
SIDDHI COTSPIN LIMITED
CIN: U17123GJ2015PLC085135

09TH ANNUAL REPORT

Financial Year 2023-24

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REGISTERED OFFICE:

Survey 279 & 280, Unit No.13, Sub Plot No. 18
Sector 3 of Dholi Integrated Spinning Park,
Ahmedabad, Gujarat, India, 382240

CORPORATE OFFICE:

322, 3rd Floor, Swaminarayan Plaza -1
Nr.Gokulesh Petrol Pump, Narol, Ahmedabad,
Gujarat - 382405

AUDITORS:

M/s. Vijay Moondra & Co., Chartered
Accountants,
Chartered Accountants
FRN: 112308W

Legal Consultants

**M/s Keyur J. Shah & Associates,
Company Secretaries**
1007, Sun Avenue One, Near Shreyas
Foundation, Manekbaug Society, Ambawadi,
Ahmedabad, Gujarat - 380015



NOTICE OF 09th ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 09th Annual General Meeting of the Members of Siddhi Cotspin Limited will be held on Monday, 30th September, 2024 at 01:00 P.M. at the Registered Office of the Company, situated at Survey 279 & 280, Unit No.13, Sub Plot No. 18, Sector 3 of Dholi Integrated Spinning Park, Ahmedabad - 382240, Gujarat, India at a shorter notice to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2024, Profit & Loss Account and the Cash Flow Statements for the year ended on that date and the reports of the Directors and Auditors thereon.

"RESOLVED THAT the audited financial statement of the company comprising of Balance Sheet, Statement of Profit Loss for the financial year ended on 31st March, 2024, together with cash flow statement, notes to accounts thereto and the Directors' Report and Auditors' Reports thereon, as circulated to the members and laid before the meeting be and hereby received, considered and adopted."

"RESOLVED FURTHER THAT any director of the company be and is, hereby empowered and authorised to take such steps, in relation to the above and to do all such acts, deeds, matters and things as may be necessary for, proper, expedient or incidental for giving effect to this resolution and to file necessary E-Forms with Registrar of Companies."

2. To consider and appoint Managing Director in place of Navin Saraogi (DIN: 00623331), who retires by rotation and being eligible offers himself for reappointment.

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

"RESOLVED THAT Mr. Navin Saraogi (DIN: 00623331) who retires by rotation and being eligible offers himself for reappointment be and hereby re-appointed as Managing Director of the Company liable to retire by rotation."

3. Appointment of Statutory Auditor of company

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

"RESOLVED THAT pursuant to the provisions of Section 139 and 142 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (The Rules), including any statutory modification(s) thereof for the time being in force and pursuant to recommendation made by the Board of Directors at its meeting held on 09th September, 2024, M/s. ABHL AND ASSOCIATES., Chartered Accountants, (Firm Registration No. 139200W, be and is hereby appointed as statutory auditor of the company for the period of 5 years from the end of this Annual General meeting till the conclusion of 14th Annual General Meeting of the Company.

Regd. Office :

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Website : www.siddhicotspin.com

Corporate Office :

322, 3rd Floor, Swaminarayan Plaza-1,
Nr. Gokulesh Petrol Pump, Narol Cross Road,
Ahmedabad-382405. Phone No.: 7069008810
E-mail : cs@siddhicotspin.com

"RESOLVED FURTHER THAT any of the Board of Directors, be and is, hereby empowered and authorized to take such steps, in relation to the above and to do all such acts, deeds, matters, and things as may be necessary, proper, expedient, or incidental for giving effect to this resolution and to file necessary e-forms with Registrar of Companies."

SPECIAL BUSINESS:

4. Ratification of remuneration of Cost Auditor

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

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) the company hereby ratifies the remuneration of the Cost Auditor which shall be mutually decided by the board of the directors in consultation with Cost Auditor M/s Anuj Agarwal & Co, (FRN: 102409) CMA Anuj Agarwal (Membership No. 32142) who is appointed by the board as Cost Auditor of the company to conduct cost audit of the company for the year ending 31st March, 2025."

"RESOLVED FURTHER THAT the board be and is hereby authorised to do all acts and take all steps as may be necessary, proper or expedient to give effect to this resolution"

5. To approve revised managerial remuneration payable to Mr. Aansh Rajesh Bindal, Whole Time Director of the Company:

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

It is proposed to revise the remuneration payable to the Whole Time Director pursuant to the Companies Act, 2013.

"RESOLVED THAT pursuant to Section 197, 198 and Schedule V of the Companies Act, 2013, and Rules made there under including any amendment(s), modification(s) or re-enactment(s) thereof for the time being in force, and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, the approval of the members of the Company, be and is hereby accorded for payment of revised remuneration to Mr. Aansh Rajesh Bindal (DIN: 10432834), who was appointed as a Whole Time Director of the Company as set out in the Explanatory Statement, of an amount of Rs. 3,00,000 per month w.e.f., 1st August, 2024.

"RESOLVED FURTHER THAT the above revised managerial remuneration is within the limit which is specified under section 197 and Schedule V of the Companies Act, 2013."

"RESOLVED FURTHER THAT Mr. Navin Saraogi, Managing Directors be and is hereby authorized to communicate the revised remuneration to Mr. Aansh Rajesh Bindal."

"RESOLVED FURTHER THAT the Directors be and are hereby authorized severally to file necessary e-Forms and disclosure with Registrar of Companies, Gujarat and Stock Exchange and to do all such acts, deeds or things which are necessary to give effect to the said resolution."

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Sub Plot No. 18 Sector 3 of
Dholi Integrated Spinning Park,
Ahmedabad, Gujarat, India, 382240

Date: 09th September, 2024

**By order of Board of Directors of
Siddhi Cotspin Limited**



Asha Parmar
A72837
Company Secretary



EXPLANATORY STATEMENT

(Pursuant to Section 102 of the Companies Act, 2013)

Item No. 4 – Ratification of Remuneration to Cost Auditors for FY 2024-25:

In accordance with the provisions of Section 148 (3) of the Companies Act, 2013 read with Rule 14 of Companies (Audit & Auditor Rules), 2014, the remuneration payable to the Cost Auditor is required to be ratified by the members of the Company, the Company hereby ratifies the remuneration payable to M/s. Anuj Aggarwal & Co. (FRN: 102409), CMA Anuj Aggarwal (Membership no. 32142) appointed by the Board of Directors as Cost Auditor of the Company to conduct cost audit of the company for the year ending 31st March, 2025 as shall be mutually decided by the Board in consultation with the Cost Auditor.

None of the Directors, Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise, in the resolution.

The Board of Directors recommends the Ordinary Resolution for your approval.

Item No. 5- To approve revised managerial remuneration payable to Mr. Aansh Mittal, Whole Time Director of the Company:

Mr. Aansh Rajesh Bindal was appointed as Whole Time Director of the Company by the Board of Directors in their meeting held on 04th January, 2024, w.e.f. 08th January, 2024 for a period of 5 years. The same was subsequently approved by the members at the Extra-Ordinary General Meeting held on 08th January, 2024.

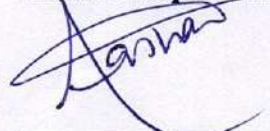
Further considering the Company's performance, the progress made and targets achieved by the Company and as per the recommendation of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on 01st September, 2024 approved revision of remuneration of Mr. Aansh Rajesh Bindal, Whole Time Director with effect from 01st August, 2024. The revised annual remuneration is Rs. 3,00,000/- (Rupees Three lakhs only).

The remuneration is in line with the Industrial Standards for managerial personnel falling. Thus, the Members are requested to consider revision in remuneration of Mr. Aansh Rajesh Bindal, Whole Time Director. Pursuant to the applicable provisions of the Companies Act, 2013, and relevant rules made thereunder, consent of the members is being sought by way of Special Resolution. Except Mr. Aansh Rajesh Bindal, none of the promoters, directors, key managerial personnel and their relatives are concerned or interested financially or otherwise, in the Resolution.

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Date: 09th September, 2024

**For and on behalf of
Siddhi Cotspin Limited**



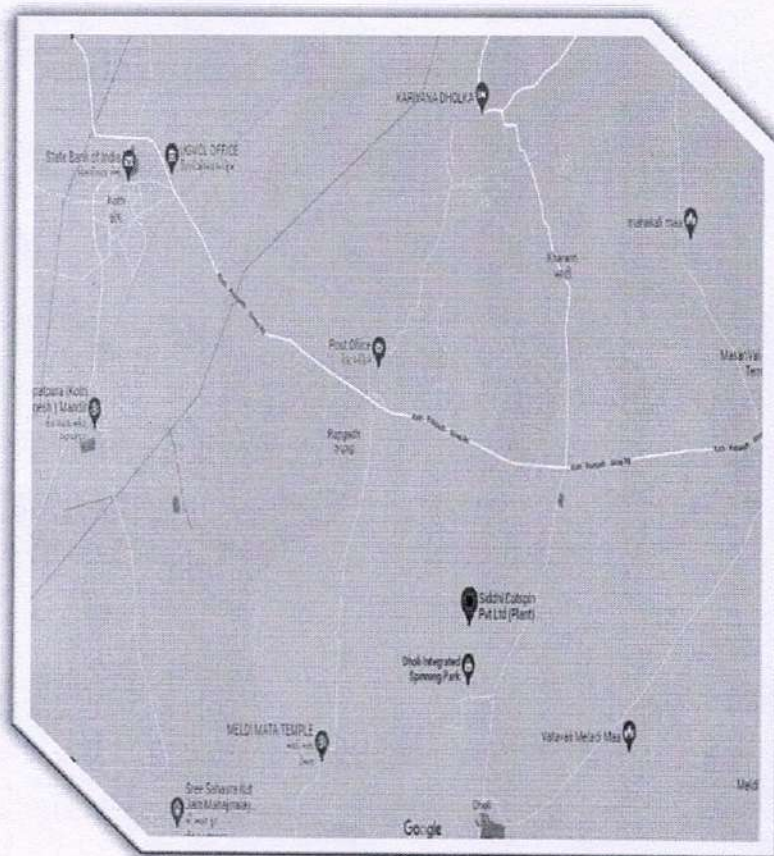
**Asha Parmar
A72837
Company Secretary**



NOTES:

1. A Member entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and such proxy need not be a member of the company. Instrument of proxy in order to be effective must be received by the company not less than 48 hours before the meeting. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the board resolution authorizing their representatives to attend and vote on their behalf at the meeting.
2. The instrument appointing proxy should however be deposited at the registered office of the company not less than forty-eight hours before the commencement of the meeting.
3. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the board resolution authorizing their representatives to attend and vote on their behalf at the meeting.
4. Members are requested to notify any change in their address to the company's registered office at Ahmedabad, quoting their registered folio nos.
5. Statutory Registers and relevant documents referred to in accompanying Notice and Statement are open for inspection by members at the Registered office of the company on all working days (i.e. Except Saturday and Sunday)
6. Members/proxies should bring the duly filled the attendance slip enclosed herewith to attend the meeting.
7. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made there under, the Notice is being sent to all the members, whose names appear in the Register of Members as on close of business hours on, 06th September, 2024. The Notice is being sent to Members via post / hand delivery.
8. The Members will be allowed to pose questions during the course of the Meeting. The queries can also be given in advance at cs@siddhicotspin.com;
9. The Register of Members and Share Transfer Books of the Company will remain closed from 24/09/2024 to 30/09/2024 (both inclusive days).
10. During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Monday, 23rd September, 2024 may cast their vote.
11. The AGM will be held at its registered office i.e., Survey 279 & 280, Unit No.13, Sub Plot No. 18 Sector 3 of Dholi Integrated Spinning Park, Ahmedabad, Gujarat, India, 382240, the route map of the venue of the Meeting is annexed hereto.

ROUTE MAP FOR PLACE OF 09TH ANNUAL GENERAL MEETING



COMPANY'S PROFILE

Our Company was originally formed and registered as a Private Limited under the Companies Act, 2013 ("Companies Act") under the name and style of "Siddhi Cotspin Private Limited", pursuant to a Certificate of Incorporation dated November 23, 2015 issued by Registrar of Companies, Gujarat. Later on, our Company was converted into a Public Limited Company and the name of our Company was changed to "Siddhi Cotspin Limited". A fresh Certificate of Incorporation consequent upon Conversion from Private Limited Company to Public Limited Company dated February 12, 2024 was issued by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U17123GJ2015PLC085135.

Our company is benefited from the extensive experience of our Promoter and Managing Director, Mr. Navin Saraogi who is associated with our company since the incorporation and having experience of more than 20 (Twenty) years in the textile industry. Our Board of Directors and other Key Managerial Personnel has also provided significant contribution in the growth of our company.

Our Company is primarily engaged in manufacturing and selling of Cotton Yarns. Our manufacturing process adheres to stringent quality standards and is backed by advanced technology and machinery. We have set up a Greenfield project of manufacturing value added and specialty cotton yarn at Unit No.13, Sub Plot No. 18, Survey No. 279 & 280, Village Dholi, Taluka Dholka, District Ahmedabad, Gujarat - 382240.

We are manufacturing various value-added cotton yarns like Compact Carded Hosiery, Compact Combed Hosiery, Compact Carded Weaving, Compact Comb Weaving, Carded Weaving, Combed Weaving, Carded Hosiery, Combed Hosiery, Eli KW, Eli CW, Slub Yarn, Siro Slub Yarn, CSY-Lycra-Core Spin Yarn (Spandex), TFO Yarn - Double etc. The cotton yarn is used by many textile industries and has a good demand in the market. The yarn produced by us is mainly used in Denim industries.

VISION

Become a transformative company to create positive impact on the lives of our customer and our team.

VALUES

We strive to achieve excellence through a culture of innovation and continues improvement.

Our customers are our best teachers and central to all operational process. We have the largest rang of cotton textile products from fibre, yarn and fabrics and have the flexibility to produce wide range of products. We understand the customer's requirements much better.

MISSION

Our mission is to manufacture world class products of outstanding qualities, that give our customers a competitive advantage through superior products and value to encourage their ownership empowerment and working under team structure.

The best quality, high standards and non-polluting technology is the result of our determined source of knowledge, sincere efforts and skill full execution which constitutes the surpassing of many replacements.

ABOUT THE PRODUCTS:

The global cotton yarn market size was valued at USD 82.81 billion in 2023 and is projected to grow from USD 86.11 billion in 2024 to USD 117.79 billion by 2032, exhibiting a CAGR of 4.0% during the forecast period. Moreover, the cotton yarn market in the U.S. is projected to grow significantly, reaching an estimated value of USD 759.55 million by 2032, driven by rising demand from the textile and apparel industries, propelled by fashion trends and sustainable product preferences.

Cotton yarn is made using natural cotton harvested from the cotton plant. These yarns are produced using different types of spinning processes. Based on the spinning process used to manufacture cotton yarn, the yarn produced across the globe can be primarily categorized into two types, carded and combed yarns. Different types of yarns have unique characteristics which ultimately influence the type of application it will be employed in and the quality of finished textile goods. For example, combed yarn is produced using high-quality cotton fiber by adding the combing process to the carded yarn.

Combed yarn is a finer and better quality product, making it useful for manufacturing fabrics with premium texture and durability. The majority of cotton yarn produced across the globe is used to manufacture apparels. Currently, consumers and brands are promoting sustainable fashion like never before, and clothing made using cotton yarn is an excellent choice for sustainability.

Lockdown restrictions enforced during the COVID-19 pandemic caused supply chain disruptions for various industries across the globe, with this market being no exception. The lockdowns imposed across several countries resulted in logistics challenges, raw material and labor shortages, and other inevitable challenges. Several yarn-manufacturing units were either closed or operating at a reduced capacity owing to the labor-intensive nature of manufacturing facilities. The manufacturing companies in this industry witnessed significant price fluctuations due to supply shortages and the effect of this disruption still affects the current prices. However, with significant control over the spread of the pandemic, the prices of cotton are returning to normalization as the supply chain is getting back on track. This is expected to help the revival of the industry over the next few years

Our Company is primarily engaged in manufacturing and selling of Cotton Yarns. Our manufacturing process adheres to stringent quality standards and is backed by advanced technology and machinery.

We are manufacturing various value added cotton yarns like Compact Carded Hosiery, Compact Combed Hosiery, Compact Carded Weaving, Compact Comb Weaving, Carded Weaving, Combed Weaving, Carded Hosiery, Combed Hosiery, Eli KW, Eli CW, Slub Yarn, Siro Slub Yarn, CSY-Lycra-Core Spin Yarn (Spandex), TFO Yarn - Double etc. The cotton yarn is used by many textile industries and has a good demand in the market. The yarn produced by us is mainly used in Denim industries.

Following are the details of Export made by our company during the financial years 2022-23, 2021-22, 2020-21.

Particulars	For the period / year ended		For the period / year ended		For the period / year ended	
	March 31, 2023		March 31, 2022		March 31, 2021	
	Sales	% of Total Sales	Sales	% of Total Sales	Sales	% of Total Sales
Domestic Sales	18,968.85	95.16%	36,131.16	89.79%	11,446.31	83.28%
Deemed Export	963.75	4.84%	3,979.04	9.89%	2,237.42	16.28%
Export Sales	0.00	0.00%	128.73	0.32%	60.94	0.44%
	19,932.60	100%	40,238.93	100%	13,744.67	100%



DIRECTORS' REPORT

To,
THE MEMBERS OF
SIDDHI COTSPIN LIMITED
[CIN: U17123GJ2015PLC085135]

Your directors take pleasure in presenting the 09th Annual Report covering the highlights of the finances, business, and operations of your Company, for the financial year ended March 31, 2024.

1. OUR CURRENT ACHIEVEMENTS

The essential reason for siddhi cotspin indomitable success in quality Yarns, is its impeccable Quality Assurance team. Rapid growth was not a matter of chance, or else every entrant in the field would have been as successful.

Siddhi Cotspin follows a unique practice of constant quality check, across the complete production process. Samples from every batch is meticulously examined and checked for all technical aspects before shipment, in line inspection and detailed report of each shipment have been provided to the customers.

Siddhi cotspin has the special distinction of having its own team of qualified and experienced technicians. This team interacts closely with spinning mills to understand their specific requirements and to ensure true customization of the shipments for every customer's needs. Moreover, to meet-up with suppliers and to ensure systematic quality checks, checking of raw cotton & also through checking of yarn quality & packing.

2. EMPLOYEE FRIENDLY ENVIRONMENT:

We ensure that our business goals are developed in such a way that employees fully understand what their part is in reaching those goals and what exactly they need to do to accomplish them in the healthiest and communicative way. Two-way communication and active engagement lead to better work efficiency and enhanced productivity. We believe that a healthy work environment can be created and maintained under the conditions of cooperation between us and the employee. It presupposes mutual respect, which includes appropriate behavior at a workplace, balance in terms of duties and tasks, and an efficient way of communication between both parties. At periodic intervals, we arrange informal sessions, get-togethers, team-building games and fun activities and long trips which not only encourage interaction between employees but also increase the opportunity to build a cordial bond with every member of the Company. This also brings them out of the monotonous routine and charges them for better output and performance. We practice a fair code of conduct and provide equal opportunity to all irrespective of caste, creed, gender etc. and also give ample opportunity for growth being a developing organization. We believe in creating leaders where leadership skills are embedded in every employee by keeping up the healthy competition and making employees realize the importance of accountability of the team being a leader. We always believe that there is always room for learning and improvement, therefore we believe in developing the skills of the employee which proper training and overall development. These practices have led to great

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results in employee competency and gratification.

3. FINANCIAL RESULTS

The Audited Financial Statement of company for the financial year ended 31st March, 2024 have been prepared in accordance with the Accounting Standards (AS) as notified by the Ministry of Corporate Affairs and as amended from time to time.

A summary of the comparative financial performance of the Company, for Financial Year 2022-23 and Financial Year 2023-24 is presented below:

Particulars	(Amt in Rs & lacs)	
	Year ended 31/03/2024	Year ended 31/03/2023
Turnover	58,088.75	19,932.60
Other Income	28.90	56.47
Profit before Tax (PBT)	1,745.53	875.60
Less: Tax Expense	568.91	270.54
Profit after tax	1,176.62	605.06
Add: Balance B/F from the previous year	0.00	0.00
Less: Preference Shares Dividend	0.00	0.00
Balance Profit C/F to the next year	1,176.62	605.06
Earnings Per Share	6.11	3.16

4. STATE OF THE COMPANY'S AFFAIRS

The company is engaged in business of manufacturing, weaving, spinning cotton, synthetic yarns, cotton and fabrics and due to macro-economic, industry specific factors company had increase in revenue from (Amount in lacs) Rs 19,932.60 to Rs 58,088.75 and further Total expenditure incurred for the period ended as of 31st March, 2024 amounted to Rs. 56,372.11 in comparison to Rs. 19,113.47 in previous Year which led to a profit of Rs. 1,176.62 as compared to previous financial year, and the board ensures the shareholders of the company growth in the near future.

Furthermore, the Company has filed Draft Red Herring Prospectus vide offer letter dated 01st May, 2024 and has currently proposed itself to be listed on the EMERGE Platform of National Stock Exchange of India Limited (NSE EMERGE) in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. For this Offer, the Designated Stock Exchange will be the National Stock Exchange of India Limited ("NSE").

5. CHANGE IN NATURE OF BUSINESS, IF ANY:

During the Financial Year 2023-24, the company on the approval of its members through the Extra Ordinary General Meeting held on 29th January, 2024 and approval received from the Registrar of Companies as on 12th February, 2024 have converted itself into Public Limited Company from Private Limited Company. Consequent to the same the name clause in the Memorandum of Association was altered and new set of Articles and Memorandum were adopted to set in line with the provisions of Companies Act, 2013 for Public Limited Companies.

Fresh Certificate of Incorporation on change in the name from "Siddhi Cotspin Private Limited" to "Siddhi Cotspin Limited" by Registrar of Companies as on 12th February, 2024.

After implementing the abovementioned Changes, Members of the Company have proposed itself to be listed on the EMERGE Platform of National Stock Exchange of India Limited (NSE EMERGE) in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. The Designated Stock Exchange for the transaction is National Stock Exchange of India Limited ("NSE") as on 01st May, 2024.

6. DIVIDEND:

The Board of Directors of your company, after considering holistically the relevant circumstances, has decided that it would be prudent, not to recommend any Final Dividend for the year under review.

7. RESERVE & SURPLUS

The Board hereby transferred a Profit of Rs 1,176.62 (Amount in Lacs) to the Reserves & Surplus out of the Net Profit of the Company for the financial year 2023-24.

8. SHARE CAPITAL AS ON 31.03.2024

- a. **Authorised Share Capital:** The authorised share capital of the Company for the year ending on 31st March, 2024 is Rs. 24,90,00,000/- (Rupees Twenty-Four Crore Ninety Lakhs only) which includes 24,900,000 Equity Shares of Rs 10/- each.
- b. **Paid-up Capital:** The paid-up share capital of the Company for the year ending on 31st March 2024 is Rs. 19,46,24,910/- (Rupees Nineteen Crore Forty-Six Lakhs Twenty-Four Thousand Nine Hundred and Ten only) which includes 19,462,491 Equity Shares of Rs 10/- each.
- c. **Changes in share capital, if any:** During the year under review the Board of Directors during its meeting held on 08th November, 2023 has approved Conversion of 316,151 Preference shares into 316,151 equity shares.

Thereafter, the Shareholders of the Company vide its Resolution dated 21.12.2024 has approved Reclassification of the Authorized Share Capital of the Company from Rs. 4,90,00,000 (Rupees Four Crore Ninety Lakhs Only) divided into 45,65,000 (Forty-Five Lakh Sixty-Five Thousand) Equity Shares of Rs. 10/- (Rupees Ten only) aggregating to Rs. 4,56,50,000/- (Rupees Four Crores Fifty-Six Lakh Fifty Thousand only) and 3,35,000 (Three Lakh Thirty-Five Thousand) Preference Shares of Rs. 10/- (Rupees Ten) each aggregating to Rs. 33,50,000/- (Rupees Thirty-Three Lakh Fifty Thousand only) each to Rs. 4,90,00,000 (Rupees Four Crore Ninety Lakhs Only) divided into 49,00,000 (Forty-Nine Lakh) Equity Shares of Rs. 10/- (Rupees Ten only).

Furthermore, the shareholders of the Company decided in its General Meeting held on 03rd January, 2024 to increase its Authorized Share Capital from Rs. 4,90,00,000 (Four Crore Ninety lakh) divided into 49,00,000 (Forty-Nine Lakh) equity shares of Rs. 10/- each to Rs. 24,90,00,000 (Rupees Twenty-Four Crore Ninety Lakhs only) which includes 24,900,000 Equity Shares of Rs 10/- each.

i. Disclosure regarding issue of Equity Shares with Differential Rights:

The Company has not issued any Equity Shares with Differential Rights during the year under review.

ii. Disclosure regarding issue of Employee Stock Options:

The Company has not issued any Employee Stock Options during the year under review.

iii. Disclosure regarding issue of Sweat Equity Shares:

The Company has not issued any Sweat Equity Shares during the year under review.

iv. Disclosure regarding Buy Back of Securities:

The Company has not bought back any of its securities during the year under review.

v. Bonus Shares:

During the year under review Bonus shares were issued vide Special Resolution passed at the Extra-Ordinary General meeting held on 03rd January, 2024 in the ratio of Three Hundred Forty equity shares for every one Hundred equity shares held (i.e. in the ratio of 340:100 shares i.e. 15,039,197 Equity Shares). The Board of Director vide its resolution dated 16th January, 2024 approved allotment of Bonus Issue to the existing shareholders of the Company.

9. CHANGE IN REGISTERED OFFICE OF THE COMPANY:

During the year under the review there is no change in Registered office of the Company and Company continues to hold its registered office at Survey 279 & 280, Unit No.13, Sub Plot No. 18 Sector 3 of Dholi Integrated Spinning Park, Ahmedabad, Gujarat, India, 382240.

10. DETAILS OF REVISION OF FINANCIAL STATEMENT OR THE REPORT:

The Company has not revised its financial statement or the Report in respect of any of the three preceding financial years neither voluntarily nor pursuant to the order of a judicial authority.

11. MATERIAL CHANGES AND COMMITMENTS IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

During the Financial Year 2023-24, the company on the approval of its members through the Extra Ordinary General Meeting held on 29th January, 2024 and approval received from the Registrar of Companies as on 12th February, 2024 have converted itself into Public Limited Company from Private Limited Company. Consequent to the same the name clause in the Memorandum of Association was altered and new set of Articles and Memorandum were adopted to set in line with the provisions of Companies Act, 2013 for Public Limited Companies. Fresh Certificate of Incorporation on change in the name from "Siddhi Cotspin Private Limited" to "Siddhi Cotspin Limited" by Registrar of Companies as on 12th February, 2024.

After implementing the abovementioned Changes, Members of the Company have proposed itself to be listed on the EMERGE Platform of National Stock Exchange of India Limited (NSE EMERGE) in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. The Designated Stock Exchange for the transaction is National Stock Exchange of India Limited ("NSE") as on 01st May, 2024.

12. INTERNAL FINANCIAL CONTROL:

As per provisions of the Companies Act, 2013, the company has implemented Internal Financial Control system. The Board regularly reviews the effectiveness of the controls and takes necessary actions to make its running in smooth manner. This internal control includes review of bank accounts on monthly basis, monthly review of creditors / debtor's accounts, preparation of quarterly profit and loss accounts and balance sheet, review of periodical cash flow statements showing utilization of funds, etc. Based on the review of this evaluation, there have been no significant transactions / events during the year that have materially affected our internal financial control system.

13. COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:

As the Company is in the procedure of getting itself Listed and has recently converted itself to public company, the company is in the process on recommendation of Nomination and Remuneration Committee to devise a policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

14. DISCLOSURES PURSUANT TO THE COMPANIES ACT, 2013:

Section 134 of the Act enjoins upon the Board a responsibility to make out its report to the shareholders and attach the said report to financial statements laid before the shareholders at the annual general meeting, in pursuance of Section 129 of the Act and the same is complied with.

The provisions of Section 134, which enumerates the disclosures required to be made in the Board's Report, are applicable to the Directors' Report for the financial year commencing on or after 1st April, 2014.

15. INVESTOR EDUCATION AND PROTECTION FUND:

During the period under review, no amount was transferred to Investor Education and Protection Fund (IEPF) under the provisions of Section 125 of Companies Act, 2013.

16. DECLARATION BY INDEPENDENT DIRECTORS:

Your Company has received requisite declarations from all the Independent Directors of the Company under sub - Section (7) of section 149 confirming that they meet with the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013. The Independent Directors also have complied with the provisions of Rule 6(3) of Companies (Appointment and Qualifications of Directors) Rules, 2014 as amended relating to inclusion of their name in the

databank of independent directors. Independent Directors have also confirmed that they have complied with Schedule IV of the Act and the Company's Code of Conduct.

17. BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

During the commencement of Financial Year under review following the Composition of the Board of Directors was as follows:

DIN	Name of Director	Designation
00623331	Navin Saraogi	Director
00155204	Sanjay Premchand Bindal	Director

In the board of Directors on 09th October, 2023, via Board Resolution appointed a Whole Time Company Secretary Mr. Jagdish Kanzariya having Membership No. 47974 as per Section 170(2) and 203(1) of the Companies Act, 2013, and other applicable laws thereto w.e.f. 09th October, 2023.

Further, in its Extra-Ordinary General meeting held on 21st December, 2023 Members approved the appointment of Mr. Aansh Rajesh Bindal as the Executive Director of the Company.

Mr. Sanjay Premchand Bindal (DIN:00155204) tendered his resignation on 25th December, 2023 which was accepted by the Board in its Meeting held on 24th January, 2024.

Subsequently, in the Board meeting held on 04th January, 2024, the Board of Directors approved appointment of Mr. Vardhaman Shah as the Chief Financial Officer of the Company.

Furthermore, in its Extra Ordinary General Meeting held on 08th January, 2024 the Company approved the appointment of the following personals:

1. Mr. Navin Saraogi (DIN: 00623331): Managing Director (Term: 05 years)
2. Mr. Aansh Rajesh Bindal (DIN: 10432834): Change in Designation as Whole Time Director (Term: 05 years)
3. Mr. Aayush Kamleshbhai Shah (DIN: 10149440): Independent Director (Term: 03 years)
4. Mr. Sumitkumar Jayantibhai Patel (DIN: 08206567): Independent Director (Term: 03 years)
5. Mrs. Dhrashti Laxmikant Solanki (DIN: 10136197): Independent Director (Term: 03 years)

The Board of Directors, on 28th March, 2024 passed the board resolution to elected Mr. Navin Saraogi (DIN: 00623331), Managing Director as the Chairman of the Board of Directors.

In view of the above-mentioned changes, current Board of Directors is constituted as follows:

DIN	Name of Director	Designation
00623331	Navin Saraogi	Chairman & Managing Director
10432834	Aansh Rajesh Bindal	Whole Time Director
10149440	Aayush Kamleshbhai Shah	Independent Director
08206567	Sumitkumar Jayantibhai Patel	Independent Director
10136197	Dhrashti Laxmikant Solanki	Independent Director

None of the aforesaid Directors are disqualified under Section 164(2) of the Companies Act, 2013 ("the Act").

Mr. Jagdish Kanzariya having Membership No. 47974 resigned from the post of Company Secretary of Siddhi Cotspin Limited w.e.f. 31st August, 2024. The Company in its Board meeting held on 01st September, 2024 accepted the said resignation and have approved to appoint Ms. Asha Parmar having Membership No. A72837 as a Whole Time Company Secretary.

18. MEETINGS OF THE BOARD:

During the year, the Company had conducted 23 (Twenty-Three) Board meetings. Provisions relating to maximum time gap period between two board meeting was compiled by the board. The attendance of the board of directors in the board meetings is as follows:

Sr. No.	Date of Board Meeting	Directors Present
1.	01.04.2023	Navin Saraogi Sanjay Premchand Bindal
2.	04.07.2023	Navin Saraogi Sanjay Premchand Bindal
3.	23.08.2023	Navin Saraogi Sanjay Premchand Bindal
4.	02.09.2023	Navin Saraogi Sanjay Premchand Bindal
5.	25.09.2023	Navin Saraogi Sanjay Premchand Bindal
6.	27.09.2023	Navin Saraogi Sanjay Premchand Bindal
7.	09.10.2023	Navin Saraogi Sanjay Premchand Bindal
8.	08.11.2023	Navin Saraogi Sanjay Premchand Bindal
9.	27.11.2023	Navin Saraogi Sanjay Premchand Bindal
10.	30.11.2023	Navin Saraogi Sanjay Premchand Bindal
11.	14.12.2023	Navin Saraogi Sanjay Premchand Bindal
12.	28.12.2023	Navin Saraogi Sanjay Premchand Bindal Ansh Rajesh Bindal
13.	04.01.2024	Navin Saraogi Sanjay Premchand Bindal Ansh Rajesh Bindal
14.	09.01.2024	Navin Saraogi

		Sanjay Premchand Bindal Ansh Rajesh Bindal Sumitkumar Patel Drashti Solanki Aayush Shah
15.	12.01.2024	Navin Saraogi Sanjay Premchand Bindal Ansh Rajesh Bindal Sumitkumar Patel Drashti Solanki Aayush Shah
16.	16.01.2024	Navin Saraogi Sanjay Premchand Bindal Ansh Rajesh Bindal Sumitkumar Patel Drashti Solanki Aayush Shah
17.	24.01.2024	Navin Saraogi Sanjay Premchand Bindal Ansh Rajesh Bindal Sumitkumar Patel Drashti Solanki Aayush Shah
18.	31.01.2024	Navin Saraogi Ansh Rajesh Bindal Sumitkumar Patel Drashti Solanki Aayush Shah
19.	02.02.2024	Navin Saraogi Ansh Rajesh Bindal Sumitkumar Patel Drashti Solanki Aayush Shah
20.	14.02.2024	Navin Saraogi Ansh Rajesh Bindal Sumitkumar Patel Drashti Solanki Aayush Shah
21.	18.03.2024	Navin Saraogi Ansh Rajesh Bindal Sumitkumar Patel Drashti Solanki Aayush Shah
22.	26.03.2024	Navin Saraogi Ansh Rajesh Bindal Sumitkumar Patel Drashti Solanki Aayush Shah

23.	28.03.2024	Navin Saraogi Ansh Rajesh Bindal Sumitkumar Patel Drashti Solanki Aayush Shah
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19. COMMITTEES:

Our company has constituted the following Committees of the Board:

1. Audit Committee
2. Stakeholders Relationship Committee
3. Nomination and Remuneration Committee
4. Corporate Social Responsibility Committee

a. Audit Committee

The Board of Directors of our Company has, in pursuance to the provisions of Section 177 of the Companies Act, 2013, or any subsequent modification(s) or amendment(s) thereof in its Meeting held on 28th March, 2024 constituted Audit Committee. The constitution of the Audit Committee is as follows:

Name of the Director	Designation	Nature of Directorship
Mr. Sumitkumar Jayantibhai Patel	Chairman	Independent Director
Mr. Aayush Kamleshbhai Shah	Member	Independent Director
Mr. Navin Saraogi	Member	Managing Director

Our Company Secretary and Compliance officer shall act as the secretary of the Committee.

Since, the Audit Committee was formed as on 28th March, 2024 the Company has conducted the following meetings as on 31st March, 2024:

Date of Board Meetings	Name of Directors attended the board meeting
28/03/2024	Sumitkumar Jayantibhai Patel Navin Saraogi Aayush Kamleshbhai Shah

b. Nomination & Remuneration Committee

The Board of Directors of our Company has, in pursuance to provisions of Section 178 of the Companies Act, 2013, or any subsequent modification(s) or amendment(s) thereof in its Meeting held on 28th March, 2024 constituted a Nomination and Remuneration Committee.

The constitution of the Nomination and Remuneration Committee is as follows:

Name of the Director	Designation	Nature of Directorship
Mr. Sumitkumar Jayantibhai Patel	Chairman	Independent Director
Mr. Aayush Kamleshbhai Shah	Member	Independent Director
Mrs. Drashti Laxmikant Solanki	Member	Independent Director

Our Company Secretary and Compliance officer shall act as the secretary of the Committee.

Since, the Nomination and Remuneration Committee was formed as on 28th March, 2024 has conducted the following meetings as on 31st March, 2024:

Date of Board Meetings	Name of Directors attended the board meeting
28/03/2024	Sumitkumar Jayantibhai Patel Navin Saraogi Drashti Laxmikant Solanki

c. Corporate Social Responsibility Committee

The Board of Directors of our Company has, in pursuance to provisions of Section 135 of the Companies Act, 2013, as applicable, the Company has reconstituted the Corporate Social Responsibility Committee.

The constitution of the Corporate Social Responsibility Committee before 28th March, 2024 is as follows:

Name of the Director	Designation	Nature of Directorship
Mr. Navin Saraogi	Chairman	Director
Mr. Sanjay Bindal	Member	Director

The reconstituted Corporate Social Responsibility Committee as at 28th March, 2024 is as follows:

Name of the Director	Designation	Nature of Directorship
Mr. Navin Saraogi	Chairman	Managing Director
Mr. Aayush Kamleshbhai Shah	Member	Independent Director
Mr. Aansh Bindal	Member	Whole time Director

02 (Two) Corporate Social Responsibility Committee Meetings were held during the Financial Year ended 31st March, 2024.

The names of members of the Board, their attendance at the Board Meetings is as under:

Date of Board Meetings	Name of Directors attended the board meeting
04/01/2024	Navin Saraogi Sanjay Bindal

26/03/2024	Navin Saraogi Aayush Kamleshbhai Shah Aansh Bindal
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d. Stakeholders Relationship Committee

The Board of Directors of our Company has, in pursuance to provisions of Section 178 of the Companies Act, 2013, or any subsequent modification(s) or amendment(s) thereof in its Meeting held on 28th March, 2024 constituted a Stakeholders Relationship Committee.

The constitution of the Stakeholders Relationship Committee is as follows:

Name of the Director	Designation	Nature of Directorship
Mr. Aayush Kamleshbhai Shah	Chairman	Independent Director
Mr. Sumitkumar Jayantibhai Patel	Member	Independent Director
Mr. Aansh Rajesh Bindal	Member	Whole Time Director

Our Company Secretary and Compliance officer shall act as the secretary of the Committee.

Since, the committee has been constituted as on 28th March, 2024 the committee has yet to conduct a Meeting.

20. PARTICULARS OF EMPLOYEES:

None of the employee has received remuneration exceeding the limit as stated in rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

21. DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to the requirement clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, your Directors confirm that:

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- (b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- (d) The directors had prepared the annual accounts on a going concern basis;

- (e) The Company being unlisted, provisions pertaining to laying down internal financial controls is not applicable to the Company; and
- (f) The Director have devised Proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

22. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143:

Your directors have taken all the necessary care to prevent frauds on the Company or by the Company. Further the Auditors have not reported any offence involving fraud committed against the Company by the officers or employees of the Company under Sub-section (12) of Section 143 to the Board.

23. SUBSIDIARY & ASSOCIATE COMPANIES:

The Company does not have any Holding/ Subsidiary/ Joint Ventures at the start of the year, during the year or at the end of the year.

24. DEPOSITS:

The Company has not accepted any deposits except exempted deposit as prescribed under the provisions of the Companies Act, 2013 and the rules framed thereunder, as amended from time to time. Hence there is no particular to report about the deposit falling under Rule 8 (5) (v) and (vi) of Companies (Accounts) Rules, 2014 during the year under review.

25. PARTICULARS OF LOANS / GUARANTEES / INVESTMENT

Pursuant to Section 186 of the Companies Act, 2013 disclosures relating to Loans, Advances, Guarantees and Investments is given in the Notes of the financial statements.

26. RELATED PARTY TRANSACTIONS:

All related party transactions that were entered into during the financial year ended 31st March, 2024 were on an arm's length basis and were in the ordinary course of business. Therefore, the provisions of Section 188 of the Companies Act, 2013 were not attracted. Further, there are no materially significant related party transactions during the year under review made by the Company with Promoters, Directors, or other designated persons which may have a potential conflict with the interest of the Company at large. Thus, disclosure in Form AOC-2 is not required to be annexed herewith with the board report. Moreover, the disclosure of transactions with related party for the year, as per Accounting Standard -18 Related Party Disclosures is given in Notes 30.4 of the financial statements.

27. CORPORATE SOCIAL RESPONSIBILITY POLICY:

Pursuant to the provisions of section 135 (1) and read with all other applicable provisions of the Companies Act, 2013 and the Companies (Corporate social responsibility policy) Rules, 2014

(including any statutory modification(s) or re-enactment thereof for the time being in force), obligation of corporate social responsibility is applicable to the Company and Company has complied with the CSR policies during the year. Corporate Social Responsibility Report is attached with the Director's Report as Annexure I.

28. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

1. Conservation of Energy, Technology Absorption

Conservation of energy is not applicable to the Company as the operations of the Company are not energy intensive. However, every effort is made to ensure optimum use of energy by using energy- efficient computers, processes and other office equipment. Constant efforts are made through regular/ preventive maintenance and upkeep of existing electrical equipment to minimize breakdowns and loss of energy.

The Company is continuously making efforts for induction of innovative technologies and techniques required for the business activities.

2. Foreign Exchange earnings and Out Flow

Foreign Exchange Earnings and Outgo Amount in lakhs

CIF Value of Imports	As at 31.03.2024	As at 31.03.2023
Machinery	Nil	Nil
Stores & Parts of Machinery	Nil	5.66

Earning in Foreign Currency	As at 31.03.2024	As at 31.03.2023
FOB Value of Exports	Nil	Nil

29. RISK MANAGEMENT POLICY

The Company has a structured risk management policy. The Risk management process is designed to safeguard the organization from various risks through adequate and timely actions. It is designed to anticipate, evaluate, and mitigate risks to minimize its impact on the business. The potential risks are inventoried and integrated with the management process such that they receive the necessary consideration during decision making.

30. DISCLOSURES OF ESTABLISHMENT OF VIGIL MECHANISM:

Pursuant to Section 177(9) of the Act, a vigil mechanism was established for directors and employees to report to the management instances of unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy. The Vigil Mechanism provides a mechanism for employees of the Company to approach the Chairperson of the Audit Committee of the Company for redressal. No person has been denied access to the Chairperson of the Audit Committee.

31. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS:

During the period under review, no significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

32. STATUTORY AUDITORS AND THEIR REPORT:

During the financial year 2021-22 M/s A.O Agrawal & Co., Chartered Accountants, having Firm Registration No.: 119827W, were re-appointed as statutory auditor of the company to hold the office for a period of 5 years commencing from the conclusion of Sixth Annual General Meeting till conclusion of Eleventh Annual General Meeting, at general meeting held on 19th October, 2021.

However, vide resignation letter dated 28th December, 2023, M/s. A.O Agarwal & Co., Chartered Accountants having Firm Registration No.: 119827W tendered their Resignation which was accepted by the Board in its Meeting held on 28th December, 2023.

Considering the resignation, the members approved the appointment of M/s. Vijay Moondra & Co., Chartered Accountants, (Firm Registration No. 112308W), as statutory auditor of the company to fill the causal vacancy of M/s. A.O Agarwal & Co., Chartered Accountants having Firm Registration No.: 119827W till the conclusion of this Annual General Meeting in the general meeting held on 03rd January, 2024.

The Board of Directors hereby further proposes before the members to appoint M/s. ABHL AND ASSOCIATES, Chartered Accountants, (Firm Registration No 139200W), as statutory auditor of the company for the period of next 5 years from the end of this Annual General meeting till the conclusion of 14th Annual General Meeting

There are no qualifications or adverse remarks in the Auditor's Report. The observations of the Statutory Auditors, when read together with the relevant notes to the accounts and accounting policies are self-explanatory and do not call for any further comment.

33. MAINTENANCE OF COST RECORDS:

Company is required to maintain cost records as specified by the Central Government under sub section (1) of section 148 of the Companies Act, 2013.

34. CLARIFICATION ON AUDITOR'S REMARK IN THEIR REPORT:

There were no remarks/comments/observations in the Statutory Auditor's report and hence no clarification is required.

35. SECRETARIAL AUDIT REPORT:

The Provisions of Section 204 of Companies Act, 2013 are applicable on the company, hence M/s. Parshwa Shah & Associates, Company Secretary (Membership Number: F12149), as the Secretarial Auditor of the company in the board meeting of the company held on 14th February, 2024, to conduct Secretarial Audit of the functions and activities of the company for the year ending as on 31st March, 2024. The Report is attached herewith as Annexure -II.

36. INTERNAL AUDITOR:

The Provisions of Section 138 of the Companies Act, 2013 are applicable on the Company, and your company has appointed M/s. JPMK & Co, Chartered Accountants (Membership No. 114424), as the Internal Auditor of the company in the board meeting of the company held on 14th February, 2024 to conduct internal audit of the functions and activities of the company for the year ending as on 31st March, 2024.

37. COMPLIANCE WITH THE SECRETARIAL STANDARD:

The Company has complied with all the provisions of Secretarial Standards on Board Meetings and General Meetings issued by the Institute of Company Secretaries of India.

38. CORPORATE INSOLVENCY RESOLUTION PROCESS INITIATED UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (IBC):

As per available information, no application has been filed against the Company under the Insolvency and Bankruptcy Code, 2016. No proceedings there under are pending as on 31st March, 2023.

39. FAILURE TO IMPLEMENT ANY CORPORATE ACTION

During the period under review, the company has not made any failure in completing or implementing any corporate action within the specified time limit.

40. ANNUAL RETURN:

The details of the Annual return of the Company under Section 134 (2) (a) are made available on the website of our Company at www.siddhicotspin.com.

41. DIFFERENCE BETWEEN AMOUNT OF VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANK OR FINANCIAL INSTITUTIONS:

The details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof is not applicable to the Company since no transactions for settlement were executed during the period under review.

42. SEXUAL HARASSMENT:

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder.

The Company always endeavours to create and provide an environment that is free from discrimination and harassment including sexual harassment. The Company has in place a robust policy on prevention of sexual harassment at workplace. The policy aims at prevention of

harassment of employees as well as contractors and lays down the guidelines for identification, reporting and prevention of sexual harassment.

The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to redress complaints received regarding sexual harassment.

During the Financial Year 2023-2024, the Company has not received any complaint of sexual harassment.

43. ACKNOWLEDGEMENT:

Your directors place on records their appreciation for employees at all levels, who have contributed to the growth and performance of your Company.

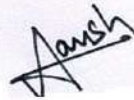
The Directors also express their gratitude to the clients, vendors, bankers, shareholders and advisers of the Company for their continued support.

Your directors also thank the Central and State Governments, and other statutory authorities for their continued support.

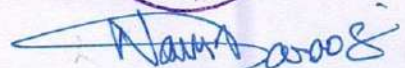
Registered Office:
Survey 279 & 280, Unit No.13,
Sub Plot No. 18 Sector 3 of
Dholi Integrated Spinning Park,
Ahmedabad, Gujarat, India, 382240

Date: 09th September, 2024

**For and On Behalf of
Siddhi Cotspin Limited**



AANSH BINDAL
[DIN: 10432834]
Whole Time Director



NAVIN SARAOGI
[DIN: 00623331]
Managing Director



Annexure - I

Format for the Annual Report on CSR Activities to be Included in the Board's Report for Financial Year Commencing on or After 1st Day of April, 2020 (As per Annexure - II)

1. Brief outline on CSR Policy of the Company: The Company has in place a Corporate Social Responsibility Policy laid down in accordance with the provisions of Companies Act, 2013 and rules made thereunder, which is available on the Company's website.

The Company under its CSR policy, affirms its commitment of seamless integration of marketplace, workplace, environment and community concerns with business operations by undertaking following activities / initiatives that are not taken in its normal course of business and/or confined to only the employees and their relatives and which are in line with the broad-based list of activities, areas or subjects that are set out under schedule VII of the Companies Act, 2013 and Rules made thereunder as amended from time to time.

- i. To eradicate hunger, poverty and malnutrition, promote health care including preventive health care and sanitation and to make available safe drinking water;
- ii. To promote education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- iii. To promote gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- iv. To ensure environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water.
- v. To contribute to the Prime Minister's National Relief Fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
- vi. To spend CSR funds on various activities related to COVID 19 under item nos. (i) and (xii) of Schedule VII relating to promotion of health care including preventive healthcare and sanitation and disaster management.

Regd. Office :

Survey No. 279, 280, Unit No. 13, Sub Plot No. 18 Sector 3
of Dholi Integrated Spinning Park,
Dholi, Ahmedabad-382240. Gujarat.
Website : www.siddhicotspin.com

Corporate Office :

322, 3rd Floor, Swaminarayan Plaza-1,
Nr. Gokulesh Petrol Pump, Narol Cross Road,
Ahmedabad-382405. Phone No.: 7069008810
E-mail : cs@siddhicotspin.com

- vii. To undertake such initiatives/projects or participate in any events as the CSR Committee / Board may consider appropriate in areas or subjects that are set out under Schedule VII of the Companies Act, 2013, by adhering to the provisions of the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended by the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 (CSR Rules), Companies (Amendment) Act, 2019, Companies (Amendment) Act, 2020, such other applicable Rules made thereunder as amended from time to time and in accordance with the various CSR circulars, guidelines, clarifications and FAQs as may be issued by the Ministry of Corporate Affairs from time to time.

The Board of Directors has constituted the CSR Committee and the scope of the CSR Committee includes to formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company in areas or subject, specified in Schedule VII of the Companies Act, 2013, specifying modalities of execution of such projects or programs which may be annual or ongoing in nature [as defined under the Companies (Corporate Social Responsibility Policy) Amendment Rules 2021 which may be amended from time to time] and implementation schedule for the same and monitoring the process of such projects or programs; to recommend to the Board an Annual Action Plan of CSR activities to be undertaken in pursuance of Schedule VII of the Companies Act, 2013 and the CSR Policy which shall include the details as specified under the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time and recommending any amendment to the approved Action Plan during a financial year; to recommend the amount of expenditure to be incurred on the activities referred to in clause (i) in terms of the provisions of Section 135 of the Companies Act, 2013 as amended from time to time; to review and recommend to the Board, the treatment of unspent / excess spent of CSR funds and surplus arising out of CSR activities, if any in accordance with the provisions of the Companies Act 2013 and Rules made thereunder as amended from time to time; to monitor the activities undertaken pursuant to Corporate Social Responsibility Policy of the Company from time to time by instituting a transparent monitoring mechanism for implementation and reporting of the CSR projects or programs or activities undertaken by the Company; to review and recommend to the Board the appointment of an independent agency for carrying out impact assessment and impact assessment reports, if any, of the CSR Projects undertaken by the Company; to review and recommend to the Board the funds utilization certificate submitted by the Chief Financial Officer or the person responsible for financial management and such other activities as may be delegated by the Board from time to time or as required under the Companies Act, 2013 and Rules made thereunder as amended from time to time..

2. Composition of CSR Committee: A Corporate Social Responsibility Committee ("the CSR Committee") has been constituted by the Board of Directors to oversee the CSR agenda of the Company. The committee has been formed as per the requirements of Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014.

Board of Directors shall be empowered to take decision for making or effecting changes in the constitution of the CSR Committee.

The reconstituted composition of CSR Committee as on 28th March, 2024 is as follows:

Name of the Director	Designation	Nature of Directorship
Mr. Navin Saraogi	Chairman	Managing Director
Mr. Aayush Kamleshbhai Shah	Member	Independent Director
Mr. Aansh Bindal	Member	Whole time Director

The Committee has met twice during the Financial Year 2023-24.

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

The Company's policies can be accessed through the following web-link: www.siddhicotspin.com

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).

Not Applicable since the Company does not have an average CSR obligation of Rs. 10 Crores or more in the three immediately preceding financial years

5. CSR Obligation:

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
NA			

(a) Average net profit of the company as per section 135(5): Rs. 758.98 (Amount in lakhs)

Financial Year	Net Profit Before Tax (Amount in Lacs.)
2020-21	341.44
2021-22	1059.89
2022-23	875.6
Average Net Profit of previous three financial years	758.98

- (b) Two percent of average net profit of the company as per section 135(5): Rs. 15.18 (Amount in Lakhs)
(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil
(d) Amount required to be set off for the financial year, if any: Nil
(e) Total CSR obligation for the financial year (b)+(c)-(d): Rs. 15.18 (Amount in lakhs)

6. CSR Spent:

- (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): Rs. 15.20 (Amount in lakhs)
(b) Amount spent in administrative overheads: NIL

(c) Amount spent on Impact Assessment, if applicable: NIL

(d) Total amount spent for the Financial Year [(a)+(b)+(c)]: Rs. 15.20 (Amount in lakhs)

(e) CSR amount spent or unspent for the Financial Year: Spent Rs. 15.20 (Amount in lakhs) (Unspent: NIL)

(1) Sl. No.	(2) Name of the Project.	(3) Item from the list of activities in Schedule VII to the Act.	(4) Local area (Yes/No).	(5) Location of the project.		(6) Amount spent in the current financial Year (in Rs.).	(7) Mode of Implementation - Direct (Yes/No).	(8) Mode of Implementation - Through Implementing Agency	
				State.	District.			Name	CSR Registration number.
1	Education and Health	1 & 2	Yes	Gujarat	Ahmedabad	15.20 Lacs	No	Ashirvad Foundation	CSR00051269

(f) Excess amount for set-off, if any: N.A.

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years: NIL.

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: N.A.

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135. N.A.

Date: 09th September, 2024

Place: Ahmedabad

For and on behalf of,
Siddhi Cotspin Limited
(Formerly known as Siddhi Cotspin Private Limited)



A handwritten signature in black ink, appearing to be "Aansh Bindal".

Aansh Bindal
Director
(DIN: 10432834)

A handwritten signature in black ink, appearing to be "Navin Saraogi".

Navin Saraogi
Managing Director
(DIN: 00623331)



PARSHWA SHAH & ASSOCIATES

COMPANY SECRETARIES

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Siddhi Cotspin Limited,
CIN: U17123GJ2015PLC085135

Survey 279 & 280, Unit No.13, Sub Plot No. 18 Sector 3 of Dholi Integrated Spinning Park, Ahmedabad,
Gujarat, India, 382240

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Siddhi Cotspin Limited** (Formerly known as Siddhi Cotspin Private Limited), (hereinafter called "the Company"). The Secretarial Audit was conducted in a manner that provided us with a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

The Company has filed Draft Red Herring Prospectus vide offer letter dated 01st May, 2024 and has currently proposed itself to be listed on the EMERGE Platform of National Stock Exchange of India Limited (NSE EMERGE) in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time.

Auditor's Responsibility

Our responsibility is to express an opinion on the compliance of the applicable laws and maintenance of records based on audit. We have conducted the audit in accordance with the applicable Auditing Standards issued by The Institute of Company Secretaries of India. The Auditing Standards requires that the Auditor comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of audit including internal, financial and operating controls, there is an unavoidable risk that some material misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and provided either as hard copies or scanned copies by email and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2024 (hereinafter called the 'Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2024 according to the provisions of:



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- i. The Companies Act, 2013 ('the Act') and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under; **(not applicable to the Company during the audit period)**
- iii. The Depositories Act, 1996 as amended by the Securities Laws (Amendment) Act, 2014 and the Regulations and Bye-laws framed thereunder; **(not applicable to the Company during the audit period)**
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment; Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act): - **(Following sub-clauses (a) to (h) are not applicable to the Company during the Audit period as Company continues to be a Unlisted Public Company in its Articles under Section 2(71) of the Act)**
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 read with SEBI (Prohibition of Insider Trading) Regulations 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d. Securities and Exchange Board of India (Share based Employee Benefits and Sweat Equity) Regulations, 2021;
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

We further report that, having regard to the compliance system prevailing in the Company and on the examination of the relevant documents and records in pursuance thereof, on test-check basis the Company has complied with the following specific laws to the extent applicable to the Company:

1. Direct and Indirect Tax laws including The Income Tax Act, 1961 and the rules made there under, Goods and Service Tax etc.
2. The Textiles Committee Act, 1963 and the Rules made thereunder;
3. The Factories Act, 1948
4. Payment of Wages Act, 1936
5. The Minimum Wages Act, 1948
6. Employees' State Insurance Act, 1948



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7. The Employees' provident Fund and Miscellaneous Provisions Act, 1952
8. The Payment of Bonus Act, 1965
9. The Payment of Gratuity Act, 1972
10. Equal Remuneration Act, 1976

We have also examined compliance with the applicable clauses of the following:

- Secretarial Standards in respect of Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) as amended from time to time issued by The Institute of Company Secretaries of India;
- The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments made thereunder. **(not applicable to the Company during the audit period)**

We have relied on the representation made by the Company and its officers for the systems and mechanisms formed by the Company for compliances under applicable Acts, Rules, Laws and Regulations to the Company.

Based on the examination conducted during the Audit period (1st April, 2023 to 31st March, 2024) we hereby report that the Company has complied with the provision of the Act, Rules, Regulations, Guideline and Standards made there under for all the above laws to the extent possible.

We further report that

The Board of Directors of the Company is duly constituted with a proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and Listing regulations;

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting;

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be;

Further we report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period none of the following events has taken place:

- i. Public/Rights/Preferential Issue of Shares/Debentures etc.;
- ii. Buy-back of securities;
- iii. Major decision taken by the Members in pursuance to section 180 of the Companies Act, 2013;
- iv. Amalgamation/Reconstruction, etc.;
- v. Foreign Technical Collaborations.



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Disclaimers:

- a. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- b. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- c. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
- d. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- e. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
- f. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For, Parshwa Shah & Associates,
Company Secretaries,

T. B. Shah

Parshwa Shah
Proprietor
FCS: 25318
CP No.: 12149

Peer Review Certificate No.: 5656/2024
UDIN: F012149F001178886



Place: Ahmedabad
Date: 09th September, 2024

VIJAY MOONDRA & CO
CHARTERED ACCOUNTANTS

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ASHRAM ROAD, AHMEDABAD-380014
9979964148, 9825303998
vk_moondra@rediffmail.com

INDEPENDENT AUDITOR'S REPORT

To
The Members
SIDDHI COTSPIN LIMITED

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **SIDDHI COTSPIN LIMITED** ('the Company') **CIN: U17123GJ2015PTC085135** which comprises the Balance Sheet as at 31st March, 2024, the Statement of Profit & Loss, the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and profit and its cash flows for the year ended on that date.

Basis of Opinion

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



Key audit matters

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

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.

Management's responsibility for the financial statements

The Company's board of directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The board of directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

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



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We also:

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

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters.



We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

- (1) As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of sub-section (11) of section 143 of the Act, we give in "Annexure A" a statement on matters specified in paragraphs 3 and 4 of the said order to the extent applicable.
- (2) As required by section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit & Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of written representations received from the directors, as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of section 164(2) of the Act.
 - (f) With Respect to the adequacy of internal financial control over financial reporting of the company and operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company does not have any pending litigations which would impact its financial position;
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.



- (h) The management has represented that other than those disclosed in the notes to accounts,
- (i) No funds have been advanced or loaned or invested by the company to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding that the intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of ultimate beneficiaries.
 - (ii) No funds have been received by the company from any person(s) or entities including foreign entities ("Funding Parties") with the understanding that such company shall whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or provide guarantee, security or the like on behalf of the Ultimate beneficiaries.

Based on the audit procedures performed which we considered reasonable and appropriate, we report that nothing has come to our notice that has caused us to believe that the above representation given by the management contain any material mis-statement.

- (j) There is no dividend declared/paid during the year, hence compliance of section 123 of The Act, is not applicable.
- (k) Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account for the year ended 31st March, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of the audit trail feature being tampered with.



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- (3) With Respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Company is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

Place: Ahmedabad

Date: 23rd Aug 2024

Udin : **24119398BJZZKY5777**

**For, Vijay Moondra & Co.
Chartered Accountants
Firm Reg. No.112308W**

Vinit Moondra

**CA. Vinit Moondra
(Partner)
Membership No. 119398**



**ANNEXURE-A TO THE INDEPENDENT AUDITOR'S REPORT
SIDDHI COTSPIN LIMITED (FINANCIAL YEAR 2023-24)**

Annexure referred to in our Report of even date to the members of Siddhi Cotspin Limited on the financial statements for the year ended 31st March, 2024, we report that:

(i) a) With regard to Property Plant and Equipment and Intangible asset:

The Company has maintained proper records showing full particulars, including quantitative details and situation of the Property Plant and Equipment and Intangible Asset.

- b) According to information and explanation given to us, the Company has a regular programme of physical verification of its property, plant and equipment by which all Property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and the nature of its assets. There is no material discrepancies were noticed on such verification.
- c) On the basis of our examination of the records of the Company, the Title deeds of immovable properties (other than immovable properties where the Company is lessee and the leases agreements are duly executed in favour of the lessee) are held in the name of the company.
- d) According to information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued Property, Plant & Equipment and Intangible assets during the year.
- e) According to the information and explanation given to us and on the basis of our examination of the records of the Company, there are no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder during the year.

(ii) With regard to Inventories:

- a) The management has conducted physical verification of inventory at reasonable intervals during the year, in our opinion, the coverage and procedure of such verification by the management is appropriate. As informed to us, any discrepancies of 10% or more in the aggregate for each class of inventory were not noticed on such verification.
- b) During the year, the company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets; the quarterly statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company, as explain to us the differences appearing due to day to day



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updation of books of accounts after submission of stock statements are not found to be material.

- (iii) According to information and explanation given to us and based on the audit procedures conducted by us, the company has not made investment or granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act') except as mentioned below.

Name of Enterprise	Nature of Transaction	Relationship	Amount of Loan Given during the year	Closing Balance at the year end
Dholi Speciality Private Limited	Unsecured Loan Given	Enterprises owned by Key Management Personnel	14,90,000	14,90,000

The loan given is not prejudicial to the company's interest. Further the provision of clause (iii) (c) to (f) of the order are not applicable to the company, hence not reported.

- (iv) According to the information and explanations given to us and based on the audit procedures conducted by us the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits under the directives of the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and rules framed thereunder, where not applicable. Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148 of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.
- (vii) With regard to Statutory Dues:
- a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1st July, 2017, these statutory dues have been subsumed into GST.



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According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, GST, Cess and any other statutory dues with the appropriate authorities.

According to the information and explanations given to us, and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees state Insurance, Income Tax, Duty of Customs of Cess or other statutory dues were in arrears as at 31st March, 2024 for a period of more than six months from the date on when they become payable.

According to the information and explanation given to us, and on the basis of our examination of the records of the Company, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, Goods and Service Tax outstanding on account of any dispute other than mentioned below.

Statue	FY	Demand	Nature of dispute	Forum where appeal is pending
Income Tax Act 1961	2017-18	Nil	Additions as per assessment order	CIT Appeal
Income Tax Act 1961	2018-19	Nil	Additions as per assessment order	CIT Appeal

- (viii) According to information and explanations given to us, and on the basis of our examination of the records of the Company, the company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessment under the Income Tax Act, 1961 as income during the year.
- (ix) With regard to Default in repayment of borrowing:
- a) Based on our audit procedures and according to the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of loans or borrowings to a financial institutions, bank, Government or dues to Debenture Holders.



- b) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not declared wilful defaulter by any bank or financial institution or other lender;
 - c) According to information and explanations given to us and on the basis of our examination of the records of the Company, no term loan obtained during the year;
 - d) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the funds raised on short term basis have not been utilized for long term purposes;
 - e) According to information and explanations given to us and on the basis of our examination of the records of the Company, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures, also the company does not have any subsidiaries, associates or joint ventures, therefore this clause is not applicable;
 - f) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies, also the company does not have any subsidiaries, associates or joint ventures, therefore this clause is not applicable;
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year, Accordingly, clause 3(x)(a) of the Order is not applicable;
- (b) According to information and explanation given to us and on the basis of our examination of the records of the Company, the company has not made private placement of preference shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in standards of auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) Based on above, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;
- (c) According to the information and explanation given to us, no whistle-blower complaints, received during the year by the company.



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- (xii) Company is not a Nidhi Company; accordingly, provisions of the Clause 3(xii) of the Order is not applicable to the company.
- (xiii) Based on our audit procedures and according to the information and explanations given by the management, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements, as required by the applicable accounting standards.
- (xiv)
 - a) According to the information and explanations given to us, the company has an internal audit system commensurate with the size and nature of its business;
 - b) We have considered the internal audit reports of the Company issued till date for the period under audit;
- (xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with them and accordingly, the provisions of clause 3(xv) of the Order is not applicable.



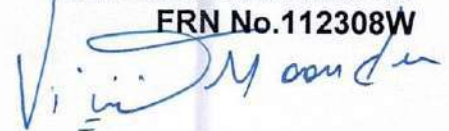
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- (xvi) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the provisions of clause 3(xvi) of the Order are not applicable;
- (xvii) According to the information and explanations given to us and based on the audit procedures conducted we are of opinion that the company has not incurred any cash losses in the financial year and the immediately preceding financial year;
- (xviii) There has been resignation of the statutory auditors during the year and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that company is incapable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) In our opinion and according to information and explanation given to us, there is no unspent amount under subsection (5) of section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the order are not applicable.
- (xxi) The reporting under clause (xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

Place: Ahmedabad
Date: 23rd Aug, 2024

For, Vijay Moondra & Co.
Chartered Accountants
ERN No.112308W



CA. Vinit Moondra
(Partner)
Membership No. 119398



"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT

SIDDHI COTSPIN LIMITED (FINANCIAL YEAR 2023-24)

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

We have audited the internal financial controls over financial reporting of Siddhi Cotspin Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.



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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

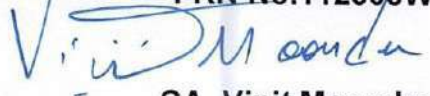
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal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

Opinion

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

Place: Ahmedabad
Date: 23rd Aug, 2024

For, Vijay Moondra & Co
Chartered Accountants
FRN No.112308W


CA. Vinit Moondra
(Partner)
Membership No. 119398



SIDDHI COTSPIN LIMITED
CIN: U17123GJ2015PLC085135
Balance Sheet as at 31 March 2024

(Rs. in Lakhs)

	Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
I	EQUITY AND LIABILITIES			
1	Shareholders funds			
	(a) Share Capital	3	1,946.25	442.33
	(b) Reserves & Surplus	4	4,702.51	5,029.81
			6,648.76	5,472.14
2	Non Current Liabilities			
	(a) Long Term Borrowings	5	3,911.38	6,872.03
	(b) Deferred tax liability	6	430.91	492.03
	(c) Other Long term liabilities		-	-
	(d) Long Term Provisions	7	18.21	13.53
			4,360.50	7,377.59
3	Current Liabilities			
	(a) Short term borrowings	8	5,146.74	4,505.79
	(b) Trade Payables	9	1,326.66	836.44
	(c) Other Current Liabilities	10	17.55	9.64
	(d) Short Term Provision	11	625.17	195.88
			7,116.12	5,547.75
	Total		18,125.38	18,397.47
II	ASSETS			
1	Non-Current Assets			
	(a) Property, Plant & Equipment's & Intangible Assets	12		
	A Property, Plant & Equipment's		6,140.87	7,034.81
	B Leasehold Assets		582.92	589.23
	(b) Deferred Tax Assets		-	-
	(c) Non current Investment	13	0.01	0.01
	(d) Long term loans and Advances		-	-
	(e) Other Non Current Assets	14	104.10	123.94
			6,827.90	7,747.98
2	Current Assets			
	(a) Inventories	15	2,287.62	2,215.15
	(b) Trade Receivables	16	7,067.78	4,797.98
	(c) Cash and Cash Equivalent	17	175.41	1,473.05
	(d) Short term loans and advances	18	1,750.13	2,124.74
	(e) Other Current Assets	19	16.53	38.57
			11,297.48	10,649.49
	Total		18,125.38	18,397.47

As per our report attached,
For Vijay Moondra & Co
Chartered Accountants
Firm Registration No. 112308W

CA. Vinit Moondra
Partner
Membership No. 119398
Place: Ahmedabad
Date: 23 Aug 2024
UDIN: 24119398BJZZKY5777



The Above Balance Sheet alongwith notes
thereon are hereby authenticated by us
For, SIDDHI COTSPIN LIMITED

Navin Saraogi
Director
DIN No: 00623331

JAGDISH KANZARIYA
Company Secretary

Place: Ahmedabad
Date: 23 Aug 2024



Aansh Bindal
Director
DIN No: 10432834

VARDHAMAN P SHAH
CFO

SIDDHI COTSPIN LIMITED
CIN: U17123GJ2015PLC085135
Profit and Loss for the Period ended on 31 March, 2024

(Rs. in Lakhs)

Sr. No.	Particulars	Note No.	FY 2023-24	FY 2022-23
I	Revenue from Operations	20	58,088.75	19,932.60
II	Other Income	21	28.90	56.47
III	Total Income (I + II)		58,117.65	19,989.07
IV	Expenses			
	Cost of Materials & Components Consumed	22	51,326.25	16,590.92
	Purchase of Traded Goods	23	966.82	-
	Operational Expenses	24	1,252.97	803.55
	Change in Inventories	25	(57.35)	(781.39)
	Employees Benefits Expenses	26	690.01	499.21
	Finance Costs	27	838.82	755.67
	Depreciation	28	933.53	919.60
	Other Expenses	29	421.06	325.92
IV	Total Expenses		56,372.11	19,113.47
V	Profit / (Loss) For The Year (III-IV)		1,745.53	875.60
	(a) Current tax (expense)/ Income for current year		(501.80)	(145.82)
	(b) (Short)/Excess Provision of Previous Year		-	(8.27)
	(c) Deferred tax (Expense)/Income		61.11	32.32
	(d) Mat Credit Entitlement (expense)/ Income for current year		(128.23)	(148.76)
VI	Net Profit / (Loss) for the year		1,176.62	605.06
VII	Earning / (Loss) per Equity Share of Rs.10 each	30	6.11	3.16

As per our report attached,
For Vijay Moondra & Co
Chartered Accountants
Firm Registration No. 112308W

CA. Vinit Moondra
Partner
Membership No. 119398
Place: Ahmedabad
Date: 23 Aug 2024
UDIN: 24119398BJZZKY5777



The Above Balance Sheet alongwith notes
thereon are hereby authenticated by us
For, SIDDHI COTSPIN LIMITED

Navin Saraogi
Director
DIN No: 00623331

JAGDISH KANZARIYA
Company Secretary

Date: 23 Aug 2024



Aansh Bindal
Director
DIN No: 10432834

Vardhaman P Shah
CFO

SIDDHI COTSPIN LIMITED
CIN: U17123GJ2015PLC085135
Cash Flow Statement for the Period ended on 31 March, 2024

(Rs. in Lakhs)

Sr No.	Particulars	For the year ended on March 31, 2024	For the year ended on March 31, 2023
A	Cash flow from Operating Activities		
	Profit / (Loss) after tax	1,176.62	605.06
	Adjustments for :		
	Depreciation	933.53	919.60
	Provision for Gratuity	-	-
	Profit on Sale of FA	(0.44)	-
	Deferred Tax Liability	(61.11)	(32.32)
	MAT Credit	128.23	(148.76)
	Excess Mat Credit Entitlement of Previous Year	-	(134.60)
	Interest Income	(28.46)	(54.57)
	Finance Charges Paid	838.82	755.67
	Provision for Income Tax	501.80	294.59
	Operating Profit before Working Capital Changes	3,488.99	2,204.66
	Adjustment for:		
	(Increase)/ Decrease in Inventories	(72.48)	672.73
	(Increase)/ Decrease in Trade Receivables	(2,269.80)	(456.24)
	(Increase)/ Decrease in Short Term Loans & Advances	374.60	233.69
	(Increase)/ Decrease in Other Current Assets	22.05	(11.26)
	(Increase)/ Decrease in Other Non Current Assets	19.84	(46.25)
	Increase/ (Decrease) in Trade Payables	490.22	468.33
	Increase/ (Decrease) in Short Term Provisions	429.29	(106.41)
	Increase/ (Decrease) in Long Term Provisions	4.67	(2.49)
	Increase/ (Decrease) in Short Term Borrowings	640.95	(22.98)
	Increase/ (Decrease) in Other Current Liabilities	7.91	(11.89)
	Cash generated from Operations	(352.75)	717.24
	Direct Taxes Paid	(630.03)	(145.82)
	Net Cash from Operating Activities - A	2,506.22	2,776.07
B	Cash Flow from Investing Activities		
	Purchase of Fixed Assets	(34.05)	(273.37)
	Sale of Asset	1.20	-
	Capital Subsidy Received	-	-
	Purchase of Investment	-	-
	Interest Received	28.46	54.57
	Net Cash from Investing Activities - B	(4.39)	(218.80)
C	Cash Flow from Financing Activities		
	Issue of Share Capital	-	-
	Issue of Preference Share Capital	-	-
	Security Premium	-	-
	Increase/ (Decrease) in Long term borrowing	(2,960.64)	(2,501.49)
	Finance Cost	(838.82)	(755.67)
	Net Cash from Financing Activities - C	(3,799.46)	(3,257.16)
	Net Increase in Cash & Cash Equivalent (A + B + C)	(1,297.64)	(699.88)
	Cash & Cash Equivalents at the beginning of the year	1,473.05	2,172.93
	Cash & Cash Equivalents at the end of the year	175.41	1,473.05
→	Closing Cash and Cash Equivalents comprise:		
	Cash in hand	3.20	4.51
	Balances with Scheduled Banks	121.14	602.83
	Balances with Banks in FD	51.06	865.71
	Total	175.41	1,473.05

Notes:

- The above Cash Flow Statement has been prepared under the 'Indirect Method' set out in Accounting Standard - 3 on 'Cash Flow Statements' specified under Section 133 of the Companies Act, 2013.
- Figures in bracket are in respect of cash outflows.
- Previous year figures have been regrouped and reclassified wherever considered necessary to conform to the current year's figures

As per our report attached,
For Vjay Moondra & Co
Chartered Accountants
Firm Registration No. 112308W

CA. Vinit Moondra
Partner
Membership No. 119398

Place: Ahmedabad
Date: 23 Aug 2024



For, SIDDHI COTSPIN LIMITED

Navin Saraogi
Director
DIN No: 00623331

JAGDISH KANZARIYA
Company Secretary
Place: Ahmedabad
Date: 23 Aug 2024

Anand Bindal
Director
DIN No: 10432834

VAROHAMAN P SHAH
CFO



Notes forming part of Financial Statements:

3 Share Capital

(Rs. in Lakhs)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Number of shares	Amount	Number of shares	Amount
(a) Authorised				
Equity shares of Rs.10 each	2,49,00,000	2,490.00	45,65,000	456.50
Preference Share Capital of Rs. 10 each	-	-	3,35,000	33.50
(b) Issued				
Equity shares of Rs.10 each	1,94,62,491	1,946.25	41,07,143	410.71
0.01% Cumulative CROC Preference share of Rs. 10 each	-	-	3,16,151	31.62
(c) Subscribed and fully paid up				
Equity shares of Rs.10 each	1,94,62,491	1,946.25	41,07,143	410.71
0.01% Cumulative CROC Preference share of Rs. 10 each	-	-	3,16,151	31.62
Total	1,94,62,491	1,946.25	44,23,294	442.33

Explanatory notes:

1. Issued 270001 0.01% Cumulative Compulsorily Redeemable and Optionally Convertible(CROC) Preference shares of Rs 10 each at Rs 140/- per shares on 07.04.2017 under private placement basis. These shares are converted into equity share on 08 Nov 2023 at face value.

2. Issued 46,150 0.01% Cumulative Compulsorily Redeemable and Optionally Convertible(CROC) Preference shares of Rs 10 each at Rs 143/- per shares on 03.09.2020. These shares are converted into equity share on 08 Nov 2023 at face value.

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

Particulars	Opening Balance	Converted from Preference to Equity	Fresh Issue (Bonus)	Closing Balance
Year ended 31st March 2024				
- Number of Equity shares	41,07,143	3,16,151	1,50,39,197	1,94,62,491
- Amount (Rs. in Lakhs) (Rs.10 Per Share)	410.71	31.62	1,503.92	1,946.25
Year ended 31st March, 2023				
- Number of Equity shares	41,07,143	-	-	41,07,143
- Amount (Rs. in Lakhs) (Rs.10 Per Share)	410.71	-	-	410.71

(ii) Details of Equity shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31st March, 2024		As at 31st March, 2023	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Navin Saraogi	87,52,858	44.97%	19,89,286	48.43%
Aansh Rajesh Bindal	66,35,252	34.09%	-	-
Pushpa P. Bindal	30,44,016	15.64%	-	-
Sanjay Bindal	-	-	15,08,012	36.72%
Dashrath Patel	440	0.00%	3,19,300	7.77%

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

Particulars	Opening Balance	Fresh Issue	Converted in Equity from Preference	Closing Balance
Year ended 31st March 2024				
Number of Preference shares	3,16,151	-	3,16,151	-
- Amount (Rs. in Lakhs) (Rs.10 Per Share)	31.62	-	31.62	-
Year ended 31st March, 2023				
Number of Preference shares	3,16,151	-	-	3,16,151
- Amount (Rs. in Lakhs) (Rs.10 Per Share)	31.62	-	-	31.62

(iv) Details of Preference shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31st March, 2024		As at 31st March, 2023	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Yogesh Raval	NA	NA	36,429	11.52%
Shailesh Patel	NA	NA	2,79,722	88.48%

(v) Details of Shares held by Promoters:

Promoter's Name	As at 31st March, 2024			As at 31st March, 2023		
	Number of shares held	% holding total shares	% Change During the year	Number of shares held	% holding total shares	% Change During the year
Equity shares with voting rights						
Navin Saraogi	87,52,858	44.97%	3.46%	19,89,286	48.43%	0.00%
Aansh Rajesh Bindal	66,35,252	34.09%	100.00%	-	0.00%	0.00%
Sanjay Bindal	-	-	-	15,08,012	36.72%	0.00%



		(Rs. in Lakhs)	
		As at March 31, 2024	As at March 31, 2023
4	Reserves and Surplus		
	(a) Securities premium account		
	Opening balance	2,748.67	2,748.67
	Add : Premium on shares issued during the year		-
	Less : Issues of Share	(1,503.92)	
	Closing balance	1,244.75	2,748.67
	(b) Surplus / (Deficit) in Statement of Profit and Loss		
	Opening balance	2,281.14	1,810.69
	Add: Profit / (Loss) transferred to Reserves	1,176.62	605.06
	Less : Excess Mat Credit Entitlement of Previous Year as per Computation of Income for AY 22-23		(134.60)
	Closing balance	3,457.76	2,281.14
	Total	4,702.51	5,029.81
5	Long-term borrowings:		
	(a) Term loans		
	Term Loan from Banks:		
	Consortium Finance (Lead Bank - Punjab National Bank)		
	Punjab National Bank TL-1	839.75	1,133.46
	Punjab National Bank TL-2	1,006.67	1,374.77
	Canara Bank	-	965.45
	WCTL Loan	-	-
	Punjab National Bank (GECL2.0 Extension)	1,039.17	1,160.00
	Canara Bank (GECL2.0)	401.04	593.54
	Canara Bank (GECL2.0 Extension)	362.41	384.54
	State Bank of India (GECL2.0)	196.93	296.75
	Punjab National Bank (GECL2.0)	112.50	168.75
	Total	3,958.47	6,077.27
	Less: Current Maturities	(1,460.00)	(1,510.75)
	(Refer Note 5.1 and 5.2)	2,498.47	4,566.52
	(b) Unsecured Loans		
	Loan from Directors, Associates and Relatives	1,273.87	2,008.87
	Inter Corporate Loan	139.04	296.63
	Total	1,412.91	2,305.50
	Total	3,911.38	6,872.03

Note: The Company is not declared wilful defaulter by any bank or financial institutions or other lenders.

Note - 5.1: Term Loan

Term Loan from Canara Bank, Punjab National Bank TL 1 (Term loan of Karnataka Bank take over by Punjab National Bank in 2020-21) & Punjab National Bank TL 2 (Term loan of United Bank Of India merged into Punjab National Bank in 2020-21) is under Consortium and same is secured by equitable mortgage / hypothecation on all immovable and movable properties of the company, both present and future including Land under leased hold right of 99 years in favour of the company and personal guarantee of promoter directors.	
Term Loan From Punjab National Bank (Earlier United Bank Of India)	The total total of 4 Equal Quarterly installments of Rs 101.50 Lacs each from June 2024 to March 2025, total of 3 Equal Quarterly installments of Rs 108.67 lacs from June 2025 to December 2025, total of 1 Quarterly installment of Rs 107 lacs on March 2026 and total of 1 Quarterly installments of Rs 155.56. lacs from June 2026 and balance in September 2026.
Term Loan From Punjab National Bank (Karnataka Bank Limited Takeover by PNB)	The total of 4 Equal Quarterly installments of Rs 80 Lacs each from June 2024 to March 2025, total of 4 Equal Quarterly installments of Rs 84 lacs from June 2025 to March 2026, total of 1 Quarterly installment of Rs 91 lacs on June 2026 and balance amount in September 2026.

Term Loan , GECL 2.0 and GECL 2.0 Extension for Canara Bank & Punjab National Bank & State Bank of India

(i) Primary Security

Under consortium of SBI, PNB and Canara and same is secured by exclusive charge on the assets created out of the credit facility so extended.

(ii) Collateral Security for Punjab National Bank, Canara Bank and State Bank of India

a) 1st Pari passu charge on EMT of Land & Building, situated at 20, Magalayam Co-operative society, near ocean park, Satellite road, Ahmedabad owned by Pushpa Premchand Bindal.

b) 1st Pari passu Charge on property situated on Flat No. A-21, 2nd Floor, Riviera Heights, Near Shaligram-II, Prahladnagar Road, Vejalpur, Ahmedabad owned by Kavita sarogi.

(iii) Personal Guarantee

- | | |
|------------------------|---------------------|
| a) Navin Sarogi | d) Kavita Sarogi |
| b) Sanjay Bindal | e) Pushpaben Bindal |
| c) Vedprakash Chiripal | |

Government Guarantee for GECL 2.0 and GECL 2.0 Extension:

M/s National Credit Guarantee Trustee Company (NCGTC) Limited shall provide 100% Guarantee coverage on the outstanding amount for the credit facility provided under the scheme as on the date of NPA or on the date of lodgment of claim, whichever is lower.



(iv) Repayment Schedule:

Canara Bank GECL 2.0	Repayment in 24 equal monthly installment of Rs. 16.04 Lacs each from. Rate of Interest 9.25%
Punjab National Bank GECL 2.0	Repayment in 24 equal Installment of Rs. 468750/- each. Rate of Interest 9.25%
SBI Bank GECL 2.0	Repayment in 24 equal Installment of Rs. 8,25,000/- Rate of Interest 9.25%
Canara Bank GECL 2.0 extension	Repayment of loan will be repaid in 44 equal installment of Rs. 8.02 lacs & last installment of Balance Amount excluding all other dues. Rate of interest 9.25%
GECL 2.0 extension Punjab National Bank	Repayment in 43 equal Installment of Rs. 24,16,667/- Rate of Interest 9.25%

Note - 5.2: Registration of charge or satisfaction with Registrar of Companies:-

As at March 31, 2024, The Register of charges of the company as available in records of the Ministry of Corporate Affairs ('MCA') includes charges that were created / modified since the inception of the Company. The Company have the consortium banking and the lead bank is SBI, The ROC charge is created in favor of SBI.

			(Rs. in Lakhs)
6	Deferred Tax Liability (net) :	As at March 31, 2024	As at March 31, 2023
	Deferred Tax Liability	430.91	492.03
	Total	430.91	492.03

			(Rs. in Lakhs)
7	Long Term Provisions	As at March 31, 2024	As at March 31, 2023
	Provision for Gratuity	18.21	13.53
	Total	18.21	13.53

			(Rs. in Lakhs)
8	Short Term Borrowings	As at March 31, 2024	As at March 31, 2023
	(a) Loans repayable on demand		
	From Banks		
	SBI Cash Credit	2,588.11	1,952.16
	Canara Bank Cash Credit	399.43	348.91
	Punjab National Bank Cash Credit	699.20	693.98
	(b) Current Maturities of Long Term Borrowings (Refer Note (i))	1,460.00	1,510.75
	Total	5,146.74	4,505.79

(Rs. in Lakhs)		
Note (i): Current maturities of long-term borrowings		
Particulars	As at March 31, 2024	As at March 31, 2023
(a) Term loans		
Secured:		
From Banks	726.00	1,234.87
(b) GECL	-	-
Secured:		
From Banks	734.00	275.87
Total	1,460.00	1,510.74

(Rs. in Lakhs)		
Note (ii): Limit from Bank For Cash credit ('CC')		
Particulars	As at March 31, 2024	As at March 31, 2023
SBI Bank	2,000.00	2,000.00
CANARA BANK	400.00	400.00
PNB Bank	700.00	700.00
SBI Bank - Adhoc CC (for 4 Months)	600.00	-
Total	3,700.00	3,100.00



(Rs. in Lakhs)		
9 Trade Payables	As at March 31, 2024	As at March 31, 2023
Due to MSME	16.04	-
Due to Related Parties	-	-
Others	1,310.61	836.44
Total	1,326.66	836.44

(Rs. in Lakhs)

Note 9.1 Trade payables due for payment as on 31.03.2024

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	16.04	-	-	-	16.04
(ii) Others	1,265.20	16.74	28.67	-	1,310.61
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	1,281.25	16.74	28.67	-	1,326.66

(Rs. in Lakhs)

Note 9.2 Trade payables due for payment as on 31.03.2023

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others (Including Related Party)	827.54	8.90	-	-	836.44
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	827.54	8.90	-	-	836.44

(Rs. in Lakhs)		
10 Other Current Liabilities	As at March 31, 2024	As at March 31, 2023
(a) Advance from Customers	0.31	0.21
(b) Statutory Dues (Contributions to PF, TCS, TDS, Professional Tax, GST, etc.)	17.24	9.43
Total	17.55	9.64

(Rs. in Lakhs)		
11 Short Term Provisions	As at March 31, 2024	As at March 31, 2023
Provision For Expenses	120.94	48.04
Provision For Income Tax	501.80	145.82
Provision For Gratuity	2.43	2.01
Total	625.17	195.88

(Rs. in Lakhs)		
13 Non Current Investment	As at March 31, 2024	As at March 31, 2023
Quoted Investments	-	-
SBI Multicap Fund	-	-
Less: Provision for Diminution in Value of Investment	-	-
UnQuoted Investments	-	-
Shares of Spinning Association of Gujarat of Rs 10 Each	0.01	0.01
Total	0.01	0.01

(Rs. in Lakhs)		
14 Other Non Current Assets:	As at March 31, 2024	As at March 31, 2023
(a) Security Deposit	-	-
Security Deposit for Rent	0.32	0.24
Security Deposit with Vendors	2.23	2.16
Security Deposit with CDSL and NSDL	0.36	-
(b) Trade Receivables (Exceeding 12 Months)	-	-
Unsecured, considered good (Refer Note 16.1)	-	8.42
(c) Fixed Deposits having maturity for more than 12 months	-	-
FD marked lien against Margin Money for EPCG & UGVCL	101.20	101.20
(d) Accrued Interest on Fixed Deposit	-	11.93
Total	104.10	123.94

(Rs. in Lakhs)		
15 Inventories	As at March 31, 2024	As at March 31, 2023
Finished Goods	1,904.88	1,945.70
Work-in-Progress	209.48	111.31
Raw Material & Consumables	97.89	66.58
(Including Goods in Transit of Rs. 1.96 Crore)	-	-
Packing Materials & Stores & Spares Material	75.37	91.56
Total	2,287.62	2,215.15

Note 15.1

Inventories are pledged as security for borrowings from Banks.



SIDDHI COTSPIN LIMITED
Notes forming part of the financial statements

Note 12 Property, Plant & Equipment									
Particulars	Balance as at 1st April, 2023	Gross Block			Balance as at 31st March, 2024	Accumulated Depreciation			
		Additions during the year	Disposals/Transfers	Balance as at 1st April, 2023		Depreciation / amortisation expense for the year	Eliminated on disposal of assets	Balance as at 31st March, 2024	Net Block
A Property, Plant & Equipments									
(a) Factory Building	3,618.87			631.10	114.60	-	-	745.70	2,873.17
(b) Plant and Machinery	10,043.23	33.14		6,089.89	795.70	-	-	6,885.59	3,157.78
(c) Office Equipment	4.27	-		2.78	0.44	-	-	3.21	1.06
(d) Furniture & Fixtures	51.64	-		24.16	4.91	-	-	29.06	22.57
(e) Computers	14.47	0.91		11.01	1.53	-	-	12.54	2.84
(f) Vehicle	86.67	-	8.00	25.40	10.06	7.24	7.24	28.22	50.46
Total Property, Plant & Equipment	13,819.15	34.05	8.00	6,784.34	927.22	7.24	7.24	7,704.33	6,140.87
B Capital Work in Progress	-	-	-	-	-	-	-	-	-
C Leasehold Assets									
(a) Leasehold Land	624.70	-	-	35.47	6.31	-	-	41.78	582.92
Grand Total	14,443.85	34.05	8.00	6,819.81	933.53	7.24	7.24	7,746.11	6,723.79
Total of Previous Year	14,170.48	273.37	-	5,900.21	919.60	-	-	6,819.81	7,624.04
									8,270.27



	(Rs. In Lakhs)	
16 Trade Receivables	As at March 31, 2024	As at March 31, 2023
Trade receivables o/s for a period exceeding six months		
Unsecured, considered good	576.19	115.66
Other Trade receivables		
Unsecured, considered good	6,491.59	4,682.33
Total	7,067.78	4,797.98

(Rs. In Lakhs)						
Note 16.1 Trade Receivables ageing schedule as on 31.03.2024						
Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	6,491.59	543.37	25.76	-	7.06	7,067.78
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
Total	6,491.59	543.37	25.76	-	7.06	7,067.78

(Rs. In Lakhs)						
Note 16.2 Trade Receivables ageing schedule as on 31.03.2023						
Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	4,682.33	115.66	0.26	-	8.16	4,806.40
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
Total	4,682.33	115.66	0.26	-	8.16	4,806.40

	(Rs. In Lakhs)	
17 Cash & Bank Balances:	As at March 31, 2024	As at March 31, 2023
(a) Cash on hand	3.20	4.51
(b) Balances with banks	-	-
In current accounts	121.14	601.83
In Fixed Deposits account having Maturity of less than 12 months	-	-
Fixed Deposits with Bank	-	1.00
Fixed Deposit with Bank under lien Mark / against CC-OD	51.06	865.71
Total	175.41	1,473.05

	(Rs. In Lakhs)	
18 Short term Loans & Advances:	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good		
(a) Loans and advances to others:		
(i) Advance to Creditors for Goods	39.06	1,327.91
(ii) Advance to Creditors for Capital Asset	410.00	10.12
(iii) Advance to Creditors for Expenses	57.67	19.17
(b) Loans and advances to employees	24.95	1.61
(c) Prepaid Expenses	27.95	26.80
(d) Loan to Others-Related Party	14.90	-
Secured Considered Good		
(a) Balances with revenue authorities	557.04	368.85
(b) MAT credit Entitlement	-	128.23
(c) Subsidy Receivables:		
SGST Subsidy Receivable	618.56	242.05
Total	1,750.13	2,124.74

	(Rs. In Lakhs)	
19 Other Current Assets	As at March 31, 2024	As at March 31, 2023
Accrued Interest	16.53	38.57
Total	16.53	38.57

Note 19.1 FD under lien Mark against Security / Bank Guarantee

	(Rs. In Lakhs)	
20 Revenue from Operations	FY 2023-24	FY 2022-23
(A) Income From Operations (Refer Note (i) below)	57,539.12	19,517.39
(B) Other Operating Revenues (Refer Note (ii) below)	549.64	415.21
Total	58,088.75	19,932.60

	FY 2023-24	FY 2022-23
Particulars		
Note: (i) Income From Sale of Goods:		
Domestic Sales - Yarn	56,612.53	18,553.64
Export Sale (Including Deemed Export) - Yarn	127.08	963.75
Trading Sales - Fabric	799.50	-
Total - Income From Sale of Goods	57,539.12	19,517.39

Note: (ii) Other Operating Revenues:		
(i) Waste Sale	458.04	357.05
Stores Sale	11.25	7.06
Late Payment charges on Sales	80.34	51.10
Total - Other operating revenues	549.64	415.21

	(Rs. In Lakhs)	
21 Other Income	FY 2023-24	FY 2022-23
Interest Income	28.46	54.57
Profit on sale of Fixed Asset	0.44	-
Rent Income	-	0.45
Foreign Currency Fluctuation Gain	-	0.59
Other MIs Income	-	0.86
Total	28.90	56.47



		(Rs. in Lakhs)
	FY 2023-24	FY 2022-23
22	Cost of raw materials and components consumed	
	Raw Material Goods:	
	Opening Stock	1,561.34
	Purchases (net of SGST Reimbursements)	14,900.70
		16,462.04
	Less: Closing Stock	66.58
	Cost of raw materials and components consumed	16,395.46
	Packing & Store Material:	
	Opening Stock	50.92
	Purchases	236.09
		287.01
	Less: Closing Stock	91.56
	Cost of raw materials and components consumed	195.45
	Total	16,590.92
		(Rs. in Lakhs)
	FY 2023-24	FY 2022-23
23	Purchase of Traded Goods	
	Fabric Purchase	966.82
	Total	-
		(Rs. in Lakhs)
	FY 2023-24	FY 2022-23
24	Operational Expenses	
	Power & Fuel	735.41
	Freight & Transport	43.27
	Repairing & Maintenance (Plant & Machinery)	13.70
	Oil & Lubricants	10.96
	Testing & Inspection	0.21
	Total	803.55
		(Rs. in Lakhs)
	FY 2023-24	FY 2022-23
25	Changes in the inventories of finished goods & work-in-progress	
	Opening Stock	
	Finished Goods	1,071.42
	Work-in-Progress	204.20
		1,275.62
	Closing Stock	
	Finished Goods	1,945.70
	Work-in-Progress	111.31
		2,057.01
	Changes in Inventories -Decrease/(Increase)	(781.39)
		(Rs. in Lakhs)
	FY 2023-24	FY 2022-23
26	Employee Benefit Expense	
	Salaries and Wages	501.19
	Defined Benefit Liability - Gratuity	(1.98)
	Total	499.21
		(Rs. in Lakhs)
	FY 2023-24	FY 2022-23
27	Finance costs	
	Bank Charges (Including Loan Processing Charges and legal charges)	42.35
	Interest on Term Loans	325.48
	Interest on CC	375.21
	Interest on Unsecured Loans	12.64
	Total	755.67
		(Rs. in Lakhs)
	FY 2023-24	FY 2022-23
28	Depreciation & Amortisation cost	
	Depreciation	913.29
	Amortization of Leashold Land	6.31
	Total	919.60
		(Rs. in Lakhs)
	FY 2023-24	FY 2022-23
29	Other expenses	
	Auditor's Remuneration	1.50
	Donation (Including CSR)	13.36
	Rent Expense	13.90
	Insurance	41.91
	Housekeeping Expense	11.18
	Security Expense	18.03
	Travelling Expense	2.57
	Stationery & Printing	1.25
	Interest on TDS & TCS	0.01
	Interest on Income Tax	5.74
	Telephone Expense	5.92
	Interest, Penalty & Late Fees - GST	11.23
	Legal & Professional Charges	52.10
	General Office Expense	9.21
	Repair & Maintenance (other assets)	3.99
	Staff transportation Expense	1.44
	Repair & Maintenance (Building)	56.26
	Repair & Maintenance (Office)	1.04
	Commission	28.93
	Business Promotion	0.23
	Transportation Expense	46.13
	Total	325.92



Notes Forming part of the financial statements:

1. Company Overview

Siddhi Cotspin Limited (referred to as "Company") (formerly known "Siddhi Cotspin Private Limited") is a public company, limited by shares incorporated on 23rd November, 2015 under the provisions of the Companies Act, 2013, as a Company having registered office at Survey 279 & 280, Unit No.13, Sub Plot No. 18 Sector 3 of Dholi Integrated Spinning Park, Ahmedabad, Gujarat-382240. Initially the company was incorporated as a private company and then converted into public Company on 06th February, 2024. The Company is engaged in manufacturing and trading of Textile products. The main product manufactured by the company is Yarn.

2. Significant Accounting Policies

A. Basis of Preparation of Financial Statements

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India on accrual basis under the historical cost convention.

These financial statements have been prepared in accordance with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

All the assets and liabilities are classified as current and non-current as per company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalent, 12 months has been considered by the company for the purpose of current-noncurrent classification of assets and liabilities.

The Company follows mercantile system of accounting and recognizes income and expenditure on accrual basis except those with significant uncertainties.

Previous year figure has been regrouped/rearranged to confirm to the current year classification.

The Financial Statements are presented in Indian rupees rounded off to the nearest rupees.

B. Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. The management believes that the estimates used in the preparation of financial statement are prudent and reasonable. Actual results could differ from these estimates.



Estimates and underlying assumptions are reviewed on a going concern basis. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

C. Property, Plant & Equipment

Tangible Assets are stated at cost of acquisition as reduced accumulated depreciation. Cost includes purchase price and all other attributable cost of bringing the asset to working condition for intended use. The expenses for asset which are not ready for commercial production or for assets which are not ready for use is recognized as Capital Work-in Progress. Further, the expenses made subsequent costs of major renovations and improvements to Tangible assets that increase or extend the future economic benefits or service potential are valued at cost. Gains and losses on disposal are determined by comparing the proceeds with the carrying amount of the asset and are included in the Statement of Profit & Loss. The company follows policy of capitalizing purchase of assets only above Rs 10,000/-.

D. Depreciation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation / amortization on Tangible assets is charged based on "Straight Line Method (SLM)" on an estimated useful life as prescribed in Schedule II to the Companies Act, 2013 except where the life of the assets has been assessed as under based on technical advice, considering the nature of the asset, estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc. Lease Hold Assets has been amortized as per straight line method over the lease term.

E. Investments

Non-Current Investment are stated at cost unless there is a diminution in the value of investment other than temporary. Long-term investments are usually of individual importance to the company. The carrying amount of long-term investments is therefore determined on an individual investment basis. The cost of an investment includes acquisition charges such as brokerage, fees and duties. Where there is a decline, other than temporary, in the carrying amounts of long-term investments, the resultant reduction in the carrying amount is charged to the profit and loss statement. The reduction in carrying amount is reversed when there is a rise in the value of the investment, or if the reasons for the reduction no longer exist. The carrying amount for current investments is the lower of cost and fair value. On disposal of an investment, the difference between the carrying amount and the disposal proceeds, net of expenses or income, is recognized in the profit and loss statement.



F. Inventories

Inventories are valued at lower of cost or net realizable value. Cost is computed on the basis of cost of purchase on "FIFO" basis. For the purpose of valuation of Manufacturing Work in Progress, value is determined on a specific identification basis which includes material cost, freight and other incidental expenses incurred in bringing the inventory to the present location / condition. An annual physical inventory verification is conducted of all stocks. Sample physical counts are undertaken throughout the year to verify inventory balances.

G. Provisions, Contingent Liabilities & Contingent Assets:

A provision is recognized when the company has a present obligation as a result of a past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation.

A contingent liability is disclosed, unless the possibility of an outflow of resources embodying economic benefits is remote.

A Contingent asset usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the enterprise. Contingent assets are not recognized in financial statements since this may result in the recognition of income that may never be realized.

H. Government Grants

Government grants are recognized when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants will be received. Revenue grants are recognized in the statement of profit and loss as a deduction from the expenses related to it.

I. Revenue Recognition

The revenue is accounted for to the extent that the economic benefits will flow to the company and revenue can reliably measure. Therefore, all revenues from manufacturing and trading of Textiles products are recognized on the basis of the invoices raised. Interest income from fixed deposits are accounted on accrual basis. Other Incomes such as Interest, dividends and rentals receivables in connection with an investment are generally regarded as other income, being the return on the investment and it is recognized on accrual basis.

J. Expenditure

Expenditure is accounted on accrual basis and provisions are made for all known liabilities except otherwise stated.



K. Foreign Currency Transactions

A foreign currency transaction is recorded, on initial recognition in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction or based on the customs exchange rates specified time to time. Foreign currency monetary items is reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency is reported using the exchange rate at the date of the transaction;

Exchange differences arising on the settlement of monetary items or on reporting the company's monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements, is recognized as income or as expenses in the period in which they arise.

L. Current Income Tax / Minimum Alternate Tax & Deferred Taxes:

Tax expense comprises of current and deferred taxes. Provision for current Income tax / MAT is made on the basis of the estimated taxable profits / book profits computed for the current accounting period in accordance with the Income Tax Act, 1961.

Deferred tax expenses or benefit is recognized on timing difference being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in on or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted are substantively enacted by the balance sheet date.

Deferred tax assets in respect of unabsorbed depreciation and carry forward losses are recognized only to the extent that there is virtual certainty that sufficient taxable income will be available to realize these assets. All other deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available to realize these assets.

M. Employee Benefits:

Employee benefits are all forms of consideration given by the company in exchange for service rendered by employees.

Post-employment benefits are employee benefits (other than termination benefits) which are payable after the completion of employment. It includes employment benefits such as gratuity.

Short-term employee benefits include items such as wages, salaries and bonuses payable within twelve months after the end of the period in which the employees render the related service; and non-monetary benefits (such as medical care, housing, cars and free or subsidized goods or services) for current employees.



N. Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares. Potential equity shares is treated as dilutive when, and only when, their conversion to equity shares would decrease net profit per share from continuing ordinary operations.

O. Cash & Cash Equivalent

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

P. Segment Reporting

A business segment is a distinguishable component of an enterprise that is engaged in providing an individual product or service or a group of related products or services and that is subject to risks and returns that are different from those of other business segments. However, the company does not have multiple segments of business. The Company is engaged in manufacturing and trading of Textile product only.



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Note 30 Other notes to financial statement

Note 30.1 Details of Payment to Auditors

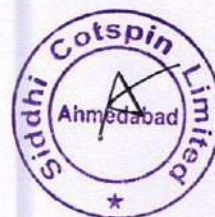
Particulars	Rs. in Lakhs	
	As at 31 st March, 2024	As at 31 st March, 2023
Amount paid / payable to Auditors:		
As Auditor		
Statutory Audit Fees	1.00	1.00
Special Purpose Report Fees	1.00	-
Tax Audit Fees	1.00	0.50
Total	3.00	1.50

Note 30.2 Earning Per Shares (EPS)

Particulars	Rs. in Lakhs	
	As at 31 st March, 2024	As at 31 st March, 2023
Profit/(Loss) after Tax attributable to Equity Shareholders	1,175.81	605.06
Weighted Average number of Equity Share Outstanding	1,92,71,591	1,91,46,340
EPS-Basic & Diluted	6.10	3.16

Note 30.3 Deferred Tax (Asset) / Liabilities

Particulars	Rs. in Lakhs	
	As at 31 st March, 2024	As at 31 st March, 2023
Opening Balance	(492.03)	(355.97)
Add/(Less):	4,428.87	5,142.40
WDV as per Income Tax Act (a)	6,140.87	7,034.81
WDV as per Books of Accounts (b)		
Difference (a-b)	1,712.01	1,892.41
Deferred Tax Liability (A)	(430.91)	(492.03)
Business Loss	-	-
Unabsorbed Depreciation	-	-
Deferred Tax Asset on Unabsorbed Depreciation and on Business Loss (B)	-	-
Deferred Tax Liability (Net of DTA) during the year	61.11	32.32
Closing Net Deferred Tax Liability	(430.91)	(492.03)



Note 30.4 Disclosures of Related Parties / Related Party Transactions

Name of the Related Parties and description of relationship:

Nature of Relationship	Name of Related Party	Nature of Relationship
Key Management Personnel & their relatives	1. Sanjay Bindal 2. Navin Saraogi 3. Aansh Bindal 4. Pushpa Bindal 5. Rajesh Bindal 6. Kavita Saraogi 7. Nidhi Bindal 8. Sakshi Bindal 9. Jagdish Kanzariya 10. Vardhaman P Shah 11. Sumitkumar J Patel 12. Drashti L Solanki 13. Aayush K Shah	Director (TILL 24th Jan 2024) Director Director (w.e.f. 21st Dec 2023) Director's Relative (TILL 24th Jan 2024) Director's Relative Director's Relative Director's Relative (w.e.f. 21st Dec 2023) Director's Relative (w.e.f. 21st Dec 2023) Company Secretary(w.e.f. 09 TH Oct 2023) CFO (w.e.f. 04 TH Jan 2024) Independent director Independent director Independent director
Enterprises owned / significantly influenced by Key Management Personnel / their relatives/ Associate Companies	1. United Tex Chem Solutions Private Limited 2. Siddhi Weaves Private Limited 3. K S Solution 4. Shvixtex Spinning Private Limited 5. Bindal Worldwide Private Limited (TILL 24th Jan 2024) 6. Bhavana Textiles Private Limited (TILL 24th Jan 2024) 7. Agrawal Denim Private Limited 8. Shvitech Steel Private Limited 9. Basant Texfab Private Limited 10. Shvixnidhi Spin Private Limited 11. Unitex Chemicals Private Limited 12. Ace Fabrics LLP 13. Bindal Spintex LLP (w.e.f. 21st Dec 2023 to 23 rd March 2024) 14. Dholi Speciality Private Limited 15. Shvixhari Chemicals Private Limited 16. Janshali Enviro Private Limited	

Disclosure of Related Party Transactions carried out during the year:

Rs. in Lakhs

Nature of Transaction	As at 31 st March 2024		As at 31 st March 2023	
	Enterprises owned by Key Management Personnel & their relatives	Key Management Personnel & relatives	Enterprises owned by Key Management Personnel & their relatives	Key Management Personnel & relatives
Purchase of Goods / Services				
Shvixtex Spinning Private Limited	-	-	1.46	-



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Bindal Spintex LLP (transaction w.e.f. 21st Dec 2023)	-	8,342.74	-	-
Loans Taken During the Year				
Pushpa Bindal	-	-	-	630.00
Sanjay Bindal	-	-	-	350.00
Navin Saraogi	-	180.00	-	-
Loan Repaid During the Year				
Pushpa Bindal	-	350.00	-	375.00
Bindal Worldwide Private Limited	-	-	107.90	-
Sanjay Bindal	-	362.50	-	280.00
Navin Saraogi	-	197.50	-	448.72
Loan Given During the year				
Dholi Speciality Private Limited	1,490.000			
Salary Paid				
Sanjay Bindal	-	12.50	-	15.00
Navin Saraogi	-	3.00	-	3.00
Jagdish Kanzariya	-	3.10	-	-
Vardhman P Shah	-	1.52	-	-
Rent Paid				
Pushpa Bindal		3.00	-	3.60
Rajesh Bindal	-	-	-	1.20
Sales of Goods / Service				
Shivtex Spinning Private Limited	11,668.40	-	34.38	-
Siddhi Weaves Private Limited		-	1.85	-
Bhavana Textiles Private Limited	-	-	-	-
Ace Fabrics LLP	209.38	-	-	-
Sales Return				
Siddhi Weaves Private Limited	-	-	2.97	-



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Closing Balances of Related Party:

Rs. in Lakhs

Nature of Transaction	As at 31 st March 2024		As at 31 st March 2023	
	Enterprises owned by Key Management Personnel & their relatives	Key Management Personnel & relatives	Enterprises owned by Key Management Personnel & their relatives	Key Management Personnel & relatives
Debtors' Receivable				
Shivtex Spinning Private Limited	582.05	-		
Siddhi Weaves Private Limited			0.11	-
Unsecured Loan Outstanding from related party (as at year ended)				
		220.97		238.47
NAVIN S SARAOGI				1,100.71
SANJAY P BINDAL				669.69
PUSHPA BINDAL				
Loan Outstanding (as at year ended)				
Dholi Speciality Private Limited	14.90			



Note 30.5 Contingent Liabilities

As per the information available and explanations made by the management, the details of contingent liability is as under:

Particulars	Amount in Rs	
	As at 31 st March, 2024	As at 31 st March, 2023
Bank Guarantee given to Government under EPCG scheme	184.17	184.17
Bank Guarantee given to UGVCL	180.51	180.51
Custom duty liable to be paid if Export obligation not fulfilled	40.78	40.78
Total Contingent Liability as on date	405.46	405.46

Note : The Export Obligation yet to be fulfilled INR 244.71 Lakhs.

Note 30.6 Government Grants

During the said financial year, the SGST subsidy has been reduced from the Purchases of Raw Materials. Further during the said year, the Power subsidy has been deducted from Electricity Expenses reported under the head Direct Expense. With respect to Interest Subsidy, it has been accounted as a reduction from Interest on Term Loan under the head Finance cost.

Particulars	Rs. in Lakhs	
	FY 2023-24	FY 2022-23
SGST Subsidy	1,381.70	845.95
Power Subsidy	Nil	69.44
Interest Subsidy	Nil	251.97
Total	1,381.70	1,167.36

Note 30.7 Foreign Currency Transaction

Value of imported and indigenous raw materials, spare parts & components consumption:

Particulars	As at 31 st March, 2024		As at 31 st March, 2023	
	Value	% of total consumption	Value	% of total consumption
Imported	0	0	5.66	0.03
Indigenous	51,326.25	100.00	16,585.25	99.97
Total	51,326.25	100.00	16,590.91	100.00



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Expenditure and Income in Foreign Currency

Rs. in Lakhs

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
CIF Value of Imports		
Machinery	-	-
Stores & Parts of Machinery	-	5.66
Subscription & Membership Fees	1.88	-
FOB Value of Exports		
Export of Yarn	Nil	Nil

The Net Foreign Currency Fluctuation Gain credited to the Statement of Profit & Loss during the current year is Nil /-.

Note 30.8 Employee Benefits

The Company has accounted the Obligation under defined benefit plan - Provision for Gratuity of INR 5.09 Lakhs (i.e. Post Employment benefit obligation) which is derived on the basis of actuarial valuation in accordance with Accounting Standard 15.

The calculation of Defined Benefit liability is as under:

Rs. in Lakhs

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
(A) Present value of the defined benefit obligation at the balance sheet date	20.64	15.55
(B) Past Service Cost not yet recognized	-	-
(C) FV of planned assets, (if any) out of which obligation are to be settled directly	-	-
Amount recognized as Defined Benefit Liability(A-B-C)	20.64	15.55

The Company has duly accounted the Short-term employee benefits at the actual cost incurred during the financial year 2023-24 as per AS-15.



Note 30.9 Additional Regulatory Information
Analytical Ratios

SR NO	RATIO'S NAME	FORMULA	As at 31 st March, 2024	As at 31 st March, 2023	Variance	Explanation (If Variance more than 25% when compared to previous year)
1	Current Ratio	Current Assets / Current liabilities	1.59	1.92	-17.30%	NA
2	Debt-Equity Ratio	Total Debt / Shareholder's Equity	1.36	2.25	-39.41%	Due to Decrease in Debt and Increase in Shareholders Equity on account of current year Profit.
3	Debt Service Coverage Ratio	Earnings available for debt service / Debt service	1.53	1.10	38.88%	Due to increase in net operating income and debt service cost
4	Return on Equity (ROE)	Net Profits after taxes – Preference Dividend (if any) / Average Shareholder's Equity	20.15	12.61	60.73%	Due to increase in net profit
5	Inventory Turnover Ratio	Cost of goods sold OR sales / Average inventory	25.80	7.81	230.28%	Due to Increase in sales turnover as compare to last financial year
6	Trade receivables turnover ratio	Net Credit Sales / Average Accounts Receivable	9.79	4.36	140.49%	Due to Increase in sales turnover as compare to last financial year
7	Trade payables turnover ratio	Net Credit Purchases / Average Trade Payables	47.47	25.45	86.51%	Due to increase in purchase as compare to last year
8	Net capital turnover ratio	Net Sales / Average Working Capital	7.99	29.31	-72.74%	Due to Incerase in sales turnover as compare to last financial year, however overall Decrease in Average Working capital



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9	Net Profit Ratio	Net profit / Net Sales	2.02	3.04	-33.32%	Due to Increase in PAT as compare to previous financial year and Net Sales Increased more and overall Decrease in Net Profit Ratio
10	Return on capital employed	Earnings before interest and taxes / Capital Employed	12.14	7.60	64.03%	Increase in earnings but capital employed is decrease as compare to last year
11	Return on investment	$\{MV(T1) - MV(T0) - \text{Sum } [C(t)]\} / \{MV(T0) + \text{Sum } [W(t) * C(t)]\}$	0	0	0.00%	NA

Note 30.10

Corporate Social Responsibility: As per Sec 135 of the Companies Act, details as below:

Sr. No.	Particulars	Amount as at 31 March, 2024 (Rs. In Lakhs)	Amount as at 31 March, 2023 (Rs. In Lakhs)
a)	Amount required to be spent by the company during the year,	15.18	11.88
b)	Amount of expenditure incurred,	15.20	12.00
c)	Amount Adjusted from Previous Year Excess	0	0
d)	Shortfall / (Excess) at the end of the year,	0	0
e)	Total of previous years shortfall,	0	0
f)	Reason for shortfall,	NA	NA
g)	Nature of CSR activities,	Education for Children	Education for Children
h)	Details of related party transactions, e.g. contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,	NA	NA
i)	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately.	NA	NA



Note 30.11 - Regrouping Note:

Previous year figures have been regrouped and reclassified wherever considered necessary to conform to the current year's figures.

Note 30.12 – Event Occurring After Balance sheet date

The Company has filed the Draft Red Herring Prospectus with NSE – emerge platform on 01 May 2024. The approval is pending with exchange.

Note 30.13

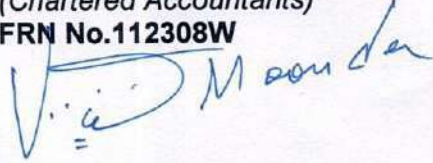
- a) Some of the Confirmation letter/ contra accounts of debit and credit balances are not received by the Company. Balance due to or due by various parties / GST etc. are therefore, subject to adjustment, if any, on receipt of confirmation letters / contra accounts.
- b) In the opinion of Board of Directors, the Current Assets, loans and advances are approximately of the value stated if realized in the ordinary course of business. The provisions for all known liabilities are adequate.
- c) There are no dues outstanding to Micro, Small and Medium Enterprises outstanding for more than the statutory period.
- d) No Transaction to report against the following disclosure required as notified by MCA pursuant to amended Schedule III:
 - Crypto Currency or Virtual Currency
 - Benami Property held under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder
 - As the Company has no holding or subsidiary company, requirement with respect to number of layers prescribed under Clause 87 of Sub section 2 of the Companies Act, 2013 read with Companies (restriction on number of layers) rules, 2017 is not applicable.
- e) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether records in writing or otherwise) that the Company shall:
 - a. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - b. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.



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- f) There was no transaction which was not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- g) Figures have been presented in 'Rupees in Lakhs' with two decimals

Signatures to Notes 1 to 30
For, Vijay Moondra & Co.
(Chartered Accountants)
FRN No.112308W



CA. VINIT MOONDRA
(Partner)
M No. 106246

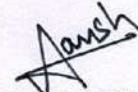
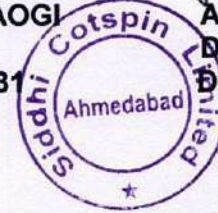
Place: Ahmedabad
Date: 23rd Aug, 2024



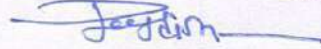
For, SIDDHI COTSPIN LIMITED



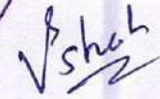
NAVIN SARAOGI
Director
DIN: 00623331



AANSH BINDAL
Director
DIN: 10432834



JAGDISH KANZARIYA
Company Secretary



VARDHAMAN P SHAH
CFO