of its shareholders. The shareholders can look forward to a better future.

by the Order of the Board
For INDO COTSPIN LIMITED

PLACE: Panipat
DATE: 10 August, 2011

BAL KISHAN AGGARWAL
Chairman cum Managing Director

ANIL AVIRAL & CO.
Chartered Accountants

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

AUDITOR'S REPORT

To,
The Members
Indo Cotspin Limited
Panipat

We have audited the attached Balance Sheet of INDO COTSPIN LIMITED as at March 31st, 2011 and the Profit and Loss Account for the year ended on that date annexed thereto and the cash flow statement for the period ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditor's Report) Order 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in paragraph 4 and 5 of the said order.
3. Further to our comment in the annexure referred to in paragraph 2 above, we report that :
 - a) 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.
 - b) In our opinion, the company has kept proper books of accounts as required by law so far, as appears from our examination of such books.
 - c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts.
 - d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement comply with the mandatory Accounting Standards referred to in section 211(3C) of the Companies Act, 1956.
 - e) On the basis of written representations received from the directors, as on 31st March, 2010, and taken on record by the Board of Directors, we report that none of the directors are being disqualified as on 31st March, 2010 from being appointed as directors in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Significant Accounting Policies and other 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 the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011.
 - (ii) In the case of the Profit and Loss Account, of the Profit for the year ended on that date; and
 - (iii) In the case of cash flow statement, of the cash flows for the year ended on that date.

FOR ANIL AVIRAL & CO.
CHARTERED ACCOUNTANTS
(Firm Regn No. 00773N)

ANIL KUMAR, FCA
PROPRIETOR
M.NO. 082187

PANIPAT: MAY 31, 2011

ANIL AVIRAL & CO.
Chartered Accountants

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

Annexure to Auditors' 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 the 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 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, the Management at regular intervals during the year has physically verified inventories.
 - b. In our opinion and according to the information and explanations given to us, the procedures 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. (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 Company 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 company, 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 companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956, the clause (iii)(f) of the Order is not applicable.
- (g) As the Company 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)(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 is adequate internal control system 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 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 its business.
 8. The Central Government has not been prescribed any maintenance of Cost Records under section 209(1)(d) of the Companies Act, 1956 for any of the product of the company.
 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.188273.00 payable to Stock Exchanges 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, 2011 for a period of more than six months from the date of becoming payable.
 10. The company has accumulated losses of Rs. 10379661.11 Lacs as on 31st March 2011 and the company has not incurred any cash loss during the financial year covered by our audit but or in the immediately preceeding 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 and 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 to the company.
 14. In our Opinion, the company has 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 guarantees for loans taken by others from banks 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 and on overall examination of the Balance Sheet of the Company, we are of the opinion that the Company has not utilized any funds raised from short-term sources towards 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
(Firm Regn No. 007773N)

ANIL KUMAR
Proprietor
M. No. 82187

Panipat: MAY 31,2011

INDO COTSPIN LIMITED

ANNUAL REPORT 2010-11

ANIL AVIRAL & CO.
Chartered Accountants

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

INDO COTSPIN LIMITED
REGD. OFFICE : DELHI MILSTONE 78 KM G.T.ROAD NH-1, VILLAGE
JHATTIPUR POST BOX - 3, POST OFFICE SAMALKHA PANIPAT - 132103 HARYANA (INDIA)

BALANCE SHEET AS AT 31ST MARCH, 2011

PARTICULARS	SCHEDULE	AS AT 31.03.2011	AS AT 31.03.2010
SOURCES OF FUNDS			
SHARE HOLDER FUNDS			
SHARE CAPITAL	1	39,743,036.00	39,743,036.00
		<u>39,743,036.00</u>	<u>39,743,036.00</u>
LOANS FUNDS			
SECURED LOANS	2	0.00	0.00
UNSECURED LOANS		0.00	0.00
		<u>0.00</u>	<u>0.00</u>
DEFERRED TAX LIABILITY	3	1,140,011.00	903,423.00
TOTAL		<u>40,883,047.00</u>	<u>40,646,459.00</u>
APPLICATION OF FUNDS			
FIXED ASSETS			
GROSS BLOCK	4	22,598,865.62	28,696,106.11
LESS: DEPRECIATION	4	4,619,121.12	3,726,386.12
NET BLOCK	4	<u>17,979,744.50</u>	<u>24,969,719.99</u>
		<u>17,979,744.50</u>	<u>24,969,719.99</u>
INVESTMENTS	5	48,627.00	48,627.00
CURRENT ASSETS, LOANS AND ADVANCES			
INVENTORIES	6	15,683,613.00	2,904,905.00
SUNDRY DEBTORS	7	7,743,486.16	3,927,818.57
CASH AND BANK BALANCES	8	2,194,909.19	2,925,904.80
OTHER CURRENT ASSETS	9	82,237.04	329,532.00
LOANS AND ADVANCES	10	290,326.00	481,503.00
		<u>25,994,571.39</u>	<u>10,569,663.37</u>
LESS: CURRENT LIABILITIES AND PROVISIONS			
CURRENT LIABILITIES	11	13,046,301.00	4,580,789.16
PROVISIONS	11	473,256.00	430,607.00
		<u>13,519,557.00</u>	<u>5,011,396.16</u>
NET CURRENT ASSETS		<u>12,475,014.39</u>	<u>5,558,267.21</u>
MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)	12	-	-
PROFIT AND LOSS ACCOUNT	13	10,379,661.11	10,069,844.80
TOTAL		<u>40,883,047.00</u>	<u>40,646,459.00</u>
SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS	20	-	-

AUDITOR'S REPORT
AS PER REPORT OF EVEN DATE

RAJ PAL AGGARWAL
Whole Time Director

FOR ANIL AVIRAL & CO
Chartered Accountants
(Firm Regn No. 00773N)
ANIL KUMAR, F.C.A.
Proprietor
M.No. 82187
PANIPAT :MAY 31, 2011

BAL KISHAN AGGARWAL
Managing Director

ANIL AVIRAL & CO.
Chartered Accountants

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

INDO COTSPIN LIMITED

**REGD. OFFICE : DELHI MILSTONE 78 KM G.T.ROAD NH-1, VILLAGE
JHATTIPUR POST BOX - 3, POST OFFICE SAMALKHA PANIPAT - 132103 HARYANA (INDIA)**

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 31.03.2011

PARTICULARS	SCHEDULE	AS AT 31.03.2011	AS AT 31.03.2010
INCOME			
TURNOVER	14	47,102,351.00	59,002,792.00
OTHER INCOME	15	80,035.00	885,147.00
		<u>47,182,386.00</u>	<u>59,907,939.00</u>
EXPENDITURE			
MATERIAL CONSUMED & COST OF TRADED GOODS	16	41,774,656.12	55,593,498.47
MANUFACTURING EXPENSES	17	2,165,554.08	992,758.36
FINANCIAL EXPENSES	18	4,270.00	28,742.30
SELLING AND ADMINISTRATION EXPENSES	19	2,165,304.11	2,541,731.10
DEPRECIATION	4	895,110.00	708,475.00
MISC EXPENDITURE WRITTEN OFF	12	0.00	8,714.00
		<u>47,004,894.31</u>	<u>59,873,919.23</u>
PROFIT BEFORE TAX		177,491.69	34,019.77
PROVISION FOR CURRENT TAXATION		24,903.00	5,256.00
PROFIT AFTER TAX		152,588.69	28,763.77
DEFERRED TAX LIABILITY/(ASSETS)		236,588.00	188,672.00
NET PROFIT AFTER D.TAX		(83,999.31)	(159,908.23)
ADD: BALANCE BROUGHT FORWARD FROM LAST YEAR		(10,069,844.80)	(9,909,936.57)
LESS PREVIOUS YEAR EXPENSES	20	225,817.00	0.00
BALANCE CARRIED TO BALANCE SHEET		<u>(10,379,661.11)</u>	<u>(10,069,844.80)</u>
SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS	21		
AUDITOR'S REPORT			
AS PER REPORT OF EVEN DATE			
FOR ANIL AVIRAL & CO Chartered Accountants (Firm Regn No. 00773N)		RAJ PAL AGGARWAL (Whole Time Director)	
ANIL KUMAR, F.C.A. Proprietor M.No. 82187 PANIPAT :MAY 3, 2011		BAL KISHAN AGGARWAL Managing Director	

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INDO COTSPIN LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET & PROFIT AND LOSS ACCOUNT

SCHEDULES	AS AT 31.03.2011	AS AT 31.03.2010
1 SHARE CAPITAL		
AUTHORISED		
5000000 EQUITY SHARES OF RS. 10/- EACH	50,000,000.00	50,000,000.00
	50,000,000.00	50,000,000.00
ISSUED AND SUBSCRIBED CAPITAL		
4200500 EQUITY SHARES OF Rs. 10/- EACH	42,005,000.00	42,005,000.00
	42,005,000.00	42,005,000.00
PAID UP CAPITAL		
3201500 QUITTY SHARES OF RS. 10/- EACH	32,015,000.00	32,015,000.00
FULLY PAID UP	32,015,000.00	32,015,000.00
FORFEITED SHARES		
999000 EQUITY SHARES OF RS. 10/- EACH	9,990,000.00	9,990,000.00
LESS : CALL IN AREARS	2,261,964.00	2,261,964.00
	7,728,036.00	7,728,036.00
SHARE HOLDERS FUND	39,743,036.00	39,743,036.00
2 SECURED LOANS	0.00	0.00
	0.00	0.00
2 UNSECURED LOANS		
LOANS FROM SHAREHOLDERS, DIRECTORS	0.00	0.00
AND THEIR RELATIVES	0.00	0.00
FROM OTHERS	0.00	0.00
3 DEFERRED TAX LIABILITY		
UPTO PREVIOUS YEAR	903,423.00	714,751.00
FOR THE YEAR	236,588.00	188,672.00
	1,140,011.00	903,423.00
5 INVESTMENTS		
INVESTMENT IN POPULAR PLANTS	48,627.00	48,627.00
	48,627.00	48,627.00

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4. FIXED ASSETS

PARTICULARS	GROSS BLOCK			DEPRECIATION BLOCK			NET BLOCK	
	AT 01.04.2010	ADDITIONS	DEDUCTIONS DURING THE YEAR	AS AT 31.03.2011	UPTO 31.03.2010	FOR THE YEAR	DEDUCTIONS	UPTO 31.03.2011
LAND	2217994.00	163000.00	0.00	2380994.00	-	-	-	2380994.00
PLOT	8540833	0.00	8540833.00	0.00	-	-	-	0.00
BUILDING	7307794.30	0.00	0.00	7307794.30	2450636.00	244080.00	-	4613078.30
PLANT AND MACHINERY	153956.00	0.00	110000.00	43956.00	-	-	-	43956.00
PLANT AND MACHINERY (NEW)	7,530,950.81	192867.00	79500.00	7644317.81	230,045.00	359543.00	2,375.00	7,057,104.81
FURNITURE AND FIXTURES	304271.00	15300.00	0.00	319571.00	180752.30	19425.00	-	118393.70
VEHICLES	2522657.00	2178662.00	0.00	4701319.00	754755.82	258923.00	-	3687640.18
FIRE EQUIPMENT	8,000.00	3900.00	0.00	1900.00	547.00	469.00	-	1016.00
COMPUTER	109650.00	79363.51	0.00	189013.51	109650.00	12670.00	-	122320.00
	28696106.11	2633092.51	8730333.00	22598865.62	3726386.12	895110.00	2,375.00	4619121.12
PREVIOUS YEAR FIGURES								
AS ON (31.03.2010)	23424685.30	8658932.81	3387512.00	28696106.11	3017911.12	708475.00	0.00	3726386.12
CAPITAL WORK IN PROGRESS								
BUILDING UNDER CONSTRUCTION								
MACHINERY UNDER INSTALLATION	0.00	0.00						0.00
	0.00	0.00						
PREVIOUS YEAR (31.03.2010) FIGURES	7313966.81	725634.00	8039600.81	0.00				0.00
								7313966.81

NOTE: Company is doing business of sale/purchase of property. Plot pertains to property business. Now these amount is considered as closing stock and classified accordingly

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INDO COTSPIN LIMITED SCHEDULES FORMING PART OF THE BALANCE SHEET & PROFIT AND LOSS ACCOUNT

<u>SCHEDULES</u>	<u>AS AT</u> <u>31.03.2011</u>	<u>AS AT</u> <u>31.03.2010</u>
6 INVENTORIES		
STOCK IN HAND	5,552,372.00	1,038,888.00
FINISHED GOODS	1,753,839.00	688,390.00
STOCK IN PROGRESS	34160.00	84,923.00
CONSUMABLE STORES	288,005.00	771,575.00
PACKING MATERIAL	0.00	321,129.00
PLOTS	8,055,237.00	-
	<u>15,683,613.00</u>	<u>2,904,905.00</u>
7 SUNDRY DEBTORS		
MORE THAN SIX MONTHS	0.00	0.00
OTHER DEBTS	7,743,486.16	3,927,818.57
	<u>7,743,486.16</u>	<u>3,927,818.57</u>
8 CASH AND BANK BALANCES		
CASH IN HAND	3,93,966.12	375,772.12
BALANCE WITH BANKS		
IN CURRENT ACCOUNT -with UBI 36374	1,14,906.98	64,049.98
-with UBI 19054	27,511.65	33,955.65
-with HDFC	151776.09	650,774.33
-with AXIS Bank Ltd	24,322.26	7,053.85
IN FIXED ACCOUNT-with schedule banks	420,000.00	1,115,000.00
IN OD A/C -WITH UNION BANK OF INDIA	1,062,426.09	679,298.87
	<u>2,194,909.19</u>	<u>2,925,904.80</u>
9 OTHER CURRENT ASSETS		
VAT RECEIVABLE	27252.04	22,713.00
INCOME TAX REFUND(2008-09)	30,015.00	30,015.00
ADDITIONAL EXCISE DUTY	0.00	149,902.00
T.D.S. RECEIVABLE (2009-10)	16,966.00	22,275.00
T.D.S. RECEIVABLE (2011-12)	8,004.00	0.00
INTEREST ACCURED BUT NOT RECEIVED		104,627.00
	<u>82,237.04</u>	<u>329,532.00</u>

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INDO COTSPIN LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET & PROFIT AND LOSS ACCOUNT

SCHEDULES	AS AT 31.03.2011	AS AT 31.03.2010
10 LOANS AND ADVANCES		
UNSECURED - (CONSIDERED GOOD)		
SECURITIES	0.00	17,317.00
ELECTRICITY SECURITIES	1,96,750.00	405,250.00
PREPAID EXPENSES	93,576.00	58,936.00
	290,326.00	481,503.00
11 CURRENT LIABILITIES AND PROVISIONS		
A. CURRENT LIABILITIES		
SUNDRY CREDITORS	11,101,842.00	2,888,261.36
AUDITOR REMUNERATION PAYABLE	31,500.00	31,395.00
DIRECTOR SALARY PAYABLE	1,459,000.00	1,345,00.00
T.D.S PAYABLE	13,500.00	48,605.00
VAT A/C	0.00	39,716.00
C.S.T. PAYABLE	1,32,315.00	19,216.80
WAGES PAYABLE	64,187.00	28,900.00
STOCK EXCHANGE FEES PAYABLE	188273.00	165,000.00
SALARY PAYABLE	32038.00	14,595.00
WELFARE ACCOUNT PAYABLE	305.00	100.00
FEES & TAX PAYABLE	12000.00	0.00
ESI PAYABLE	1038.00	0.00
EPF PAYABLE	2535.00	0.00
TELEPHONE BILL PAYABLE	7768.00	0.00
	13,046,301.00	4,580,789.16
B. PROVISIONS		
PROVISION FOR INCOME TAX	24903.00	5,256.00
PROVISION FOR GRATUITY	448,353	3425,351.00
	473,256.00	430,607.00
12 MISCELLANEOUS EXPENDITURE		
PRE-OPERATIVE EXPENSES	0.00	0.00
	0.00	0.00
13 PROFIT AND LOSS ACCOUNT		
DEFICIT CARRIED FORWARD	(10,379,661.11)	(10,069,884.80)
	(10,379,661.11)	(10,069,884.80)
14 TURNOVER		
TOTAL SALE	45,552,351.00	59,022,792.00
PLOTS SALE	1,550,000.00	0.00
	47,102,351.00	59,022,792.00

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INDO COTSPIN LIMITED SCHEDULES FORMING PART OF THE BALANCE SHEET & PROFIT AND LOSS ACCOUNT

SCHEDULES	AS AT 31.03.2011	AS AT 31.03.2010
15 OTHER INCOME		
INTEREST	80,035.00	39,323.00
REBATE & DISSCOUNT	0.00	22,451.00
PROFIT ON SALE OF PLOT	0.00	823,373.00
	<u>80,035.00</u>	<u>885,147.00</u>
16 MATERIAL CONSUMED/ AND COST OF GOODS/PLOTS TRADED		
RAW MATERIAL		
OPENING STOCK- in hand	1,038,888.00	359,809.47
ADD : PURCHASES	41,963,756.72	55,111,821.00
	<u>43,002,644.72</u>	<u>55,471,630.47</u>
	43,002,644.72	55,471,630.47
LESS : CLOSING STOCK- in hand	5,552,372.00	1,038,88.00
	<u>37,450,272.72</u>	<u>54,432,742.47</u>
CONSUMABLE STORES AND SPARES		
OPENING STOCK-in hand	771,575.00	-
ADD : PURCHASES	397,5130.40	2,466,329.00
	<u>4,746,705.40</u>	<u>2,466,329.00</u>
	4,746,705.40	2,466,329.00
LESS : CLOSING STOCK-in hand	288,005.00	771,575.00
	<u>4,458,700.40</u>	<u>1,694,754.00</u>
PACKING MATERIAL		
OPENING STOCK	321129.00	
ADD : PURCHASES	16740.00	560,444.00
	<u>337,869.00</u>	<u>560,444.00</u>
LESS : CLOSING STOCK	0.00	321,129.00
	<u>337,869.00</u>	<u>239,315.00</u>
PLOTS		
OPENING STOCK	0.00	0.00
TRANSFER	8,540,833.00	0.00
ADD : PURCHASE	56,904.00	0.00
	<u>8,597,737.00</u>	<u>0.00</u>
LESS : CLOSING STOCK	8,055,237.00	0.00
	<u>542,500.00</u>	<u>0.00</u>

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INDO COTSPIN LIMITED
SCHEDULES FORMING PART OF THE BALANCE SHEET & PROFIT AND LOSS ACCOUNT

SCHEDULES	AS AT 31.03.2011	AS AT 31.03.2010
STOCK - IN - TRADE (at close)		
FINISHED GOODS	1,753,839.00	688,390.00
STOCK-IN-PROGRESS	34,160.00	84,923.00
	<u>1,787,999.00</u>	<u>773,313.00</u>
STOCK - IN - TRADE (at start)		
FINISHED GOODS	688,390.00	0.00
STOCK-IN-PROCESS	84,923.00	0.00
	<u>773,313.00</u>	<u>0.00</u>
VARIATION IN STOCK	<u>1,014,686.00</u>	<u>773,313.00</u>
MATERIAL CONSUMED & COST OF TRADED GOODS	<u>41,774,656.12</u>	<u>55,593,498.47</u>
17 MANUFACTURING EXPENSES		
POWER & FUEL		
OPENING STOCK OF FUEL	-	0.00
ADD : PURCHASES	425,671.00	0.00
	<u>425,671.00</u>	<u>0.00</u>
LESS : CLOSING STOCK	0.00	0.00
	<u>425,671.00</u>	<u>0.00</u>
ELECTRIC POWER	<u>702,435.00</u>	<u>333,851.00</u>
	<u>1,128,106.00</u>	<u>333,851.00</u>
WAGES	427,842.00	284,917.00
E.P.F ACCOUNT	36,123.00	19,424.00
E.S.I. ACCOUNT	27,205.00	15,818.00
FREIGHT, CARTAGE AND OCTROI INWARD	0.00	14,163.00
REPAIR AND MAINTENANCE	546,278.08	324,585.36
	<u>2,165,554.08</u>	<u>992,758.36</u>
18 FINANCIAL CHARGES		
INTEREST ON SECURED LOAN	0.00	7,775.00
BANK & OTHER FINANCIAL CHARGES	4270.00	20,967.30
	<u>4,270.00</u>	<u>28,742.30</u>

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INDO COTSPIN LIMITED**SCHEDULES FORMING PART OF THE BALANCE SHEET & PROFIT AND LOSS ACCOUNT****19 ADMINISTRATION AND SELLING EXPENSES**

ADVERTISEMENT EXP	67,289.00	40,169.00
ADDITIONAL DUTY	51,978.00	19,317.10
STOCK EXCHANGE FEES	23,273.00	23,273.00
AUDITOR FEES	35,000.00	35,000.00
DIRECTOR REMUNERATION	9,85,000.00	1,452,000.00
SALARY	394,124.00	239,692.00
STAFF & LABOUR WELFAIR	28,322.00	10,470.00
GRATUITY	23,002.00	40,384.00
FEES AND TAXES	48,235.00	47,420.00
FOREIGN TOUR EXP.	37,230.00	0.00
OFFICE ELECTRICITY EXP	24,000.00	339,237.00
INSURANCE	82,324.56	76,706.00
MISCELLANEOUS EXPENSES	9,251.53	820.00
POSTAGE AND TELEGRAM EXP	18,402.00	8,908.00
PRINTING AND STATIONARY	5,125.00	15,970.00
REPAIR AND MAINTENANCE -BUILDING	20,455.00	0.00
SALES TAX	44,996.00	0.00
SALES PROMOTION	26,000.00	0.00
TELEPHONE CHARGES	131,107.00	113,354.00
TRAVELLING AND CONVEYANCES	105,742.00	45,010.00
WELFAIR ACCOUNT	1,820.00	495.00
LOSS ON SALE OF MACHINERY	2,125.00	33,500.00
SHORT PAYMENT RECOVERY	502.92	0.00
	<u>2,165,304.11</u>	<u>2,541,731.10</u>

20 EXPENSES PERTAINING TO PREVIOUS YEAR

SECURITIES	17,317.00	0.00
ELECTRICITY PROCESSION CHARGES	208,500.00	0.00
	<u>225,817.00</u>	<u>0.00</u>

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SCHEDULE 20 : NOTES ON THE BALANCE SHEET & THE PROFIT & LOSS ACCOUNT

SNO.	PARTICULARS	AS AT	AS AT
		31.03.2011	31.03.2010
1	<u>SIGNIFICANT ACCOUNTING POLICIES</u>		
a)	<u>SYSTEM OF ACCOUNTING</u> The company follows the accrual basis of accounting.		
b)	<u>FIXED ASSETS</u> Fixed assets are stated at cost less depreciation		
c)	<u>DEPRECIATION</u> Depreciation on fixed assets is provided on Straight Line Method at the rates and in the manner prescribed in schedule XIV to the companies Act, 1956.		
d)	<u>INVESTMENT</u> Investment are stated at cost		
e)	As the Company is also engaged in Sale/Purchase of Properties, the cost of plots as on 01.04.2010 was transferred trading accounting from fixed assets so as to disclose this trading activities separately		
f)	<u>VALUATION OF INVENTORIES</u> Raw material : at cost(fifo method) or market price, which ever is lower Stock in Hand : at cost(fifo method) or market price, which ever is lower Finished goods : at lower of cost (cost of production) or realisable value Stock in Process : at cost up to estimated stage of production Packing Material : at average sale prices		
g)	<u>As per Accounting standard 22 on Accounting for Taxes on Income - the company has the following Deferred Tax Liability/(Assets)</u>		
	NET BLOCK AS PER COMPANIES ACT	17,979,744.50	24,969,719.99
	NET BLOCK AS PER INCOME TAX ACT	13,842,036.92	21,620,668.41
	Difference between carrying amount of Fixed Assets	4,137,707.58	3,349,051.58
	LESS:		
	Expenses C/F under Sec.43-B (GRATUITY)	448,353.00	425,351.00
		3,689,354.58	2,923,700.58
	Deferred Tax (Asset)/Liability on above	1,140,011.00	903,423.00
	Less: D. Tax/Liability/(Asset) upto previous year	903,423.00	714,751.00
	Net deferred Tax Liability/(Asset) for current year	236,588.00	188,672.00
2	There is no secured loans for the year ending outstanding as on 31.03.2011		
3	<u>CONTINGENT LIABILITY NOT PROVIDED FOR</u>	NIL	NIL

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4	REMUNERATION TO AUDITORS		
	AUDIT FEES	35,000.00	35,000.00
5	ADDITIONAL INFORMATION REQUIRED UNDER PARA 3, 4C & 4D OF PART-II OF SCHEDULE-VI OF THE COMPANIES ACT, 1956.		
a)	Expenditure in Foreign Currency		
	Travelling	NIL	NIL
	Import of Waste etc	NIL	\$22,461.30
	Import of Machinery	NIL	NIL
b)	Earning in Foreign Currency	NIL	NIL
c)	Dividend remitted in foreign Currency	NIL	NIL
d)	Licenced Capacity	N.A.	N.A.
e)	Installed Capacity	NIL	NIL
f)	Purchase & Sales	QUANTITY	QUANTITY
	Purchases		
	WASTE(IN KGS)	0.00	50,047.00
	POLY FIBERS(In KGS)	189,266.24	31,556.00
	Handloom Goods(In PCS)	59,472.00	131,863.00
	Handloom Goods(In MTR)	53,450.00	133,000.00
	DOLOMITE (IN KG)	502,785.00	168,515.00
	HESSIAN CLOTH (MTR)	0.00	23,572.80
	OIL & CHEMICALS(KG)	108,824.70	42,240.00
	BACKING CLOTH(IN MTR)	321,803.40	135,000.00
	Sales		
	WASTE(IN KGS)	-	50,047.00
	POLY FIBRES(In Kgs)	7855.00	5,635.00
	Handloom Goods(In PCS)	54,828.00	131,863.00
	Handloom Goods(In MTR)	28,022.71	133,000.00
	JUT MATTINGS(IN MTRS)	245,625.20	79,637.15
	NON WOVEN FABRICS(IN MTRS)	226,533.27	101,460.24
g)	Raw Material Consumed	861,184.40	2,16,208.85
h)	Value of Import on CIF Value		
	components	NIL	NIL
	Capital Goods	NIL	NIL
h)	OPENING STOCK		
	WASTE(IN KGS)	-	-
	POLY FIBERS(In KGS)	1,099.00	756.97
	Handloom Goods(In PCS)	-	-
	Handloom Goods(In MTR)	-	-
	DOLOMITE (IN KG)	118,598.00	47,410.00
	HESSIAN CLOTH (MTR)	13,167.80	-
	OIL & CHEMICALS(KG)	10,850.00	2,190.00
	BACKING CLOTH(IN MTR)	44,000.00	3,566.00
	JUT MATTINGS (IN MTRS)	14,928.85	-
	NON WOVEN FABRICS (IN MTRS)	8,378.76	-

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i) CLOSING STOCK		
WASTE(IN KGS)	-	-
POLY FIBERS(In KGS)	38,126.54	1,099.00
Handloom Goods(In PCS)	4,644.00	-
Handloom Goods(In MTR)	25,427.29	-
DOLOMITE (IN KG)	64,660.00	118,598.00
HESSIAN CLOTH (MTR)	-	13,167.80
OIL & CHEMICALS(KG)	5,855.00	10,850.00
BACKING CLOTH(IN MTR)	55,997.00	44,000.00
JUT MATTINGS (IN MTRS)	26,296.15	14,928.85
NON WOVEN FABRICS (IN MTRS)	16,225.49	8,378.76
7 Parties Balances are subject to confirmation and taken as certified by the management.		
8 Previous Year Figures have been regrouped/rearranged wherever necessary to make them comparable with current year figures		
9 ADDITIONAL INFORMATION PERSUANT TO PART-IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956		
i) REGISTRATION DETAILS		
Registration No.		32541
State Code No.		05
Balance Sheet Date		31.03.2011
ii) CAPITAL RAISED DURING THE YEAR		
Public Issue		NIL
Right Issue		NIL
Bonus Issue		NIL
Private Placement		NIL
iii) POSITION OF MOBLISATION AND DEVELOPMENT OF FUNDS		
		Figure in Thousands
Total Liabilities		40,883
Total Assets		40,883
SOURCES OF FUNDS		
Paid Up Capital		39,743.04
Reserves and Surplus		-
Secured Loans		-
Deferred Tax Liability		1,140.01
APPLICATION OF FUNDS		
Net Fixed Assets		17,979.74
Investments		48.63
Net Current Assets		12,475.01
Misc. Expenditure		-
Profit and Loss Account		10,379.66
Deferred Tax Assets		-

INDO COTSPIN LIMITED**ANNUAL REPORT 2010-11**

ANIL AVIRAL & CO.
Chartered Accountants

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

iv) **PERFORMANCE OF COMPANY**

Turnover	47,102.35
Other Income	80.04
Total Expenditure	47,004.89
Profit before tax	177.49
Provision for Taxation	24.90
Provision for Deferred Tax Liabilities	236.59
Net Profit after Tax	(84.00)

v) **GENERIC NAME OF PRINCIPAL PRODUCT OF CO**

(As per monetary Terms)

N.A.

Item Code No.

Product Description

MANUFACTURING OF NON WOVEN CARPET/FABIC
& TRADING OF TEXTILE GOODS

**SIGNATURE TO THE SCHEDULE 1 TO
21 AS PER OUR REPORT OF EVEN
DATE ATTACHED**

RAJ PAL AGGARWAL
Whole Time Director

**FOR ANIL AVIRAL & CO
CHARTERED ACCOUNTANTS
(Firm Regn No. 00773N)**

BAL KISHAN AGGARWAL
Managing Director

**ANIL KUMAR
PROPRIETOR
M.NO. 82187
PANIPAT :MAY 31, 2011**

ANIL AVIRAL & CO.
Chartered Accountants

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

INDO COTSPIN LIMITED

CASH FLOW STATEMENT FOR THE PERIOD ENDED ON 31.03.2011

PARTICULARS	YEAR ENDED MARCH 31,2011	YEAR ENDED MARCH 31,2010
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit after tax	152588.69	28763.77
Add: Depreciation	892735.00	708475.00
Misc Expenditure Written Off	0.00	8714.00
Financial Expenses	4270.00	28742.30
Provision for Taxation	24903.00	5256.00
Loss on sale of Fixed Assets	2125.00	33500.00
Current year Deferred tax (assets)/liability	236,588.00	188,672.00
	<u>1313209.69</u>	<u>1002123.07</u>
Less: Profit on sale of fixed assets	0.00	0.00
Profit on sale of Plots	0.00	823,373.00
Operating Profit before working capital changes	<u>1313209.69</u>	<u>178750.07</u>
Less: Increase in current assets	3377195.63	(1,281,578.95)
Increase in Inventories	(12778708.00)	2,545,095.53
	<u>-14842693.94</u>	<u>-1084766.51</u>
Add: Increase in Trade Payable	8508160.84	(819,797.34)
Cash Generated from Operations	<u>-6334533.10</u>	<u>(1,904,564.85)</u>
Less: Financial Charges	4270.00	28,742.30
Provision for taxation	24903.00	5256.00
Previous Year Expenses	225817.00	-
Current year Deferred tax (assets)/liability	<u>236588.00</u>	<u>188,672.00</u>
Net Cash from Operating Activities	<u>-6826111.10</u>	<u>-2127234.15</u>
B. CASH FROM INVESTING ACTIVITIES		
Sale of Fixed Assets	187375.00	625,573.00
Plot transfer to Stock in Traded Goods	<u>8540833.00</u>	<u>3551812.00</u>
Sale of Plots	0.00	4,177,385.00
	<u>8728208.00</u>	<u>4,177,385.00</u>
Less:		
Purchase of Fixed Assets	2633092.51	1,258,794.00
Purchase of Plots	0.00	86,172.00
	<u>2633092.51</u>	<u>1,344,966.00</u>
Net Cash from Investing Activities	<u>609511.49</u>	<u>2,832,419.00</u>
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceed from Share Capital	-	-
Proceed from Secured Loans	-	-
Proceed from Unsecured Loans	-	-
Net Cash from Financing Activities	-	-
Less: Repayment of Loans	-	-
Net Cash Flow from Financing Activities	-	-
Net increase in Cash & Cash Equivalents	(730,995.61)	705,184.65
Opening Balance of Cash & Cash Equivalents	<u>2,925,904.80</u>	<u>2,220,720.15</u>
Closing Balance of Cash & Cash Equivalents	<u>2,194,909.19</u>	<u>2,925,904.80</u>

PANIPAT :MAY 31, 2011

BAL KISHAN AGGARWAL
Managing Director

RAJ PAL AGGARWAL
Whole Time Director

ANNUAL REPORT 2010-11

AUDITOR'S CERTIFICATE

We have verified the above cash flow statement of **INDO COTSPIN LIMITED** derived from the audited financial statements for the year ended on 31st March, 2011 after making adjustments / groupings as were considered appropriate and found the same to be true and correct.

**For ANIL AVIRAL & CO
CHARTERED ACCOUNTANTS
(Firm Regn No. 00773N)**

ANIL KUMAR
PROPRIETOR
M.NO. 082187

PANIPAT :MAY 31, 2011

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 17th Annual General Meeting of the Company, to be held on September 30, 2011 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 2011

Signed by said

Affix a
Re.1.00
Revenue
Stamp

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 17th 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 30, 2011 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.

PROXY FORM

INDO COTSPIN LIMITED

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

Book Post

being a Member

Members of Indo Cotspin Limited, hereby appoint

of

or failing that

to

as my/our proxy to attend and vote for me/us, and on my/our behalf, at the 17th Annual General Meeting of the Company, to be held on September 30, 2017 at Delhi Mile Stone 78 K.M., G.T. Road, NH-1, Village Jhatipur, Post Box No. 3, Post Office Samalkha, Distt. Panipat (Haryana) and at any adjournment thereof.

As witness my/our hand(s) this day of 2017

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 : Jhatipur,
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 Shareholder

My record of presence at the 17th Annual General Meeting of the Company, held at Delhi Mile Stone 78 K.M., G.T. Road, NH-1, Village Jhatipur, Post Box No. 3, Post Office Samalkha, Distt. Panipat (Haryana) on September 30, 2017 at 11.30 a.m.

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)