



KATARE SPINNING MILLS LIMITED

"KATARE COMPLEX", 14/30, RAVIWAR PETH,
2nd WING, GROUND FLOOR, GANDHI NAGAR,
AKKALKOT ROAD, SOLAPUR- 413 005
MILL - "KAMALA NAGAR", TAMALWADI. Tal. TULJAPUR.
OFFICE : 0217-2376555
Email : katarespinningmills@gmail.com
CIN : L17119PN1980PLC022962

Ref/KSM/37/2022-23

01st September, 2022

The Compliance Officers,
Bombay Stock Exchange Limited
Floor 25, P.J. Tower, Dalal Street,
Mumbai- 400 001

BSE Scrip Code- 502933

Sub:- Submission of Annual Report for the year ended 2021-22 under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Madam/Sir,

The 42nd Annual General Meeting of the Company will be held on 29th September, 2022 and in respect to that we are enclosing herewith the following documents in respect to above mentioned subject;

Annual Report for the year ended 2021-22 as required under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
This is for your Kind information and records.

Thanking You
Yours faithfully,



FOR KATARE SPINNING MILLS LIMITED


KISHORE KATARE
MANAGING DIRECTOR
(DIN- 00645013)

Katare Spinning Mills Limited



SOULFUL HOMAGE



Founder Director
Late Subhash Tippanna Katare

KATARE SPINNING MILLS LIMITED

KATARE SPINNING MILLS LIMITED

CIN- L17119PN1980PLC022962

**42ND ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED ON
31ST MARCH, 2022**

CORPORATE INFORMATION

BOARD OF DIRECTORS

<i>Name of Director</i>	<i>Designation</i>
Mr. Kishore T Katare	Managing Director
Mr. Subhash T. Katare	Director (Expired on 28.07.2022)
Mrs. Vidyavati K Katare	Director
Mr. Umakant Mahindrakar	Director
Mr. Prakash Venkappa Joti	Independent Director
Mr. Vilas Ramakant Shendge	Independent Director

CHIEF FINANCIAL OFFICER

Mr. Kamal Kishore Katare

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Manish Prakash Kakrai

REGISTERED OFFICE

14/30 Ground Floor, B Wing, Katare Complex,
Gandhinagar, Bl. No. 10, Akkalkot Road, Solapur MH- 413006

Divisions of the Company-

SPINNING MILL

382, Kamalanagar, Tamalwadi – 413 601
Tal: Tuljapur- Dist. Osmanabad

SOLAR POWER PROJECT

381, Kamalanagar, Tamalwadi – 413 601
Tal: Tuljapur- Dist. Osmanabad

STATUTORY AUDITORS

M/s. N. R. Waghchaure & Associates
Chartered Accountants
16-22, Royal Plaza, Behind Bhagwat Petrol Pump,
Murarji Peth, Solapur- 413 001.

KATARE SPINNING MILLS LIMITED

SECRETARIAL AUDITORS

M/s. Nikhil Sawant & Co.
Company Secretaries
Office No. 01, Parvati Sadan, opp. Lakaki Lake
Model Colony, Pune- 411 016

BANKERS

Kamala Co-Op. Bank Ltd.
Main Branch, Solapur – 413 006.

REGISTRAR & SHARE TRANSFER AGENTS

Link Intime India Pvt Ltd.,
Akshay Complex, Block No. 202, 2nd Floor,
Opp. Dhole Patil Road,
Pune – 411 001
E-mail: pune@intimespectrum.com

DATE, TIME AND VENUE OF AGM

42nd Annual General Meeting

Thursday, 29th September, 2022
11.00 a.m. (I.S.T.)
At: 14/30 Ground Floor, B Wing, Katare Complex,
Gandhinagar, Solapur MH- 413006.

Remote e-voting Period:

From 9.00 a.m. on Monday, 26th September, 2022
Till 5.00 p.m. on Wednesday, 28th September, 2022

Chairman Message

Dear Shareholders,

It gives me immense pleasure to write you to present the Annual Report for FY 2021-22. I hope this letter finds you and your families well and safe.

Recent history has been relentless with the global pandemic, military conflict, growing inequality, supply chain shortages and more. As economies across the world are gradually coming out of the pandemic induced inertia, and gathering momentum, we are taking all relevant initiatives to increase production capacity and efficiency to enhance its market share.

Global Economy and Industry overview

While recovering from the damage caused by the COVID-19 pandemic, the global economy is facing the impact of the Russian invasion of Ukraine. As this could become a protracted period of feeble growth and elevated inflation. This raises the risk of stagflation, with potentially harmful consequences for middle- and low-income economies alike.

Your Company is engaged in Two major sectors i.e. Cotton Yarn Industry (Spinning Mills) and Solar Energy.

Cotton Yarn Industry:

For the year 2020, Worldwide Cotton Market was US\$ 38.54 Billion. Global Cotton Market is expected to reach US\$ 46.56 Billion by 2027, with a CAGR of 2.74% from 2020 to 2027. The cotton market is projected to register a CAGR of 4.1% during the forecast period (2022-2027).

Due to COVID-19, the demand for cotton is decreased to 11.0%. The imposed global restrictions have resulted in the shutting down of ginning mills due to the cancellation and suspension of orders by many western clothing brands. This has also affected the cotton plantations and textile plantations in Bangladesh and India.

China, India, Pakistan, and Bangladesh are the largest cotton consumers worldwide, accounting for one of the highest global consumption. In India, the supremacy of the textile sector exists, as it consumes most of the country's cotton. Demand for cotton is expected to remain steady, despite stiff competition from synthetic fibres, though the effects of the current crisis due to COVID-19 might affect demand in the short to medium term.

Cotton production in India is projected to reach 7.2 million tonnes (~43 million bales of 170 kg each) by 2030, driven by increasing demand from consumers. India's textile and apparel exports (including handicrafts) stood at US\$ 44.4 billion in FY22, a 41% increase YoY. Exports of readymade garments including cotton accessories stood at US\$ 6.19 billion in FY22.

India enjoys a comparative advantage in terms of skilled manpower and in cost of production, relative to major textile producers. In March 2021, Minister of Textiles, Ms. Smriti Irani announced that India will be fully self-reliant in silk production in the next two years.

Huge funds in schemes such as Integrated Textile Parks (SITP) (US\$ 184.98 million) and Technology Upgradation Fund Scheme (US\$ 961.11 million) released by the Government during 2015-16 to 2019-20 to encourage more private equity and provide employment.

Solar Energy Industry:

The global solar energy market was valued at \$52.5 billion in 2018 and is projected to reach \$223.3 billion by 2026, growing at a CAGR of 20.5% from 2019 to 2026.

Solar energy is the radiant energy emitted from the sun, which is harnessed by using various technologies such as solar heating, photovoltaic cells, and others. It is an efficient form of unconventional energy and a convenient renewable solution toward growing greenhouse emissions and global warming. The growth of the solar energy market is driven by increase in environmental pollution and provision of government incentives & tax rebates to install solar panels. In addition, decrease in water footprint associated with solar energy systems has fuelled their demand in power generation sectors.

Emerging economies such as China and Japan have significantly increased the production of solar technologies owing to governmental tariffs and merger & acquisition of local manufacturers.

In June 2021, Prime Minister Mr. Narendra Modi stated that renewable energy capacity in India increased by 250% between 2014 and 2021. The Central Electricity Authority estimates India's power requirement to grow to reach 817 GW by 2030. Most of the demand will come from real estate and transport sectors.

In the Union Budget 2022-23, the government allocated Rs. 19,500 crore (US\$ 2.57 billion) for a PLI scheme to boost manufacturing of high-efficiency solar modules.

India launched the Mission Innovation Clean Tech Exchange, a global initiative that will help accelerate clean energy innovation. Globally, India ranks fourth in renewable energy capacity and wind power and fifth in solar power capacity. In October 2021, India retained its third rank on the EY Renewable Energy Country Attractive Index 2021.

Revenue from operations was Rs. 27.95 Crores in FY 2021-22 against revenue from operations in FY 2020-21 which was Rs.10.57 Crores. Further the Company has managed to earn a profit of Rs.7.92 Crores for FY 2021-22 as against loss of Rs.1.73 Crores in FY 2020-21. Now company has accommodated with changes and has a vision of growing manifold in upcoming financial year.

I would like to take this opportunity to thank all our employees for their immense contributions in these trying times. I would also like to thank you shareholders for your continued trust and support.

Best Regards,

KATARE SPINNING MILLS LIMITED

SD/-
KISHORE KATARE
MANAGING DIRECTOR
(DIN- 00645013)

KATARE SPINNING MILLS LIMITED

SR. NO.	CONTENTS	PAGE NO.
1	Notice of AGM	7
2	Director's Report	24
3	Management's Discussion and Analysis Report	42
4	Corporate Governance Report	48
5	Financial Statements	85

NOTICE OF 42ND ANNUAL GENERAL MEETING

Notice is hereby given that 42nd Annual General Meeting of the Members of the Company will be held on Thursday, 29th September, 2022 at 11.00 a.m. (I.S.T.) at 14/30 Ground Floor, B Wing, Katare Complex, Gandhinagar, Bl. No. 10, Solapur MH- 413006 to transact, the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2022 and Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and the Reports of the Board of Directors and the Auditors of the Company.
2. To re-appoint Mr. Umakant Mahindrakar (DIN: 01233305), who retires by rotation and being eligible, seeks re-appointment.

“RESOLVED THAT, pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Umakant Mahindrakar (DIN: 01233305), who retires by rotation at this meeting and being eligible offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

3. To appoint the Statutory Auditor in terms of Section 139 of the Companies Act, 2013 and fixing their remuneration.

To consider passing the following resolution as an ordinary resolution:

“RESOLVED THAT, pursuant to the provisions of section 139, 142 and other applicable provisions, if any, of Companies Act, 2013, read with Rule 6 of Companies (Audit and Auditors) Rules, 2014 (Including any modification or re-enactment thereof, for the time being in force), and pursuant to the recommendation of the Audit Committee, Mr. G. M. Pawale, Chartered Accountants (Membership Number 032561), be and is hereby appointed as the Statutory Auditors of the Company for a term of 5 years in place of retiring auditor M/s N. R. Waghchaure & Associates, Chartered Accountants, (Firm Registration Number 114999W), to hold office from the conclusion of this 42nd Annual General Meeting until the conclusion of the 47th Annual General Meeting to be held in year 2027, at such remuneration and out of pocket expenses and other expenses as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors.”

“RESOLVED FURTHER THAT, to give effect to above resolution, the Board of Directors of the Company be and is hereby authorized for and on behalf of the Company to take all necessary steps and to do all such acts, deeds, matters and things which may deem necessary in this behalf.”

SPECIAL BUSINESS:

4. Additions in Main Objects of Memorandum of Association of the Company.

To consider and if thought fit to pass the following resolution as special resolution:

“RESOLVED THAT pursuant to provisions of Section 13 of the Companies Act, 2013 (the Act) and other applicable provisions of the Act, the main object clause of the Memorandum of Association of the Company shall be altered and amended as required for the purpose of carrying on the business of the Company.”

“RESOLVED FURTHER THAT following clause shall be added after Clause 2 of existing Main Object clause:

3. To generate, develop, accumulate, produce, manufacture, purchase, process, transform, distribute, transmit, sale, supply, sub-contract and/or otherwise import, export, deal in any kind of power or electrical energy using coal, lignite, petroleum products or any other substances, wind energy, solar energy, renewable energy, wave energy, tidal energy, hydro energy, thermal energy to deal into earnings from carbon credit & to trade in carbon credit or any other form of energy and any products or by-products derived from any such business of energy and to set up power plants, wind turbines, power stations, hydel power station, solar energy systems, renewable energy systems or any other facility to generate power and to produce, manufacture, buy, import, sale, treat, exchange, renovate, alter, modernize, install or otherwise deal in any type of machinery, equipment, implement, material, article and stores for generating, distributing, transmitting energy, including electricity and to deal with all persons including Companies, government and semi-government bodies for these purposes and to do all such acts, deeds and things including construction, laying down, establishing, fixing and to carry out all necessary activities for the aforesaid purpose.

“RESOLVED FURTHER THAT, any Director or Company Secretary of the Company be and is hereby authorized to do all such acts, deeds, matters and things, as may be necessary to give effect to the resolution.”

By Order of the Board of Directors
KATARE SPINNING MILLS LIMITED

SD/-
KISHORE KATARE
MANAGING DIRECTOR
(DIN- 00645013)
Place: Solapur
Date: 12th August, 2022

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The proxy as per the format given in Annual Report should be duly filed, stamped, signed and received by the Company at its Registered Office not less than 48 hours before the time for holding the meeting.
3. Member/proxies should bring duly-filed Attendance Slips sent herewith to attend the meeting.
4. Members / proxies are requested to bring their attendance slip duly filled in and also, bring their copy of the Annual report for the meeting. The proxy shall not have the right to speak at such meeting and shall not be entitled to vote except on a poll.
5. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the business under Item No. 4 of the Notice, is annexed hereto. The profile of the Director seeking re-appointment, as required in terms of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed.
6. Corporate Members intending to send their authorized representatives to attend the AGM are requested to send a duly certified copy of their Board Resolution authorizing their representatives to attend and vote at the AGM.
7. The Register of Members and the Transfer Books of the Company will be closed from 23rd September, 2022 to 30th September, 2022 (both days are inclusive).
8. Members are requested to notify the changes in their Address, Bank Details, e-mail etc. if any, to the Company, Registrar and Transfer Agents. Shareholders should quote their folio numbers/DP ID in all their correspondence with the Company and the Registrar and Transfer agents.
9. As per Securities and Exchange Board of India (SEBI) notification, submission of Permanent Account Number (PAN) is compulsorily required for participating in the securities market, deletion of name of deceased share holder or transmission/transposition of shares. Members holding shares in dematerialized mode are requested to submit their PAN details to the Depository Participant, Whereas Members holding shares in physical form are requested to submit their PAN details to the Company, Registrars and Transfer Agents and also requested to convert the same

shares in Demat as the physical shares will not be transfer or sell after 31st March, 2019 as per SEBI's deadline.

10. The company has de-materialized its equity shares to CDSL and NSDL and Company's ISIN Number is INE498G01015. Members who have shares in physical form, are requested to de-materialize their shares.
11. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
12. Members who hold the shares in electronic form, are requested to intimate details regarding change of address, etc. to the Depository Participants, where they have their Demat accounts.
13. Members may avail of the facility of dematerialization by opening Demat accounts with the Depository Participants of either National Securities Depository Limited or Central Depository Services (India) Limited and get equity share certificates held by them in dematerialized.
14. Members, who hold shares in electronic form, are requested to bring their Client Id and DP Id for easy Identification.
15. The Notice of the AGM along with the Annual Report of FY 2021-22 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses are requested to register the same on urgent basis, as the physical copies are not going to send by the permitted mode due to the COVID-19 Pandemic situation. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with Link Intime India Private Limited/Depositories.
16. Since the securities of the Company are compulsorily tradable in electronic form, to ensure better investor service and elimination of risk of holding securities in physical form, it is requested that the members holding shares in physical form to get their shares in dematerialization at the earliest.
17. In case members wish to ask any information about accounts or operations of the company, they are requested to send their queries in writing at least 10 days before the date of the meeting, so that the information can be made available at the time of the meeting.
18. Members having multiple folios are requested to intimate to the Company such folios to enable the company to consolidate all shareholdings into one folio.

19. Pursuant to the provisions of Section 108 of the Companies Act, 2013 and the Companies (Management and Administrations) Rules, 2014, as amended and Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements), 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by Link In-time India Private Limited, on all the resolutions set forth in this Notice.
20. Members will not be distributed any kind of Gift, Complement or any kinds of such nature at the Annual General Meeting.
21. Route Map showing directions to reach to the venue of the 42nd AGM is given at the end of this Notice as per the requirement of the Secretarial Standards-2 on “General Meeting.”
22. The Register of Directors and Key Managerial Personnel and their shareholding under Section 170 and 171 and Register of Contracts or arrangements maintained under Section 189 of the Companies Act, 2013 and all documents as mentioned in the resolutions and/or explanatory statements will be available for inspection by the members at the registered office of the Company.
23. Details of Unpaid and Unclaimed Dividend on Website: In order to help Members to ascertain the status of Unpaid and Unclaimed Dividends, the Company has uploaded the information in respect of Unclaimed Dividends for the financial year ended 31 March, 2013 on the Website of Investor Education and Protection Fund, www.iepf.gov.in and under “Investor Relations” Section on the website of the Company, www.katarespinningmills.com.
24. **Green Initiative in the Corporate Governance- Registration of email address.**

The Members are requested to register email address with the Depository Participant / The Registrar and Share Transfer Agent of the Company, i.e. Link In-time Private Limited, as the case may be, for service of documents.

Information and other instructions relating to e-voting are as under:-

- a. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as

the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

- b. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.katarespinningmills.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
- c. The facility for voting through ballot paper shall also be made available at the AGM to the members attending the meeting. The members, who have not cast their vote by remote e-voting, shall be able to exercise their right to vote at the meeting through ballot paper.
- d. Members can also exercise their voting rights through ballot form annexed with the Notice and the duly filled and signed ballot form be sent to the scrutinizer, Mr. G. N. Pawar, Solapur at the registered office of the Company or to his Email Id gnpawar@gmail.com, so as to reach by 5.00 P.M. on 28th September, 2022.
- e. The detailed instructions for voting through Ballot paper is annexed herewith separately.
- f. The Members, who have cast their vote by remote e-voting prior to the AGM, they can attend the AGM but shall not be entitled to cast their vote again.
- g. The remote e-voting period commences on 26th September, 2022 (9.00 am) and ends on 28th September, 2022 (5.00 pm). During this period the members of the company, holding shares either in physical form or in dematerialized form, as on the cut-off (Record) date of 22nd September, 2022 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting after 5.00 pm on 28th September, 2022. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
- h. The notice of 42nd Annual General Meeting and instructions for e-voting, along with the attendance slip and Proxy Form, is being sent by electronic mode to all members whose e-mail addresses are registered with the Company/Depository participant (s) unless a member has requested for a hard copy of same.

- i. Members may please note the contact details of the Company's Registrar and Transfer Agents, Link Intime India Pvt. Limited., Akshay Complex, Block No. 202, 2nd Floor Opp. Dhole Patil Road, Pune – 400 001. Email-id: pune@linkintime.co.in.

The instructions for shareholders voting electronically are as under:

1. The voting period begins on 26th September, 2022 (9.00 am) and ends on 28th September, 2022 (5.00 pm) during this period the shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off (Record) date of 22nd September, 2022, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
2. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
3. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level. Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.
4. In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (i) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their

KATARE SPINNING MILLS LIMITED

mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit: www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

KATARE SPINNING MILLS LIMITED

<p>Individual Shareholders holding securities in demat mode with NSDL Depository</p>	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

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

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

Login method for e-Voting for Physical shareholders and shareholders other than individual holding in Demat form.

1. The shareholders should log on to the e-voting website www.evotingindia.com.
2. Click on “Shareholders” module.
3. Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
4. Next enter the Image Verification as displayed and Click on Login.
5. If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

6. If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both Demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field
DOB	<p>Enter the Date of Birth as recorded in your Demat account or in the company records for the said Demat account or folio in DD/MM/YYYY format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your Demat account or in the company records for the said Demat account or folio.</p> <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv)

7. After entering these details appropriately, click on “SUBMIT” tab.

8. (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in Demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the Demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

9. For Shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

10. Click on the EVSN for the relevant KATARE SPINNING MILLS LTD on which you choose to vote.

11. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

12. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
13. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
14. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
15. You can also take print out of the voting done by you by clicking on “Click here to print” option on the Voting page.
16. If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
17. There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
18. **Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
19. Additional Facility for Non – Individual Shareholders and Custodians – For Remote Voting only.
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.

- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; katarespinningmills@gmail.com , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

20. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an Email to helpdesk.evoting@cdslindia.com

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

- a. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/RTA email id.
- b. For Demat shareholders -, please update your email id & mobile no. with your respective **Depository Participant (DP)**
- c. **For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.**

KATARE SPINNING MILLS LIMITED

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

By Order of the Board of Directors
KATARE SPINNING MILLS LIMITED

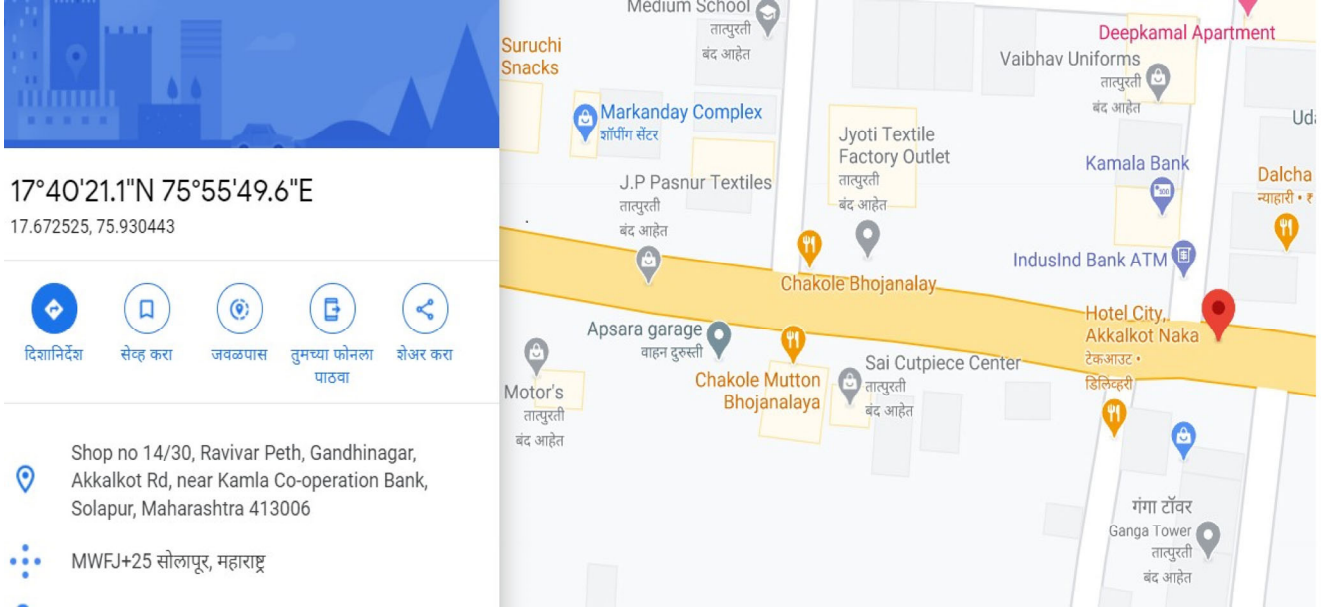
SD/-
KISHORE KATARE
MANAGING DIRECTOR
(DIN- 00645013)

Place: Solapur
Date: 12th August, 2022

ROUTE MAP OF 42ND ANNUAL GENERAL MEETING OF THE COMPANY

Venue - Registered Office:

14/30 Ground Floor, B Wing, Katare Complex, Gandhinagar, Bl. No. 10
Solapur MH- 413006.



KATARE SPINNING MILLS LIMITED

ANNEXURE TO THE NOTICE

Profile of director and additional information as required under Regulation 36 (3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015; Clause 1.2.5 of Secretarial Standards-2 on General Meetings.

Name of the Director	Mr. Umakant Mahindrakar
DIN	01233305
Date of birth and Age	27/07/1951/ 71 Years
Date of first Appointment on the Board	12 th August, 2006
Qualifications	Bachelor of Commerce
Experience	Having 20 years into the Textile Industry, Spinning Mill
Expertise	Management functions and other activities in the Company.
Shareholding in Company	7,478 (Shares)
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	NA
Terms and conditions of appointment along with details of remuneration sought to be paid/last drawn	Non-Executive Director.
Public/Listed Companies Directorship	NIL
Private Companies Directorship	NIL
Membership/ Chairmanship of Committees	NIL

Name of the Statutory Auditor	Mr. G. M. Pawale
Membership No.	032561
Date of birth	08/09/1956
Qualifications	B.Com, Chartered Accountant
Experience	Practice in since 1981
Expertise	Statutory Audit, Internal Audit, Income Tax, GST, Project Consultancy & such other related matter of Professional Interest.
Shareholding in Company	NA
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	NA

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

As required under provisions of Section 102 of the Companies Act, 2013 the following explanatory statement sets out all material facts relating to the business mentioned under Item No. 4 of the accompanying Notice:

ITEM NO. 4:

The Board of Directors proposes to expand business operations of the Company. In order to carry out the business activities it required to alter the objects clause of the Memorandum of Association of the Company appropriately.

The members are requested to pass the resolution as set out in the notice as special resolution.

The Board commends the resolution for approval of the Members as special Resolution.

None of the Manager or Key Managerial Personal & their relatives is/are in any way concerned or interested in the said resolution.

By Order of the Board of Directors
KATARE SPINNING MILLS LIMITED

SD/-
KISHORE KATARE
MANAGING DIRECTOR
(DIN- 00645013)

Place: Solapur
Date: 12th August, 2022

KATARE SPINNING MILLS LIMITED

DIRECTOR'S REPORT

To the Members,

KATARE SPINNING MILLS LIMITED

UPDATE ON CORPORATE INSOLVENCY RESOLUTION PROCESS INITIATED AGAINST COMPANY

The Bank of India filed an application before Hon'ble NCLT, Mumbai under Section 7 of Insolvency and Bankruptcy Code, 2016 ("IBC, 2016") for initiating Corporate Insolvency Resolution Process ("CIRP") of Katare Spinning Mills Limited. The application was admitted vide Hon'ble NCLT, Mumbai Order dated 17.07.2020 and Mr. Vithal Madhukar Dahake, Insolvency Professional, having (IP Registration No.: IBBI/IPA-003/ IP-N-000117/2017-18/11296), was appointed as Resolution Professional ("RP").

Further, In the 16th meeting of the Committee of Creditors of Katare Spinning Mills Limited- Corporate Debtor (CD) held on 9th September, 2021, Bank of India, the applicant has submitted the form FA for withdrawal of CIRP proceedings initiated by it, COC has approved the same unanimously and instructed Resolution Professional to make necessary application to adjudicating authority on behalf of the applicant, as per the provisions of section 12 A of Insolvency & Bankruptcy Code, 2016 and the regulations framed thereunder (regulation 30 A) and after that the Company received the order dated 21st September, 2021 passed by Hon'ble NCLT, Mumbai bench permitting Bank of India to withdraw the application filed u/s 7 of the Insolvency & Bankruptcy Code, 2016.

Pursuant to order dated 21st September 2021 passed by Hon'ble NCLT, Mumbai bench, The Board of Directors have been restored and power vested in Insolvency Professional (IP) has been withdrawn. The Board of Directors have taken over the full control of the Company with effect from 22nd September 2021.

Your directors have pleasure in presenting the Forty Second (42nd) Directors' Report of your Company along with the financial statements for the Financial Year ended 31st March 2022.

KATARE SPINNING MILLS LIMITED

1. FINANCIAL HIGHLIGHTS:

Certain key aspects of your Company's performance during the Financial Year ended 31st March 2022 as compared to the previous Financial Year are summarized below:

Particulars	2021-22	2020-21
	(Rs. In lacs)	
Turnover	2795.10	1057.41
Profit Before Interest & Depreciation	1728.58	-26.26
Less : Interest	97.40	60.04
Loss before depreciation	1631.18	-86.30
Less : Depreciation	135.74	87.40
Loss after depreciation & before taxation	1495.44	-173.70
Add : Excess provision in the last year	0	0
Less: Tax expenses relating to previous year	276	0
Add/Less: Deferred Tax Liability/Assets	427.39	0
Profit / loss for the period		
Profit/ Loss for the period	792.04	-173.70
Add : Balance carried from previous Year	-785.71	-652.79
Add: Revaluation Reserve W/o on Sold Assets	153.95	40.78
Profit/Loss carried forward	160.29	-785.71

2. OVERVIEW OF OPERATIONS:

During the year under review, your Company recorded a total income of Rs.2795.10 (in Lakhs) as compared to last year's income of Rs.1057.41 (in Lakhs) and net profit of Rs.792.04 (in Lakhs) as compared to last year's net loss of Rs.173.70 (in Lakhs). For further information, kindly refer to Management Discussion and Analysis Report, forming a part of this Annual Report.

Pursuant to order passed by the NCLT, Mumbai Bench dated 21st September 2021, the Board of Directors resumed their roles, powers and duties prescribed under the applicable laws. Accordingly, the Board of directors have taken steps towards streamline business operations of the Company.

The Board of Directors have taken measures to adopt new technologies and industry standards to cope up with competition in the industry and advance towards achieving its goal.

Highlights of steps taken by the management are as follows:

Before reviewing the financial performance of the Company, we would like you to appraise you regarding the implementation of the Company's modernization project.

As you know, the Covid-19 situation continues to be a global challenge creating disruption across the world and the Company has decided to make the above modernization plan in unit no.2 and also decided to allow the unwanted building of unit no.1 has to be given for rental basis for long term to assure permanent income for the Company. The modernization is likely to be completed by February 2023.

3. DIVIDEND AND RESERVE:

Your directors do not recommend any dividend for the year under review. The details of reserves and surplus are provided in Note No. 15 of the notes to the standalone financial statement.

4. STATE OF AFFAIRS OF THE COMPANY/BUSINESS OVERVIEW:

SPINNING MILL INDUSTRY:

In general, the performance of the cotton yarn industry depends upon the swings of demand by the market forces which closely track the economic trend. The exception to this rule is, the demand for specialty cotton yarn which is consistent and growing. On bouncing of economic conditions, the demand trend is expected to be more positive for the current year even for normal segment of cotton yarn and that would drive more demand for specialty cotton yarn.

SOLAR POWER PROJECT:

Considering the involvement of power part in the cost of finished goods, The Company had installed 1MW solar plant for captive consumption under net metering system. The generation of energy is consuming for day to day working and exports to grid. On modernization of the plant, company will get good returns on consumption of self-power consumption. This is the first net metering installation in the Maharashtra. During the financial year total 849,360 electricity units have been generated and it helps the Company to reduce the cost of productions and move ahead towards goal of sustainable growth.

5. ANNUAL RETURN:

Pursuant to the provisions of the Companies Act, 2013 (“the Act”), an extract of the Annual Return as on March 31, 2022, in prescribed Form No. MGT-9 is given to this Report.

6. BOARD MEETINGS:

Seven Meetings of the Board of Directors were held during the financial year 2021-22 and the gap between two consecutive board meetings was in accordance with the statutory limit. The details of the number of meetings held and attended by each Director are provided in the Corporate Governance Report, which forms part of this Report.

7. BOARD EFFECTIVENESS:

The Company has adopted the Governance guidelines which, inter alia, cover aspects related to composition and role of the Board, Chairman and Directors, Board diversity, definition of independence, Director’s term, retirement age and Committees of the Board. It also covers aspects relating to nomination, appointment, induction and development of Directors, Director’s Remuneration, Code of Conduct, Board Effectiveness Review and mandates of Board Committees.

A. BOARD EVALUATION:

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees and individual Directors pursuant to the provisions of the Act and the corporate governance requirement as prescribed by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [“SEBI (LODR), 2015”].

The performance of the Board was evaluated by the Board after seeking inputs from the Directors on the basis of the criteria such as the Board Composition and structures, effectiveness of board processes, information and functioning, etc. The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board and the Nomination and Remuneration Committee (NRC) reviewed the performance of the individual Directors on the basis of the criteria such as the contribution of the individual Director to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspect of his role.

B. APPOINTMENT OF DIRECTORS AND CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR:

The Nomination and Remuneration Committee (NRC) is responsible for developing competency requirements for the Board based on the industry and strategy of the Company. The NRC reviews and meets potential candidates, prior to recommending their nomination to the Board. At the time of appointment, specific requirements for the position, including expert knowledge expected, is communicated to the appointee.

The NRC has formulated the criteria for determining qualifications, positive attributes and independence of Directors in terms of provisions of Section 178 (3) of the Act and SEBI (LODR), 2015:

Independence: A Director will be considered as an 'Independent Director' if he/ she meets with the criteria for 'Independence' as laid down in the Act and SEBI (LODR), 2015.

Competency: A transparent Board nomination process is in place that encourages diversity of thought, experience, knowledge, perspective, age and gender. It is ensured that the Board has a mix of members with different educational qualifications, knowledge and with adequate experience in banking and finance, accounting and taxation, legal and regulatory matters, hospitality sector and other disciplines related to the Company's businesses.

Additional Positive Attributes:

- The Directors should not have any other pecuniary relationship with the Company and the Company's promoters, except as provided under law.
- The Directors should maintain an arm's length relationship between themselves and the employees of the Company, as also with the Directors and promoters, stakeholders for whom the relationship with these entities is material.
- The Directors should not be the subject of proved allegations of illegal or unethical behavior, in their private or professional lives.
- The Directors should have the ability to devote sufficient time to the affairs of the Company.

C. REMUNERATION POLICY:

The Company had adopted a Remuneration Policy for the Directors, KMP and other employees, pursuant to the provisions of the Act and SEBI (LODR), 2015.

The key principles governing the Company's Remuneration Policy are as follows:

- Independent Directors (ID) may be paid sitting fees for attending the meetings of the Board and of Committees of which they may be members, and receive commission within regulatory limits, as recommended by the NRC and approved by the Board.
- Overall remuneration should be reasonable and sufficient to attract, retain and motivate Directors aligned to the requirements of the Company, taking into consideration the challenges faced by the Company and its future growth imperatives.
- Remuneration paid should be reflective of the size of the Company, complexity of the sector/ industry/Company's operations and the Company's capacity to pay the remuneration and be consistent with recognized best practices.

Remuneration for Managing Director (MD)/ Executive Directors (ED)/ rest of the Employees

The extent of overall remuneration should be sufficient to attract and retain talented and qualified individuals suitable for every role. Hence remuneration should be market competitive, driven by the role played by the individual, reflective of the size of the Company, complexity of the sector/ industry/ Company's operations and the Company's capacity to pay, consistent with recognized best practices and aligned to any regulatory requirements.

Basic/ fixed salary is provided to all employees to ensure that there is a steady income in line with their skills and experience. In addition, the Company provides employees with certain perquisites, allowances and benefits to enable a certain level of lifestyle and to offer scope for savings.

In addition to the basic / fixed salary, benefits, perquisites and allowances as provided above, the Company provides EDs such remuneration by way of commission, calculated with reference to the net profits of the Company in a particular financial year, as may be determined by the Board, subject to the overall ceilings stipulated in Section 197 of the Act. The specific amount payable to the EDs would be based on performance as evaluated by the NRC and approved by the Board and the MD was appointed on non-remuneration basis in the Company.

It is affirmed that the remuneration paid to Directors and all other employees is as per the Remuneration Policy of the Company.

8. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS:

In the 16th meeting of the Committee of Creditors of Katare Spinning Mills Limited- Corporate Debtor (CD) held on 9th September, 2021, Bank of India, the applicant has submitted the form FA for withdrawal of CIRP proceedings initiated by it, COC has approved the same unanimously and instructed

Resolution Professional to make necessary application to adjudicating authority on behalf of the applicant, as per the provisions of section 12 A of Insolvency & Bankruptcy Code, 2016 and the regulations framed thereunder (regulation 30 A) and after that the Company received the order dated 21st September, 2021 passed by Hon'ble NCLT, Mumbai bench permitting Bank of India to withdraw the application filed u/s 7 of the Insolvency & Bankruptcy Code, 2016.

Except above there was no other significant material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations.

9. AUDIT COMMITTEE:

Details pertaining to the composition of Audit Committee are included in the Corporate Governance Report, which forms part of the Annual Report.

10. DIRECTORS AND KMP:

As per the provisions of Section 152 of the Act, Mr. Umakant Mahindrakar (DIN 01233305), who retires by rotation at this meeting and being eligible offered himself for re-appointment, the matter is placed before member of the Company for approval.

The Company has appointed Key managerial personnel i.e. Mr. Manish Prakash Kakrai as a Company Secretary cum Compliance officer as respectively in the Company from 02nd March, 2022.

We regret to inform you that the sudden and sad demise of Mr. Subhash T. Katare, Director and Promoter of the Company happened on dated 28th July, 2022.

Mr. Subhash T. Katare was the director and Promoter since inception of the Company and the Company immensely benefitted from his vision and leadership during his tenure. His sudden passing away will be irreparable loss to the Company and all the directors and employees of the Company convey deep sympathy, sorrow, and condolence to his family.

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed both under Section 149 (6) of the Act and SEBI (LODR), 2015.

11. CORPORATE GOVERNANCE:

The members please note that the provisions relating to Corporate Governance i.e. Regulation 27 of SEBI (LODR), 2015 are not applicable to the Company and accordingly, the Company is not required to submit the

Corporate Governance Report with this Annual Report. However, keeping in view the objective of encouraging the use of better practices through voluntary adoption, the Company has decided to adopt and disseminate voluntary disclosure of Corporate Governance which not only serve as a benchmark for the corporate sector but also help the Company in achieving the highest standard of corporate governance.

Accordingly, a voluntary disclosure i.e. the report on Corporate Governance as stipulated under regulation 34(3) read with Schedule V of the SEBI (LODR), 2015 is annexed herewith and forms a part of this report.

As such the Members may note that any omission of any corporate governance provisions shall not be construed as non-compliance of the above-mentioned regulations.

12. AUDITORS & THEIR REPORTS:

M/s. N. R. Waghchaure & Associates, Chartered Accountants, (Firm Registration Number 114999W) Auditor of the Company, have completed with their period of appointment as per Companies Act, 2013 in our Company.

Therefore, pursuant to the provisions of section 139, 142 and other applicable provisions, if any, of Companies Act, 2013, read with Rule 6 of Companies (Audit and Auditors) Rules, 2014 and pursuant to the recommendation of the Audit Committee, Mr. G. M. Pawale, Chartered Accountant, Solapur (M.No.032561), be appointed as a Statutory Auditors of the Company and the Board have conveyed his consent to be appointed as the Statutory Auditors of the Company along with a confirmation that, his appointment is within the limits prescribed under the Companies Act, 2013. Accordingly, Ordinary Resolution will be put before the members for the consideration and approval. None of Directors, Key Managerial Personnel or their relatives, in any way concerned or interested in the said resolution.

The report of the Statutory Auditors along with the notes to Schedules is enclosed to this report and also the report contains qualification, reservation or adverse remark or disclaimer for the financial year under review.

13. RESPONSE TO AUDITORS QUALIFICATION:

The Board of the Company has discussed the points as mentioned in the Auditors report for period under review, in respect to this management is taking the necessary steps towards it.

KATARE SPINNING MILLS LIMITED

Comments of the Board of Directors on the observations pointed out in the Independent Audit Report;

Sr. No	Observations by Statutory Auditor	Comments by the Board
1	Deferred Interest Expenditure of Rs.428 Lakh's relating to FY 13-14, has been written off during the FY21-22 as earlier not debited to Profit and Loss account which was required to be amortized in 7 years	The deferred revenue expenditure Rs.428 lakh pertains to the interest component of the earlier OTS of bank dues in 2014 which was approved to the written off in 2022 years. Accordingly, it was written off for 7 years, leaving aside the balance of Rs. 428 lacs to be written off. This balance has been written off fully during the current year for the following twin reasons- Firstly, consequent upon the final settlement of bank dues during the current year, year wise written off the balance of deferred revenue expenditure of interest component is no more required to write off, and secondly, the said deferred revenue expenditure should have been written off within a period of remaining 7 years which has been completed on 31-03-2022.
2	Spinning Division was not operated during the year under review	Due to large variations in the raw material prices coupled with lack of demand for the finished goods, the business of the manufacturing of spinning of yarn has been suspended, which will be resumed once the normal condition prevails.
3	The company has incurred net cash losses in previous financial years, these conditions cast serious doubt about the company's ability to continue as going concern	The response to the auditor's qualification in clause c is covered in the reply given the above serial number b.

14. SECRETARIAL AUDIT:

Pursuant to the provisions of the Section 204 of the Act and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/S. Nikhil Sawant & Co. Company Secretaries, Pune, as Secretarial Auditor to undertake the Secretarial Audit of the Company for the financial year 2021-22. The Report is self-explanatory annexed herewith; however, the Company has initiated necessary steps to

comply with queries and/or non-compliances mentioned under the Secretarial Audit Report as per the provisions of the Act and the SEBI (LODR), 2015.

15. INTERNAL FINANCIAL CONTROL:

The Company has in place internal financial control systems, commensurate with the size and complexity of its operations to ensure proper recording of financial and operational information and compliance of various internal controls and other regulatory and statutory compliances. The internal auditor monitors and evaluates the efficacy and adequacy of internal control systems in the Company. Based on the report of the internal auditor, respective departments undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions there on are presented to the Audit Committee of the Board.

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3) (m) of the Act read with Rule 8(3) of The Companies (Accounts) Rules, 2014, is annexed herewith separately.

17. DEPOSITS:

The Company has not accepted or renewed any deposits from the public during the year under review in terms of the Companies (Acceptance of Deposits) Rule, 2014.

18. RELATED PARTY TRANSACTIONS:

All Related Party Transactions (RPTs) that were entered into during the financial year were on an arm's length basis and in the ordinary course of business. Accordingly, detailed information given in Form AOC-2 which is annexed herewith separately.

There were no materially significant RPTs entered into by the Company during the year.

19. RISK MANAGEMENT:

The Company has adopted a Risk Management Policy, pursuant to the provisions of Section 134 of the Act, which has a robust Risk Management framework to identify and evaluate business risks and opportunities. This

framework seeks to create transparency, minimize adverse impact on business objectives and enhance the Company's competitive advantage.

The risk framework defines, the risk management approach across the enterprise at various levels including documentation and reporting.

The framework enables risks to be appropriately rated and graded in accordance with their potential impact and likelihood. The two key components of risks are the probability (likelihood) of occurrence and the impact (consequence) of occurrence, if the risk occurs. Risk is analyzed by combining estimates of probability and impact in the context of existing control measures.

20. LOANS, GUARANTEES AND INVESTMENTS:

During the year, the Company has not made any investments or given any loans or guarantees or provided any security in connection with a loan to any person or body corporate, covered under Section 186 of the Act.

21. CORPORATE SOCIAL RESPONSIBILITY INITIATIVE:

As the net worth of the Company is less than Rs. Five hundred crores, further the turnover of the Company is less than Rs. One thousand crores and net profit of the Company does not exceed Rs. Five crore or more at any point during the financial year, therefore the Company is not obliged to form Corporate Social Responsibility committee as per terms of section 135 (1) of the Act.

22. PARTICULARS OF EMPLOYEES:

There are no employee drawing remuneration exceeding the limits prescribed under Section 134(3) (q) of the Act read with Rule 5 of Rules 2014 and hence no details are required to be annexed to this report.

23. VIGIL MECHANISMS/WHISTLE BLOWER POLICY:

The Company has established a vigil mechanism named as 'Whistle Blower Policy' within the Company in compliance with the provisions of Section 177(10) of the Act and Regulation 22 of the SEBI (LODR), 2015.

The policy of such mechanism has been circulated to all employees within the Company, which provides a framework to the employees for guided & proper utilization of the mechanism.

24. SEPARATE MEETING OF INDEPENDENT DIRECTORS:

The Independent Directors were fully kept informed of the Company's activities in all its spheres. During the year under review, a separate meeting of Independent Directors was held on 11th January, 2022 and the Independent Directors reviewed the performance of (i) non-Independent directors and (ii) the board as whole.

They also assessed the quality, quantity and timelines of flow of information between the Company's Management and the Board that are necessary for the Board to effectively and reasonably perform their duties. All the Independent Directors were present at the meeting.

25. SAFETY MEASURES:

i. Insurance:

Your Company continued to cover all assets mainly, plant & machinery, building, materials, stock, furniture & fixtures against possible risks like fire, flood, terrorism and earthquake.

ii. Industrial Relations:

The industrial relations at the plants of the Company during the year under review continued to be cordial throughout the year.

26. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT:

Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 read with Schedule V to the SEBI (LODR), 2015, is presented in a separate section forming part of the Annual Report.

27. DISQUALIFICATION OF DIRECTORS:

None of Director on the Board of the Company has incurred any disqualification on account of non-compliance with any of the provisions of the Act.

28. DIRECTOR'S RESPONSIBILITY STATEMENT:

The Board of Directors acknowledge the responsibility for ensuring compliance with the provisions of Section 134(3)(c) read with Section 134(5) of the Act in the preparation of annual accounts for the year ended on 31st March, 2022 and state that:

KATARE SPINNING MILLS LIMITED

1. In the preparation of the annual accounts for Financial Year ended 31st March, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures;
2. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period.
3. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The Directors have prepared the annual accounts for Financial Year ended 31st March, 2022 on a 'going concern' basis.
5. The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and have been operating efficiently, and
6. The Directors have devised proper systems to ensure compliance with provisions of all applicable laws and that such systems were adequate and operating effectively.

29. DETAILS OF SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES:

The Company does not have any subsidiary or joint venture within the meaning of this clause and hence no details are required to be given.

30. DISCLOSURES AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

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

31. APPRECIATION:

Your Directors would like to place on record their appreciation for the co-operation and assistance received from the banks, for the utmost confidence reposed in the management by the shareholders and customers during the year under review. Your Directors wish to thank for the services of the executive, staff and workers of the Company at all levels for their dedication, devotion, determination and discipline. The Directors express their profound thanks to the shareholders for their continued support and goodwill and they look forward to the future with confidence.

By Order of the Board of Directors
KATARE SPINNING MILLS LIMITED

SD/-
KISHORE KATARE
MANAGING DIRECTOR
(DIN- 00645013)

Place: Solapur
Date: 12th August, 2022

ANNEXURE TO DIRECTOR'S REPORT

Information as required under rule 8(3) of the Companies (Accounts) Rule, 2014

A) Energy Conservation taken:

- Switching off unwanted lights.
- Use of natural lights as far as possible.
- Humidification plants not operated during favorable climatic conditions.
- Control over slippage.
- The company has replaced HDP Ring Tubes and introduced light weight ABS Tubes for Ring frame. Because of this the Company is getting more Yarn contents and about 1.5% power saving in the power consumption.
- During the financial year the Company has managed to run most of its business operations on electricity generated from solar plants owned by the Company, taking step towards being self-reliant in energy consumption and as a responsibility towards environment.

B) Additional investment and proposal, if any being implemented for reduction of consumption of energy. The management is actively considering different areas viz.

- Solar power panel.
- Change in Humidification plant (Cell Type Air Washer) with the help of ATIRA, where power can be saved.
- Installation of appropriated energy saving devices.
- Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production.

The above measures will save energy and to that extent the cost of goods produced will be reduced.

KATARE SPINNING MILLS LIMITED

Form "A" POWER & FUEL CONSUMPTION

Sr. No.	Particulars	Spinning Division	
		Current year	Previous Year
1	Electricity		
	Purchased units from MSEDCL	18222	14237
	Total amt. Rs.	1021290	917679
	Rate Unit Rs.	56.04	64.46
2	Own Generation		
	Solar Plant		
	Unit	849360	871757
	Rate per unit Rs.	4.08	7.80

By Order of the Board of Directors
KATARE SPINNING MILLS LIMITED

SD/-
KISHORE KATARE
MANAGING DIRECTOR
(DIN- 00645013)

Place: Solapur
Date: 12th August, 2022

KATARE SPINNING MILLS LIMITED

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis- *Not Applicable*
2. Details of material contracts or arrangement or transactions at arm's length basis-

(Amounts in Rs.)

Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
(a)	(b)	(c)	(d)	(e)	(f)
Kishore Katare- Managing Director	Sale and Purchase of Yarn	Amount Received Payments	1,39,07,727 12,56,79,535	07.10.2021	NIL
Kishore Katare- Managing Director	Unsecured Loan	Receipt Interest Payable	54,23,980	07.10.2021	NIL
Kamal Katare (CFO)	Son of the Director	Salary Credit	30,000		
Subhash Katare- Director	Land Rent Paid	Ongoing Basis	1,04,000	07.10.2021	NIL
Kamal Marketing Private Limited- Common Directors	Purchase Sale Cotton Processing Charges Received Electricity Charges Received Building Rent received	Ongoing Basis	2,18,06,400 2,37,88,800 Nil Nil Nil Nil	07.10.2021	NIL

KATARE SPINNING MILLS LIMITED

Kamal Marketing Private Limited-Common Directors	Interest Unsecured Loan	Ongoing Basis	8,73,347	07.10.2021	NIL
Katara Cotton Waste Spg. (Common partner)	Sale Purchases of Yarn	Ongoing Basis	89,20,800 89,20,800	07.10.2021	NIL

Disclosure as required under Section 197(12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

1. Ratio of the remuneration of each Director and Key Managerial Personnel (KMP) to the median remuneration of the employees of the Company and percentage increase in remuneration of the Directors and KMPs in the financial year.

Sr. No.	Name of Director/ KMP	Designation	Remuneration Rs. In Lakhs		Change (%)	Ratio of Remuneration of each Director & KMP to Median Remuneration of Employees
			2021- 22	2020-21		
1	KISHORE KATARE	Managing Director	0	0	0	NA

By Order of the Board of Directors
KATARE SPINNING MILLS LIMITED

SD/-
KISHORE KATARE
MANAGING DIRECTOR
(DIN- 00645013)

Place: Solapur
Date: 12th August, 2022

KATARE SPINNING MILLS LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS

CORPORATE INSOLVENCY RESOLUTION PROCESS (CIRP)

The Bank of India filed an application before Hon'ble NCLT, Mumbai Bench under Section 7 of Insolvency and Bankruptcy Code, 2016 ("IBC, 2016") for initiating Corporate Insolvency Resolution Process ("CIRP") of KATARE SPINNING MILLS LIMITED. The application was admitted vide Hon'ble NCLT, Mumbai Order dated 17.07.2020 and Mr. Vithal Madhukar Dahake, Insolvency Professional, having (IP Registration No.: IBBI/IPA-003/ IP-N-000117/2017-18/11296), was appointed as Resolution Professional ("RP").

The management of the Company has approached the Bank of India for Settlement of dues of the Company, by this the Bank of India has accepted the same application letter and come up with the BOI ONE TIME SETTLEMENT SCHEME 2021 (BOI OTS 2021). The said One Time Settlement (OTS) amount will be rupees Eleven Crore and Seven lakhs only. The management of the Company has complied all the OTS points as per the Bank of India OTS 2021 letter dated 06th September, 2021 and release the bank charges from the Company.

Further, In the 16th meeting of the Committee of Creditors of Katare Spinning Mills Limited- Corporate Debtor (CD) held on 9th September, 2021, Bank of India, the applicant has submitted the form FA for withdrawal of CIRP proceedings initiated by it, COC has approved the same unanimously and instructed Resolution Professional to make necessary application to adjudicating authority on behalf of the applicant, as per the provisions of section 12 A of Insolvency & Bankruptcy Code, 2016 and the regulations framed thereunder (Regulation 30 A) and after that the Company received the order dated 21st September, 2021 passed by Hon'ble NCLT, Mumbai bench permitting Bank of India to withdraw the application filed u/s 7 of the Insolvency & Bankruptcy Code, 2016.

Pursuant to order dated 21st September 2021 passed by Hon'ble NCLT, Mumbai Bench. The Board of Directors have been restored and power vested in Insolvency Professional (IP) has been withdrawn. The Board of Directors have taken over the full control of the Company with effect from 22nd September 2021.

Under the OTS Scheme with Bank of India, the Company has settled its outstanding Cash Credit Liability of Rs. 728.98 lakhs including interest for a sum of Rs. 407 lakhs resulting into waiver of Rs. 321.987 lakhs which is credited to settlement of profit and loss. Further, the Company has settled its outstanding Term Loan Liability of Rs. 1548.47 lakh including interest for a sum of Rs. 700 lakhs resulting into waiver of Rs. 274.40 lakh in principle which is credited to capital reserve and 574.07 towards interest credited to statement of Profit and Loss.

KATARE SPINNING MILLS LIMITED

After taking into consideration OTS Scheme, the Company has revalued its factory, land, building and profit on revaluation of Rs.114,40,29,786/- has been credited to revaluation reserve account.

1. Current scenario of Economy

A tentative recovery in 2021 has been followed by increasingly gloomy developments in 2022 as risks began to materialize. Global output contracted in the second quarter of this year, owing to downturns in China and Russia, while US consumer spending undershot expectations. Several shocks have hit a world economy already weakened by the pandemic: higher-than-expected inflation worldwide—especially in the United States and major European economies—triggering tighter financial conditions; a worse-than-anticipated slowdown in China, reflecting COVID- 19 outbreaks and lockdowns; and further negative spill overs from the war in Ukraine.

The Indian economy has fully recovered to the pre-pandemic real GDP level of 2019-20, according to the provisional estimates of GDP released on May 31, 2022. Real GDP growth in FY 2021-22 stands at 8.7%, which is 1.5% higher than the real GDP in FY 2019-20.

2. Business Segment

Textile Industry:

Cotton production in India is projected to reach 7.2 million tonnes (~43 million bales of 170 kg each) by 2030, driven by increasing demand from consumers. India's textile and apparel exports (including handicrafts) stood at US\$ 44.4 billion in FY22, a 41% increase YoY. Exports of readymade garments including cotton accessories stood at US\$ 6.19 billion in FY22.

The Company has achieved a turnover of Rs.2795.10 lakh in FY 2021-22 against Rs. 1057.41 lakh relating to the previous year. The gross profit of the Company recorded at Rs.1728.58 Lakh before interest and depreciation and net profit for the year is at Rs.792.04 Lakh for FY 2021-22 as against net loss of Rs.173.70 Lakh for the previous year. The Trading turnover of the Company is also less as compared to the previous year.

Solar Power Project:

Solar energy is the radiant energy emitted from the sun, which is harnessed by using various technologies such as solar heating, photovoltaic cells, and others. It is an efficient form of unconventional energy and a convenient renewable solution toward growing greenhouse emissions and global warming. The growth of the solar energy market is driven by increase in

environmental pollution and provision of government incentives & tax rebates to install solar panels.

Considering the involvement of power part in the cost of finished goods, the Company has set up 1 MW power project for captive consumption and additional electricity is sold to MSEB. This is the first net metering installation in the Maharashtra. During the financial year total 849,360 electricity units have been generated and it helps the Company to reduce the cost of productions and move ahead towards goal of sustainable growth.

3. Industry Outlook

Textile Industry:

For the year 2020, Worldwide Cotton Market was US\$ 38.54 Billion. Global Cotton Market is expected to reach US\$ 46.56 Billion by 2027, with a CAGR of 2.74% from 2020 to 2027. The cotton market is projected to register a CAGR of 4.1% during the forecast period (2022-2027).

Cotton production in India is projected to reach 7.2 million tonnes (~43 million bales of 170 kg each) by 2030, driven by increasing demand from consumers. India's textile and apparel exports (including handicrafts) stood at US\$ 44.4 billion in FY22, a 41% increase YoY. Exports of readymade garments including cotton accessories stood at US\$ 6.19 billion in FY22.

Solar Power Project:

The global solar energy market was valued at \$52.5 billion in 2018 and is projected to reach \$223.3 billion by 2026, growing at a CAGR of 20.5% from 2019 to 2026.

Emerging economies such as China and Japan have significantly increased the production of solar technologies owing to governmental tariffs and merger & acquisition of local manufacturers.

4. Opportunities

Textile Industry:

India enjoys a comparative advantage in terms of skilled manpower and in cost of production, relative to major textile producers. In March 2021, Minister of Textiles, Ms. Smriti Irani announced that India will be fully self-reliant in silk production in the next two years.

Huge funds in schemes such as Integrated Textile Parks (SITP) (US\$ 184.98 million) and Technology Upgradation Fund Scheme (US\$ 961.11 million) released by the Government during 2015-16 to 2019-20 to encourage more private equity and provide employment. This will help Company towards achieving its target.

Solar Power Project:

In June 2021, Prime Minister Mr. Narendra Modi stated that renewable energy capacity in India increased by 250% between 2014 and 2021. The Central Electricity Authority estimates India's power requirement to grow to reach 817 GW by 2030. Most of the demand will come from real estate and transport sectors.

In the Union Budget 2022-23, the government allocated Rs. 19,500 crore (US\$ 2.57 billion) for a PLI scheme to boost manufacturing of high-efficiency solar modules.

India launched the Mission Innovation Clean Tech Exchange, a global initiative that will help accelerate clean energy innovation. Globally, India ranks fourth in renewable energy capacity and wind power and fifth in solar power capacity. In October 2021, India retained its third rank on the EY Renewable Energy Country Attractive Index 2021.

5. Risks and Concerns

The Government policies and volatile economic environment have a bearing on the overall performance of the company. Continuous Quality Improvement is the need of hour as there are different demand pattern all over the world. Striking a balance between the quality and price of products.

6. The Financial and Operational Performance

The Financial performance for the financial year 2021-22 is not as good as compare to Market situation, as the Company is having less margin in the year. It needs to take genuine steps by the management for transparency and best judgement for the estimates made to correctly reflect the true and fair affairs of the Company and the Company is also planning for future years to come a good condition for the Company.

The management of the Company with an intention to focus on its core competency and exploit the opportunities, after due consideration of financial viability and after consultation with legal experts had taken a decision to sell off its hotel division for a consideration of Rs.1931.25 lakh. Profit on sale of hotel division Rs.15,01,12,801/- is credited to other income account.

Further, during the year Company has written off the outstanding receivables amounting to Rs.1,22,81,733/- through statement of profit and loss against which no provision for bad and doubtful debts was made.

7. Internal control, systems and adequacy

The Company is committed to maintaining adequate internal control systems as a part of efficient corporate governance. The system ensures that all transactions are authorized, recorded and reported correctly to safeguard assets and protect them from any loss due to unauthorized use or disposition. The operating managers make sure that all operations within their area are compliant and safeguarded against all risks whereas on the other, auditors carry out random audits to detect flaws in the system, which makes it effective and efficient. Internal audit reports are prepared to create awareness and to take corrective actions on the respective units or areas, which need rectification. These reports are then reviewed by the management team and the Audit Committee for follow-up action.

8. Human Resources Development

The Company places its utmost value on the human resource and contribution from the employees is always fine-tuned towards to achieve the overall organization performance by constant education, training and various incentive schemes, which are in vogue. A motivated and efficient workforce can help it attain its target in a realistic manner. Taking cognizance of that fact, the Company provides extensive training to its employees in order to develop their skill sets and keep them motivated. The Company appreciates the productive co-operation extended by its employees in the efforts of the management to carry the Company to greater heights.

9. Safety and Environment

The Company ensures high safety and environmental standards in all its operations at all the units. Safety needs are continuously monitored and preventive actions are initiated through departmental safety committees consisting of plant staff and workmen.

10. Cautionary Statement

Certain Statements in this report on Management Discussion may be forward looking statements and which have been issued as required by applicable Securities Laws and Regulations. There are several factors which would be beyond the control of Management and as such, may affect the actual results which could be different from that envisaged.

KATARE SPINNING MILLS LIMITED

Comments of the Board of Directors on the observations pointed out in the Secretarial Audit Report;

Sr. No.	Observations by Secretarial Auditor	Comments by the Board
1	As per Regulation 31(2) of SEBI (LODR) Regulations, 2015 the shareholding of Promoters and Promoter Group i.e. 9,200 (0.65%) shares are pending for dematerialization as on year end date.	We have requested concerned promoters and promoter group to take necessary steps for conversion of physical shares into dematerialized form.
2	There has been non-compliances of Regulation 47 of SEBI (LODR) Regulations, 2015 in respect to advertisement in newspaper in certain specified events.	We have taken steps as per the said regulation, but in some instances inadvertently failed to give advertisement in proper manner.
3	The Company has failed to comply with provisions of Section 124 of Companies Act, 2013 and rules made thereunder regarding transfer of unpaid unclaimed dividend and shares related to those to investor Education and Protection Funds. The said dividend was declared in the AGM of 2013.	During the year under review, the Company was in CIRP process, due to this the Company was unable to complete compliances under Section 124 of the Companies Act, 2013. We assure that, the management will take all the necessary steps to complete the pending the compliances.
4	The Company has maintained the website of the Company as per SEBI (LODR) Regulations, 2015 however, the website of the Company is not updated as on current date. (i.e. not on run time basis)	We are in process of uploading all the details on website of the Company to come on real-time basis.
5	As per Section 139(1) of the Companies Act, 2013 the Company has appointed the Statutory Auditor. However, the Auditor is not holding Peer Review Certificate which is to be issued by the Peer Review Board of the Institute of Chartered Accountants of India, as required under Regulation 33(1)(D) of SEBI (LODR) Regulations 2015.	Statutory Auditor who was appointed by the Company is in process to get peer review certificate from the Institute and informed us that, he has made the application to Institute.

By Order of the Board of Directors
KATARE SPINNING MILLS LIMITED

SD/-
KISHORE KATARE
MANAGING DIRECTOR
(DIN- 00645013)

Place: Solapur
Date: 12th August, 2022

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE

The Members may please note that the provisions relating to Corporate Governance i.e. Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are not applicable to the Company and accordingly, the Company is not required to submit the Corporate Governance Report with this Annual Report. However, keeping in view the objective of encouraging the use of better practices through voluntary adoption, the Company has decided to adopt and disseminate voluntary disclosure of Corporate Governance which will not only serve as a benchmark for the corporate sector but also help the Company in achieving the highest standard of corporate governance.

Accordingly, a voluntary disclosure i.e. the report on Corporate Governance as stipulated under regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulation”).

1. Company's Philosophy on Code of Governance:

The Company believes that good Corporate Governance emerge from the application of the best and sound management practices and compliance with the laws coupled with adherence to the highest standard of transparency and business ethics.

2. Board of Directors:

The Hon'ble NCLT Mumbai Bench permitted Bank of India to withdraw the application filed u/s 7 of the Insolvency and Bankruptcy Code, 2016 on 21st September, 2021 and management of the Company has been handed back over to the Board of Directors of the Company.

The Board of Directors along with its committees provides leadership and guidance to the Company's management and direct, supervises and controls the performance of the Company. The present strength of Board of Directors is 6(six) as on 31st March, 2022, whose composition and category is given below:

- One - Managing Director
- Two - Independent Directors
- One - Women Director
- Two - Director

KATARE SPINNING MILLS LIMITED

A) THE CONSTITUTION OF THE BOARD AS ON 31stMARCH, 2022

The Composition of the Board of Directors and also the number of other Board of Directors or Board Committees of which they are member/chairman are given below:

Directors	Category	No. of other Directorship		No. of other Committee positions	
		Public	Private	Member	Chairman
Mr.Kishore Katare	Promoter, Managing Director	1	1	NIL	NIL
Mr. Subhash Katare	Promoter, Director	1	NIL	NIL	NIL
Mr.Prakash Joti	Independent Director	NIL	NIL	NIL	NIL
Mr.Vilas Shendge	Independent Director	NIL	NIL	NIL	NIL
Mr. Umakant Mahindrakar	Director	NIL	NIL	NIL	NIL
Mrs. Vidyavati Katare	Director	1	1	NIL	NIL

None of the Director is a member in more than ten committees and acts as chairman in more than 5 committees across all the companies in which he is a director.

B) ATTENDANCE OF EACH DIRECTOR AT THE BOARD MEETINGS AND THE LAST ANNUAL GENERAL MEETING

During the year ended March 31, 2022, 7(Seven) Board Meetings were held on 25th September, 2021, 07th October, 2021, 12th November, 2021, 11th January, 2022, 07th February, 2022, 02nd March, 2022, 29th March, 2022 and the Annual General Meeting during the year was held on 30th September, 2021.

Name of the Directors	Category of Directorship	No. of Board Meeting Attended	Attendance at the last AGM held on 30.09.2021
Mr. K. T. Katare	Managing Director	7	Present
Mr. S. T. Katare	Director	7	Present
Mr. P. V. Joti	Independent Director	7	Present
Mr. V. R. Shendge	Independent Director	7	Present
Mr. U. M. Mahindrakar	Director	7	Present
Mrs. V. K. Katare	Director	7	Present

3. COMMITTEE OF THE BOARD

To focus effectively on the issues and ensure expedient resolution of diverse matters, the Board has constituted a set of committees with specific terms of reference/scope. The Committees operate as empowered agents of the Board as per their Charter/terms of reference. Targets set by them as agreed with the management are reviewed periodically and mid-course corrections are also carried out. The minutes of the meetings of all Committees of the Board are placed before the Board for discussions/noting.

The Board of Directors has constituted three committees of the Board:

(i) The Audit Committee (ii) Nomination and Remuneration Committee and (iii) Stakeholders Relationship Committee.

i) Audit Committee:

The Committee's power, role and function are as stipulates in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and under Section 177 of the Companies Act, 2013.

COMPOSITION:

During the year ended 31st March, 2022, Three Meetings were held. The composition of the Audit Committee is as follows:

Members of Audit Committee	Position	Committee Meetings
Mr. Prakash Joti	Chairman-Independent Director	3
Mr. Vilas Shendge	Independent Director	3
Mr. Subhash Katare	Director	3

ii) Nomination and Remuneration Committee:

The Remuneration Committee of the Company is empowered to review the remuneration of the chairman / Managing Director and retirement benefits to be paid to them under the Retirement Benefit Guidelines approved by the Board, on the amount and to the non-executive directors based on criteria fixed by the Board.

KATARE SPINNING MILLS LIMITED

BRIEF DESCRIPTION OF TERMS OF REFERENCE:

Fixation of salary, perquisites etc. of all executive directors of the Company, as and when any new executive director is appointed/ existing executive director is re -appointed; and Deciding commission payable to executive directors based on performance of the concerned executive director and for this purpose fixes targets for achievements.

COMPOSITION:

During the year ended 31st March, 2022, Two Meetings were held.

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

Members of Nomination and Remuneration Committee	Position	Committee Meetings
Mr.Prakash Joti	Chairman-Independent Director	2
Mr. Vilas Shendge	Independent Director	2
Mrs. Vidyavati Katare	Director	2

The detail of remuneration for the year ended 31st March, 2022 paid to the Director/ Managing Director during the period is as under:

Director	Salary	Perquisites	Cont. to PF & Other Funds	Total
MD was appointed on non-remuneration basis in the Company.				

iii) Stakeholders Relationship Committee:

BRIEF DESCRIPTION OF TERMS OF REFERENCE:

The “Stakeholders Relationship Committee” of the Board, looks into various issues relating to investor grievances and to deal with matters relating to transfers/transmission of shares, and monitors redress of complaints from shareholders relating to transfers, non-receipt of balance-sheet, issue of duplicate share certificates, etc.

KATARE SPINNING MILLS LIMITED

COMPOSITION:

During the year ended 31st March, 2022, Two Meetings were held.
The composition of the Stakeholders Relationship Committee is as follows:

Members of Stakeholders Relationship Committee	Position	Committee Meetings
Mr.Prakash Joti	Chairman-Independent Director	2
Mr. Vilas Shendge	Independent Director	2
Mrs. Vidyavati Katare	Director	2

The Company's shares are compulsory traded in the dematerialized form at Bombay Stock Exchange Limited where Company's shares are listed.

There were no valid share transfer requests pending as on March 31, 2022.

4.GENERAL BODY MEETINGS:

Location and time, where last three Annual General Meetings were held is given below:

Financial Year	Date	Time	Location of the Meeting
2020-21	30.09.21	11.00 am	At 14/30 Ground Floor, B Wing, Katare Complex,Gandhinagar, Solapur MH-413006
2019-20	30.09.20	11.00 am	At 14/30 Ground Floor, B Wing, Katare Complex,Gandhinagar, Solapur MH-413006
2018-19	09.09.19	11.00 am	At 259, Sakhar Peth, Solapur Mh- 413005

5. DISCLOSURES:

The Company had not entered into any transactions of a material nature, which will have a conflict with its interest during the year.

The disclosure of related party transactions as required by the Indian Accounting Standard (IND AS) 24 on 'Related Party Disclosures issued by the Institute of Chartered Accountants of India (ICAI) is given under Notes on the

KATARE SPINNING MILLS LIMITED

Annual Accounts. All the transactions covered under related party transaction were fair, transparent and on at arm's length basis.

The company has complied with all the requirements of the SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015 except as mentioned in the Secretarial Audit report. Some amount of penalties have been imposed or stricture has been issued by SEBI, stock exchanges for delay in filling of information on BSE site or no other penalties imposed for any Statutory Authorities on matters relating to capital markets during the last three years.

The Company has followed all relevant accounting standards notified by the Companies (Indian Accounting Standards) Rules, 2015 and relevant provisions of the Companies Act, 2013 while preparing its financial statements.

6. MEANS OF COMMUNICATIONS:

The quarterly, half yearly and annual results are communicated to all the Stock Exchanges where the Company's shares are listed i.e. BSE as soon as the same are approved and taken on record by the Board of Directors of the Company. The results are not sent individually to the shareholders and same are uploaded on website of the Company.

7. CODE OF CONDUCT:

The Board of Director has adopted the Code of Business Conduct and Ethics for Director and Senior Management. The said Code has been communicated to the Directors and members of the Senior Management.

8. GENERAL SHAREHOLDERS INFORMATION:

Sr. No.	Particulars	Information
a)	Annual General Meeting i) Day, Date & Time ii) Venue	Thursday, 29 th September 2022 at 11.00 a.m. at 14/30 Ground Floor, B Wing, Katare Complex, Gandhinagar, Bl. No. 10 Solapur MH- 413006.
b)	Financial Calendar (tentative) Results for the 1 st Quarter Ending 30 th June, 2022 Result for the 2 nd Quarter/Half Year Ending 30 th September 2022 Result for the 3 rd Quarter Ending 31 st December, 2022 Results for the 4 th Quarter/Year Ending 31 st March, 2023	 First Week August 2022 Second Week November 2022 Last Week January 2023 Second Week May 2023

KATARE SPINNING MILLS LIMITED

c)	Book Closure Date (Both days inclusive)	Friday, 23 rd September, 2022 to Friday 30 th September, 2022.
d)	Listing on Stock Exchanges	The Bombay Stock Exchange Ltd., Mumbai.
e)	Stock Code	Physical segment – BSE- 502933 NSDL / CSDL – ISIN: INE - 498G01015

f) Stock Market Data:

The monthly high and low Prices during the year at BSE are as follows:

Month	Bombay Stock Exchange	
	High Rs.	Low Rs.
April 2021	13.77	13.26
May 2021	14.90	13.70
June 2021	17.49	15.00
July 2021	17.15	19.70
August 2021	19.70	19.70
September 2021	19.70	19.70
October 2021	18.70	21.55
November 2021	21.55	21.55
December 2021	22.60	42.20
January 2022	44.30	91.90
February 2022	85.00	185.95
March 2022	195.20	496.90

g) Share holding pattern as on 31.03.2022

Sr.No.	Category	No. of Shares	% (Percentage)
1	Promoters (Including Relatives of Director)	1360266	47.74
2	Body Corporate	161653	5.68
3	HUF	42368	1.48
4	Resident Individuals	1270389	44.58
5	Non-Resident Indian	535	0.01
6	Financial Institutions/Banks	7900	0.27
7	Clearing Member	6889	0.24
	TOTAL	28,50,000	100.00

KATARE SPINNING MILLS LIMITED

h) Distribution of Shareholding as on 31.03.2022

Shareholding of nominal value	No. of Shareholders	%	Nominal Value of Equity Shares(Rs.)	%
1 to 5000	1862	88.70	2309430	8.10
5001 to 10000	92	4.39	755400	2.66
10001 to 20000	57	2.73	879420	3.08
20001 to 30000	16	0.77	418350	1.47
30001 to 40000	15	0.71	520100	1.83
40001 to 50000	13	0.61	605550	2.12
50001 to 100000	19	0.90	1355070	4.75
100001 to onwards	25	1.19	21656680	75.99

i) Registrar and share Transfer Agent: Link Intime India Pvt. Ltd.,
Akshay Complex, Block No.202, 2nd
Floor, Opp. Dhole Patil Road, Pune-
411001.
E-mail: pune@linkintime.co.in

j) Share Transfer System:

Trading in Equity shares of the company is permitted only in dematerialized form as per notification issued by the Securities & Exchange Board of India (SEBI) and the Link Intime India Pvt. Ltd., Pune handle both Demat and physical share transfers.

The Share transfers which are received in physical form are processed and the share certificate are returned within 21 days from the date of receipt, subject to Documents being valid and complete in all respects.

The Stakeholders Relationship Committee meets periodically to consider the transfer and other proposals and attend to shareholders grievances.

k) Dematerialization Of Shares:

As on 31st March, 2022 Equity shares were in de-materialized form representing 92.09% of the total share capital.

l) Plant Location:

Spinning Mills:

Kamala Nagar, Tamalwadi,
Tal. Tuljapur, Dist. Osmanabad

Solar Plant:

Kamala Nagar, Tamalwadi
Tal. Tuljapur, Dist. Osmanabad

m) Address for Correspondence:

Katara Spinning Mills Limited

14/30 Ground floor, B Wing,
Katara Complex, Gandhinagar,
Bl. No. 10, solapur -413006.

KATARE SPINNING MILLS LIMITED

DECLARATION

To the best of our knowledge and belief, certify that;

We have reviewed financial statements and the cash flow statement for the year and that:

- a. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- b. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- c. There are no transactions entered into by the Company during the year which are fraudulent, illegal or violate of the Company's code of conduct.
- d. We further declare that all Board members and senior management personnel have affirmed compliance with the Code of Conduct and Ethics for the year covered by this report.

By Order of the Board of Directors
KATARE SPINNING MILLS LIMITED

SD/-
KISHORE KATARE
Managing Director
(DIN No.-00645013)

Place: Solapur
Date: 12th August, 2022

KATARE SPINNING MILLS LIMITED

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022

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

To,

The Members,

KATARE SPINNING MILLS LIMITED

I have conducted the secretarial audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by KATARE SPINNING MILLS LIMITED (hereinafter called "the Company"). Secretarial audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my earlier visits in the Company and current date's physical verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022 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 of some non-compliances made hereinafter:

I 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, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under- Not applicable to the Company during the Audit period.
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (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, but during the audit period, there were no Foreign Direct investment, Overseas Direct Investment and External Commercial Borrowings- Not applicable to the Company during the Audit period.

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009- Not applicable as the Company did not issue any security during the financial year under review;

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999-Not applicable as the Company has not granted any options to its employees during the financial year under review;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008- Not applicable as the Company has not issued any debt securities during the financial year under review;

(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- Not applicable as the Company is not registered as Registrar to an issue and Share Transfer Agent during the financial year under review;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009- Not applicable as the Company has not delisted its equity shares from any stock exchange during the financial year under review; and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998- Not applicable as the Company has not bought back any of its securities during the financial year under review;

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(vi) Other laws including laws specifically applicable to the Industry and Company as per the representation letter given by the Company.

I have also examined compliances with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India has been properly followed by the Company during the year.

I have not examined the compliance by the Company with of the following;

- Applicable financial laws, like Direct and Indirect Tax laws, since the same have been subject to review by statutory financial audit and other designated professionals.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to some of the following observations;

1. As per Regulation 31(2) of SEBI (LODR) Regulations, 2015 the shareholding of Promoters and Promoter Group i.e. 9,200 (0.65%) shares are pending for dematerialization as on year end date.
2. There has been non-compliances of Regulation 47 of SEBI (LODR) Regulations, 2015 in respect to advertisement in newspaper in certain specified events.
3. The Company has failed to comply with provisions of Section 124 of Companies Act, 2013 and rules made thereunder regarding transfer of unpaid unclaimed dividend and shares related to those to investor Education and Protection Funds. The said dividend was declared in the AGM of 2013.
4. The Company has maintained the website of the Company as per SEBI (LODR) Regulations, 2015 however, the website of the Company is not updated as on current date. (i.e. not on run time basis)
5. As per Section 139(1) of the Companies Act, 2013 the Company has appointed the Statutory Auditor however, the Auditor is not holding Peer Review Certificate which is to be issued by the Peer Review Board of the Institute of Chartered Accountants of India, as required under Regulation 33(1)(D) of SEBI (LODR) Regulations 2015.

I further report that;

The Board of Directors of the Company is constituted during the year as follows:

Mr. Kishore T. Katare -Managing Director, Mr. Subhash Katare –Director, Mr. Prakash Joti – Independent Director, Mr. Umakant Mahindrakar –Director, Mr. Vilas Shendge – Independent Director and Mrs. Vidyavati Katare-Director.

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.

As per record, the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

I further report that, there were 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.

**FOR NIKHIL SAWANT & CO.
Company Secretaries**

SD/-

NIKHIL SAWANT

Proprietor

M. No. A37819 CP No- 14691

UDIN- A037819D000782541

Place: Pune

Date: 11th August, 2022

This report is to be read with my letter of even date which is annexed as ANNEXURE- A and forms as integral part of this report.

Annexure A to the Secretarial Audit Report

To
The Members,
KATARE SPINNING MILLS LIMITED
Solapur-413006.

My report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the Management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I 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 the random test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and Practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of any financial records and Books of Accounts of the Company.
4. Whenever required, I have obtained the Management representation letter about the Compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management of the Company. My examination was limited to the verification of procedures on the random test basis.
6. The Secretarial Audit Report is neither an assurance as to the future visibility of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

KATARE SPINNING MILLS LIMITED

During the Year Company has opted for One Time Settlement Scheme 2021 of Bank of India, so due to this Bank has approached the NCLT, Mumbai bench for withdrawal of the CIRP application and the Hon'ble NCLT, Mumbai bench has passed the order dated 21st September, 2021 by permitting Bank of India to withdraw the application filed u/s 7 of the Insolvency & Bankruptcy Code, 2016.

So, now the Company is out of purview of CIRP.

FOR NIKHIL SAWANT & CO.
Company Secretaries

SD/-

NIKHIL SAWANT

Proprietor

Place: Pune

Date: 11th August, 2022

M. No. A37819 CP No- 14691

UDIN- A037819D000782541

Peer Review Certificate No. 2446/2022

KATARE SPINNING MILLS LIMITED

FORM NO. MGT- 9

EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2022

[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management & Administration) Rules, 2014]

I REGISTRATION & OTHER DETAILS:

i	CIN	L17199PN1980PLC022962
ii	Registration Date	08-08-1980
iii	Name of the Company	KATARE SPINNING MILLS LIMITED
iv	Category/Sub-category of the Company	COMPANY LIMITED BY SHARES
v	Address of the Registered office & contact details	14/30 Ground Floor, B Wing, Katare Complex, Gandhinagar, Bl. No. 10, Akkalkot road, Solapur MH- 413006
vi	Whether listed company	YES
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Pvt Ltd, Akshay Complex, Block No. 202, 2nd Floor, Opp.Dhole Patil Road, Pune-411001. Ph. No. 020-26161629, Email-id pune@linkintime.co.in

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:

Sr. No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	COTTON YARN	5205	89.97

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

Sr. No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
NA					

KATARE SPINNING MILLS LIMITED

KATARE SPINNING MILLS LTD

IV. SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity) As on 31.03.2022

(i) Category- wise Share holding

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2021				No. of Shares held at the end of the year 31.03.2022				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	1312870	2400	1315270	46.15	1312870	2400	1315270	46.15	0.00
b) Central Govt. or State Govt.	0	0	0	0	0	0	0	0	0
c) Bodies Corporates	0	0	0	0	0	0	0	0	0
d) Bank/FI	0	0	0	0	0	0	0	0	0
e) Any other	38196	6800	44996	1.58	38196	6800	44996	1.58	0.00
SUB TOTAL:(A) (1)	1351066	9200	1360266	47.73	1351066	9200	1360266	47.73	0.00
(2) Foreign									
a) NRI- Individuals	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any other...	0	0	0	0	0	0	0	0	0
SUB TOTAL (A) (2)	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	1351066	9200	1360266	47.73	1351066	9200	1360266	47.73	0.00
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks/FI	0	7900	7900	0.28	0	7900	7900	0.28	0
c) Cenntal govt	0	0	0	0	0	0	0	0	0
d) State Govt.	0	0	0	0	0	0	0	0	0
e) Venture Capital Fund	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIS	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
SUB TOTAL (B)(1):	0	7900	7900	0.28	0	7900	7900	0.28	0.00
(2) Non Institutions									
a) Bodies corporates	211531	5765	217296	7.62	155888	5765	161653	5.67	1.95
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0
i) Individual shareholders holding nominal share capital upto Rs.2 lakhs	203218	382999	586217	20.57	466953	202568	669521	23.49	-2.92
ii) Individuals shareholders holding nominal share capital in excess of Rs. 2 lakhs	645963	0	645963	22.67	600868	0	600868	21.08	1.58
c) Others (specify) HUF	30698	0	30698	1.08	42368	0	42368	1.4866	-0.41
Market Maker	1114	0	1114	0.04	6889	0	6889	0.24	-0.20
Non Resident Indian (non repat)	546	0	546	0.02	535	0	535	0.02	0.00
Non Resident Indian (repat)	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL (B)(2):	1093070	388764	1481834	51.99	1273501	208333	1481834	51.99	0.00
Total Public Shareholding (B)= (B)(1)+(B)(2)	1093070	396664	1489734	52.27	1273501	216233	1489734	52.27	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	2444136	405864	2850000	100	2624567	225433	2850000	100	0

KATARE SPINNING MILLS LIMITED

KATARE SPINNING MILLS LTD

(ii) SHARE HOLDING OF PROMOTERS

Sr. No.	Shareholders Name	Shareholding at the beginning of the year 01.04.2021			Shareholding at the end of the year 31.03.2022			% change in share holding during the year
		No of shares	% of total shares of the company	% of shares pledged/ encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged/ encumbered to total shares	
1	Kishor Tippanna Katare	587114	20.60	0	587114	20.60	0.00	0.00
2	Subhash Tippanna Katare	344005	12.07	0	344005	12.07	0.00	0.00
3	Shakuntala Tulsidas Katare	382651	13.43	0	382651	13.43	0.00	0.00
4	Vidhyavati Kishor Katare	10350	0.36	0	10350	0.36	0.00	0.00
5	Katara Sachin Subhash	3150	0.11	0	3150	0.11	0.00	0.00
6	Mahindrakar Umakant Mahadev	7478	0.26	0	7478	0.26	0.00	0.00
7	Geeta Anilkumar Kapatkar	200	0.01	0	200	0.01	0.00	0.00
8	Sunita Prashant Achalkar	200	0.01	0	200	0.01	0.00	0.00
9	Vanita Tulshidas Katara	200	0.01	0	200	0.01	0.00	0.00
10	Nanda Tulshidas Katara	200	0.01	0	200	0.01	0.00	0.00
11	Katara Kirti Kishore	8418	0.30	0	8418	0.30	0.00	0.00
12	Katara Kritika Kishore	8800	0.31	0	8800	0.31	0.00	0.00
13	Jaishree Venkatesh Mahindrakar	1700	0.06	0	1700	0.06	0.00	0.00
14	Chhaya Umakant Mahindrakar	1700	0.06	0	1700	0.06	0.00	0.00
15	Ambutai Abhaykumar Telkar	2600	0.09	0	2600	0.09	0.00	0.00
16	Kamal Kishore Katara	1500	0.05	0	1500	0.05	0.00	0.00
	Total	1360266	47.73	0	1360266	47.73	0.0	0.00

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

Sr. No.		Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	1360266	47.73		
	At the end of the year	1360266	47.73	1360266	47.73

KATARE SPINNING MILLS LIMITED

KATARE SPINNING MILLS LTD

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

Sr. No	Name	No. of Shares at the beginning (01.04.21)/end of the year(31.03.22)		Date			Cumulative Shareholding during the year (01.04.2021 to 31.03.2022)	
		No. of shares	% of total shares of the company				No. of shares	% of total shares of the company
1	Balram Bharwani	119950	4.21	01.04.2021	-19950	Trnasfer	100000	3.51
		100000	3.51	31.03.2022				
2	MALPANI FINANCIAL SERVICE PVT LTD	49635	1.74	01.04.2021	60046	Transfer	109681	3.85
		109681	3.85	31.03.2022				
3	MADHAV SAMPATLAL SARDA	28607	1.00	01.04.2021	3031	Transfer	31638	1.11
		31638	1.11	31.03.2022				
4	ENNAR STAR TRADE LIMITED#	64341	2.26	01.04.2021	-64341	Transfer	0	0.00
		0	0.00	31.03.2022				
5	Preeti Krishnagopal Chandak	141883	4.98	01.04.2021	-4257	Transfer	137626	4.83
		137626	4.83	31.03.2022				
6	Hina Kirti Doshi	50000	1.75	01.04.2021	0	Nil Movement during the year	50000	1.75
		50000	1.75	31.03.2022				
7	Krishnagopal Motilal Chandak	122138	4.29	01.04.2021	15570	Transfer	137708	4.83
		137708	4.83	31.03.2022				
8	VSL Securities#	48831	1.71	01.04.2021	-48831	Transfer	0	0.00
		0	0.00	31.03.2022				
9	Kamal Marketing pvt Ltd	37695	1.32	01.04.2021	0	Nil Movement during the year	37695	1.32
		37695	1.32	31.03.2022				
10	RAHUL KATHADE	71786	2.52	01.04.2021	1868	Transfer	73654	2.58
		73654	2.58	31.03.2022				
11	SHEKHAR JEETMAL ASAWA	29099	1.02	01.04.2021	-21465	Transfer	7634	0.27
		7634	0.27	31.03.2022				
12	RASHMI CHANDAK	28000	0.98	01.04.2021	-5000	Transfer	23000	0.81
		23000	0.81	31.03.2022				

* Not in the list of Top ten shareholders as on 01.04.2021. The same have been reflected above since share holders were among the Top ten share holders as on 31.03.2022.

Ceased to be in the list of Top ten shareholders as on 31.03.2022. The same have been reflected above since shareholders were among the top ten shareholder as on 31.03.2021.

KATARE SPINNING MILLS LIMITED

(v) **Shareholding of Directors & Key Mnegerial Personel (KMPs)**

Sl. No	Name	No. of Shares at the beginning (01.04.21)/end of the year(31.03.22)		Date	Increase/d ecrease	Reason	Cumulative Shareholding during the year (01.04.2021 to 31.03.2022)	
		No.of shares	% of total shares of the company				No of shares	% of total shares of the company
A Directors								
1	Subhash Tippanna Katare	344005	12.07	01.04.2021	0	Nil Movement during the year	344005	12.07
		344005	12.07	31.03.2022				
2	Vidhyavati Kishor Katare	10350	0.36	01.04.2021	0	Nil Movement during the year	10350	0.36
		10350	0.36	31.03.2022				
3	Umakant M Mahindrakar	7478	0.26	01.04.2021	0	Nil Movement during the year	7478	0.26
		7478	0.26	31.03.2022				

B KMPs

1	Kishor Tippanna Katare	587114	20.60	01.04.2021	0	Nil Movement during the year	587114	20.60
		587114	20.60	31.03.2022				
2	KAMAL KISHORE KATARE	1500	0.05	01.04.2021	0	Nil Movement during the year	1500	0.05
		1500	0.05	31.03.2022				

KATARE SPINNING MILLS LIMITED

KATARE SPINNING MILLS LTD

V INDEBTEDNESS

(Rs. In Lacs)

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning of the				
i) Principal Amount	658.25	588.37	0.00	1246.62
ii) Interest due but not paid	1612.50	27.27	0.00	1639.77
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	2270.75	615.64	0.00	2886.39
Change in Indebtedness during the financial year				
Additions	978.45	3159.15	0.00	4137.60
Reduction	3249.20	3720.68	0.00	6969.88
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount	0.00	54.11	0.00	54.11
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	0.00	54.11	0.00	54.11

VI **REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

A. **Remuneration to Managing Director**

Sl. No	Particulars of Remuneration	Name of the MD/WTD/Manager	Total Amount
1		Shri Kishore Katare Managing Director	
1	Gross salary		
	(a) Salary as per provisions contained in section		0
	(b) Value of perquisites u/s 17(2)		0
	(c) Profits in lieu of salary under		-
2	Stock option		-
3	Sweat Equity		-
4	Commission		-
	as % of profit		
	others (specify)		
5	Others, please specify		-
	Total (A)		0
	Ceiling as per the Act		N.A.

KATARE SPINNING MILLS LIMITED

B. Remuneration to other directors:

Sl.No	Particulars of Remuneration	Shri Subhash T katare	Shri U M Mahindrakar	Mrs Vidhyvati katare	Shri Prakash Joti	Shri Vilas Shendge
1	Independent Directors					
	(a) Fee for attending board committee meetings	-	-	-	0	0
	(b) Commission	-	-	-	-	-
	(c) Others - Conveyance Exps	-	-	-	0	0
	Total (1)	0	0	0	0	0
2	Other Non Executive Directors					
	(a) Fee for attending board committee meetings	0	0	0	0	0
	(b) Commission	-	-	-	-	-
	(c) Others - Conveyance Exps	0	0	0	-	-
	Total (2)	0	0	0	0	0
	Total (B)=(1+2)	0	0	0	0	0
	Total Managerial Remuneration					0
	Overall Ceiling as per the Act.					N.A.

Total Remuneration to whole Time Directors and other Directors (being the total of A& B)

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. No.	Particulars of Remuneration			Key Managerial Personnel				Total
1	Name of KMP	Gross Salary		CEO	Company Secretary	CFO	Total	
1	Kamal Katare	Rs.30,000		0		30,000	30,000	30,000

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority (RD/NCLT/ Court)	Appeal made if any (give details)
There was no any penalties/ punishment /compounding of offences incurred during the year					

By Order of the Board of Directors
KATARE SPINNING MILLS LIMITED

Place: Solapur
Date: 12th August, 2022

SD/-
KISHORE KATARE
MANAGING DIRECTOR
(DIN- 00645013)

INDEPENDENT AUDITOR'S REPORT

To,

The Members of Katare Spinning Mills Limited

Report on the Standalone Financial Statements

Opinion

I have audited the accompanying standalone financial statements of Katare Spinning Mills Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2022, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the statement of changes in equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In my opinion and to the best of my information and according to the explanations given to me, except for the effects of the matter described in the Basis for Qualified Opinion Paragraph, 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, including Ind AS specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at 31st March, 2022, and its Loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

I conducted my audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 as amended ("the Act"). My responsibilities under those Standards are further described in the "Auditor's Responsibility for the Audit of the Ind AS Financial Statements" section of my report.

I am Independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with ethical requirements that are relevant to my audit of the Financial Statements under the provisions of the Act and Rules made there under and I have fulfilled my other ethical responsibilities in accordance with these requirements and ICAI's Code of Ethics. I believe that the audit evidence obtained by me is sufficient and appropriate to provide a basis for my qualified opinion on the Ind AS financial statements.

Basis for qualified Opinion

- a. A sum of Rs. 428 lakh has been written off as deferred Interest Expenditure in the financial statements under review though the amount was paid in FY 2013-14 consequent upon One time Settlement of loan from ICICI bank assigned by it Kotak Mahindra Bank Ltd. The amount was parked as deferred interest expenditure to be amortized over a period of 7 years. However, the

unamortized balance of Rs. 428 lakh has been charged to the statement of profit and loss of the year under review.

- b. The companies spinning division was not in operation during the year under review.
- c. The company has incurred net cash losses in the previous financial years. These conditions cast serious doubt about the company's ability to continue as a going concern. However, the Ind AS financial statements of the Company are prepared on a going concern basis.

Material Uncertainty Related to Going Concern

During the year review, the Company's spinning division was not in operation. The company has incurred net cash losses in the previous financial years. These conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. However, the Ind AS financial statements of the Company are prepared on a going concern basis.

Emphasis of the Matter

I draw attention to –

1. The company has settled its outstanding Cash Credit Liability of Rs. 728.98lakh including interest for a sum of Rs. 407 lakhs resulting into waiver of 321.987 lakh which is credited to statement of profit and loss.
2. The company has settled its outstanding Term Loan Liability of Rs. 1548.47 lakh including interest for a sum of Rs. 700 lakhs resulting into waiver of 274.40 lakh in principle which is credited to capital reserve and 574.07 towards interest credited to statement of Profit and Loss.
3. The company has revalued its factory land and building and profit on revaluation of Rs. 114,40,29,786 has been credited to revaluation reserve as appearing in Note No. 13 Other Equity.
4. The company has sold its property, plant and equipment of hotel division for a consideration of Rs. 1931.25 lakh. Profit on sale of Rs. 15,01,12,801 is credited to other income Note No. 23
5. Note No. 8 of Financial Statement stating that during the year, company has recalculated the deferred tax liability on the basis of balance sheet approach and accordingly reversed the deferred tax asset and created deferred tax liability in the financial statements for the year ended 31st March 2022
6. Note No. 28 of the Financial Statement stating that during the year Company has written off the outstanding receivables amounting to Rs. 1,22,81,733 through statement of profit and loss against which no provision for bad and doubtful debts

KATARE SPINNING MILLS LIMITED

was made. Considering the long outstanding receivables and decision of the Board of Directors the company has written of such receivable.

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 standalone financial statements as-a- whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters

Outstanding Term Loan, cash credit and recovery proceeding thereof:

Key Audit Matter	How the same is addressed in the audit
<p><u>Unpaid amounts of term loan, cash credit and interest thereon</u> There is pending and ongoing legal dispute relating to recovery of outstanding term loan and cash credit availed from Bank of India. In said litigation and regulatory matters significant judgement is required by management to determine whether a present obligation exists and whether a provision should be recognized. If there is a present obligation there are significant judgements in determining the measurement of provisions, which are subject to the future outcome of legal or regulatory processes.</p>	<ul style="list-style-type: none"> • Assessing provisions: I critically assessed and challenged the adequacy of provisions and contingent liability disclosures including management’s ability to reliably estimate the monetary impact. My procedure included comparing assumptions to historical data, approved settlement agreements and enquiry of lawyers. • Assessing transparency: Assessed whether the disclosures related to significant litigation and regulatory matters adequately disclose the potential liabilities and the significant uncertainties that exist. • My results: I considered the provisions for legal and regulatory matters are recognized, including the related disclosures and the contingent liability disclosure made in relevant note.
<p><u>Deferred Tax Asset/liability</u> There is a complexity relating to the treatment and recognition of current and deferred taxation, arising from significant or unusual transactions may be ambiguous and thereby require legal opinion. In addition, the determination of</p>	<p>I evaluated the taxation provisions and potential exposures. This included:</p> <ul style="list-style-type: none"> • Analysing the taxation consequences arising on significant or unusual transactions to determine if the treatment adopted is appropriate under

<p>whether to recognize deferred taxation assets is dependent on the directors' assessment of the utilisation of the historical taxation losses and the timing of realising temporary differences, which requires significant judgment.</p> <p>With respect to uncertain taxation positions, the directors make provision for taxation based on the most probable outcome.</p> <p>As a result, taxation is considered a key audit matter due to the complexities and judgment arising from the considerations relating to the calculation, recognition, and classification of current and deferred tax balances.</p> <p>The disclosures relating to taxation and deferred taxation are contained in note No.8 of the financial statements.</p>	<p>the circumstances, and/or based on appropriate legal counsel opinion obtained by the directors.</p> <ul style="list-style-type: none"> • Analysing the current and deferred taxation calculations for compliance with relevant taxation legislation and uncertainty to recoup the same by way of future taxable profits • Evaluating the directors' assessment of the estimated manner in which the timing differences, including the recoverability of the deferred taxation assets, would be realised by comparing this to evidence obtained in respect of other areas of the audit, including cash flow forecasts, minutes of directors' meetings and evidence obtained in other areas during the performance of our audit procedures. • Critically evaluating the assumptions made by the directors for uncertain current and deferred taxation positions to assess whether appropriate current and deferred taxation provisions have been recognised and are based on the most probable outcome. • I assessed the disclosures to ensure that this was accurately and appropriately recognised and found that the disclosures relating to the current and deferred tax are appropriate
<p>Revaluation of property, plant and equipment</p>	<p>I have verified the valuation report and values assigned in the books so as to ascertain that the values put in the books are as per valuation report</p>
<p><u>Payment of Gratuity</u> Ascertainment and its Provision for payment of gratuity liable under the respective asset</p>	<p>It has been observed that No provision is made for payment of gratuity on actuarial basis as on 31st March, 2022 hence its impact on the net Loss could not be ascertained.</p>

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

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

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

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

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the state of affairs (financial position) Profit or Loss (financial performance including other comprehensive income) cash flows and changes in the equity of the Company in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards (Ind AS) 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 the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit.

I have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

I conducted my audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether these financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the standalone financial statements.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of sub-section (11) of section 143 of the Act, I give in "Annexure A" a statement on matters specified in paragraphs 3 and 4 of the said order.
2. As required by Section 143 (3) of the Act, I report that:
 - (a) I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of my audit.
 - (b) In my opinion, proper books of account as required by law have been kept by the Company so far as it appears from my examination of those books.
 - (c) The standalone financial statements dealt with by this report are in agreement with the books of account,
 - (d) Except for the possible effects of the matter described in the basis for qualified opinion paragraph in my opinion on the financial statements, these statements comply with the Ind AS specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the Internal Financial controls over financial reporting of the Company and the operative effectiveness of such controls, refer to my separate report in "Annexure B", and
 - (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 my opinion and to the best of my information and according to the explanations given to me:

- i. The Company has disclosed the impact of pending litigations on its Ind AS standalone financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

N. R. Waghchaure & Associates
Chartered Accountants,
FRN: 114999W

Nilkanth R. Waghchaure
Proprietor
ICAI Membership No.: 048890
Place : Solapur
Date : 30.05.2022
UDIN : 22048890AJWBRQW4077

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

The annexure referred to in the Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31st March 2022, I report that

- (i) In respect of its fixed assets:
- a) The Company has maintained proper records showing full particulars, including quantitative details and the situation of the property, plant and equipment.
 - b) Property, Plant and Equipment have been physically verified by the management during the year in accordance with the phased programme of verification adopted by the management which, in my opinion, provides for physical verification of all the Property, Plant and Equipment at reasonable intervals. No material discrepancies were noticed on such verification. In my opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and nature of its assets.
 - c) According to the information and explanation given to me and on the basis of my examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
 - d) The company has revalued its property comprising factory land, factory building and machinery during the year. Revaluation is based on the valuation by a registered valuer and that there is no change in value as recorded after revaluation and that given by the registered valuer.
- (ii) In respect of its inventory:
- a) The inventories of finished goods, semi-finished goods, stores, spare parts and raw materials were physically verified at regular intervals by the Management.
 - b) The procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) The Company has maintained proper records of its inventories. According to information and explanation given to me, the discrepancies noticed on physical verification of stocks as compared to book records were not material and have been properly dealt with in the books of account.
- (iii) The Company has not granted any loans to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013 and therefore paragraph 3(iii) of the Order is not applicable.

- (iv) In my opinion and according to information and explanations given to me the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to loans and investments made.
- (v) The Company has not accepted any deposits from the public.
- (vi) I have broadly reviewed the cost records maintained by the Company pursuant to the Rules made by the Central Government under Section 148(1) of the Companies Act, 2013 and I am of the opinion that prima facie the prescribed cost records have been made and maintained. I have, however, not made a detailed examination of these records with a view to determining whether they are accurate or complete.
- (vii) In respect of statutory dues:

a) According to the information and explanation given to me and on the basis of my examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees State Insurance, Income-tax, Sales Tax, Value Added Tax, Wealth Tax, Service Tax, Excise Duty, Cess., GST and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities except outstanding Maharashtra Value Added Tax Liability of Rs. 20,93,155 and GST of Rs. 3,05,931 aggregating to Rs. 23,99,086

According to the information and explanation given to me, no undisputed amounts payable in respect of provident fund, income-tax, wealth tax, excise duty, sales tax, value added tax, cess and other material statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

b) According to the information and explanation given to me, there are no material dues of statutory nature which have not been deposited with the appropriate authorities on account of any dispute, except the following dues which have not been deposited by the company on account of disputes:

Name of the Statute	Nature of Dues	Amount (in Rs.)	Period to which the amount relates	Forum where the dispute is pending
MVAT Act, 2002	Sales Tax, interest and penalty	10,55,741	FY 2008-09	DCST-Appeals, Solapur
MVAT Act, 2002	Sales Tax, Interest and Penalty	26,52,358	FY 2010-11	DCST-Appeals, Solapur

(viii) The Company has repaid all the amount of term loan and cash credit together with interest under one time settlement and that there are no outstanding dues as certified by the Lender Bank of India.

- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the order is not applicable.
- (x) According to the information and explanation given to me, no material fraud by the Company or on the Company by its officers or employees have been noticed or reported during the course of my audit.
- (xi) According to the information and explanation given to me and on the basis of my examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Act.
- (xii) In my opinion and according to the information and explanations given to me, the Company is not a nidhi company. Accordingly paragraph 3(xii) of the order is not applicable.
- (xiii) According to the information and explanation given to me and on the basis of my examination of the records of the Company, transactions with related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the Ind AS 24, related party disclosures specified under section 133 of the Act.
- (xiv) According to the information and explanation given to me and based on my examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanation given to me and on the basis of my examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly paragraph 3(xv) of the order is not applicable.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

N. R. Waghchaure & Associates
Chartered Accountants,
FRN: 114999W

Nilkanth R. Waghchaure
Proprietor
ICAI Membership No.: 048890
Place : Solapur
Date : 30.05.2022
UDIN : 22048890AJWBRQW4077

“Annexure B” to the Independent Auditor’s Report of even date on the Financial Statements of Katare Spinning Mills Limited.

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

I have audited the internal financial controls over financial reporting of Katare Spinning Mills Limited (“the Company”) as of 31st March 2022 in conjunction with my audit of the Ind AS 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.

Auditor’s Responsibility

My responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on my audit. I conducted my 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 I 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.

My audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. My 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 financial statements, whether due to fraud or error.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable details, 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 my 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 31 March, 2022, 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.

N. R. Waghchaure & Associates
Chartered Accountants,
FRN: 114999W

Nilkanth R. Waghchaure
Proprietor
ICAI Membership No.: 048890
Place : Solapur
Date : 30.05.2022
UDIN : 22048890AJWBRQW4077

KATARE SPINNING MILLS LIMITED

Annexure VII

Unmodified Opinion is expressed on the Quarterly and year to date financial results

Auditor's Report on Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To

Board of Directors of KATARE SPINNING MILLS LIMITED,

We have audited the financial results of KATARE SPINNING MILLS LIMITED for the quarter ended and the year to date results for the period 31st March, 2022, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These quarterly financial results as well as the year to date financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard for Interim Financial Reporting (AS 25 / Ind AS 34), prescribed, under Section 133 of the Companies Act, 2013 read with relevant rules issued there under; or by the Institute of Chartered Accountants of India, as applicable and other accounting principles generally accepted in India.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results:

(i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and

(ii) Given a true and fair view of the net profit/ loss and other financial information for the quarter ended as well as the year to date results for the period from 01st April, 2021 to 31st March, 2022.

**For N. R. Waghchaure & Associates
Chartered Accountants**

**N. R. Waghchaure & Associates
Proprietor
(M.N. 048890)**

**Place: Solapur
Date: 30.05.2022
UDIN : 22048890AJVXFB1884**

**KATARE SPINNING MILLS LTD (Spinning,Power and Hotel Division)
Consolidated Balance Sheet as at 31st March, 2022**

	Particulars	Notes	As at 31/03/2022	As at 31/03/2021
I	ASSETS			
	Non-current assets			
	Property, plant and equipment and Intangible assets	1	1,24,86,24,470	16,42,03,299
	Capital work-in-progress	2	11,78,284	76,48,555
	Investment property		0	0
	Goodwill		0	0
	Intangible assets under development		0	0
	Biological assets other than bearer plants		0	0
	Financial assets	3	0	0
	- Non-Current investments	4	11,200	11,200
	- Long-term loans and advances	5	0	0
	- Trade Receivables	6	7,63,400	1,30,24,146
	- Others	7	53,27,573	5,11,97,378
	Deferred tax assets (Net)	8	0	3,77,27,000
	Other non-current assets		0	0
	Total Non Current Asset : A		1,25,59,04,927	27,38,11,577
	Current assets			
	Inventories	9	1,72,75,847	1,93,41,437
	Financial assets			
	- Current investments		0	0
	- Trade and other receivables	10	1,64,76,189	1,87,03,745
	- Cash and cash equivalents	11	8,57,092	12,05,453
	- Short term loans and advances	12	6,15,249	8,90,249
	Assets for current tax (net)			
	Other current assets	13	63,63,894	42,72,997
	Non-current assets classified as held for sale			
	Other Non-Current Assets		0	0
	Total Current Assets B		4,15,88,270	4,44,13,881
	Total Assets		1,29,74,93,197	31,82,25,459

**KATARE SPINNING MILLS LTD (Spinning, Power and Hotel Division)
Consolidated Balance Sheet as at 31st March, 2022**

	Particulars	Notes	As at 31/03/2022	As at 31/03/2021
II	EQUITY AND LIABILITIES			
	Equity			
	Equity Share capital	14	2,85,00,000	2,85,00,000
	Other Equity	15	1,22,21,39,701	-1,89,28,476
	- Equity component of other financial instrument			
	- Retained earnings @			
	- Reserves			
	- Reserves representing unrealised gains/ losses			
	- Other reserves			
	Money received against share warrants			
	Others			
	Share application money pending allotment			
	Total Equity		1,25,06,39,701	95,71,524
	Non-current liabilities			
	Financial liabilities			
	- Long term borrowings	16	3,16,139	3,16,139
	- Other financial liabilities (Trade Payable)	17	46,03,793	51,62,409
	Long term provisions		0	0
	Deferred tax liabilities (Net)		50,12,000	0
	Other non-current liabilities	18	0	0
	Total Non Current Liabilities		99,31,932	54,78,548
	Current liabilities			
	Financial liabilities			
	- Short term borrowings	19	54,10,865	28,86,38,423
	- Trade and other payables	20	24,82,383	93,32,019
	- Other financial liabilities		0	0
	Other current liabilities	21	14,28,317	52,04,945
	Short-term provisions (IT Provision)		2,76,00,000	0
	Liabilities for current tax (net)			
	Total Current Liabilities		3,69,21,565	30,31,75,387
	Total Equity and Liabilities		1,29,74,93,197	31,82,25,459

0

The accompanying notes are an integral part
of the financial statements
As per our audit even date

N. R. WAGCHAWARE & ASSOCIATES
Chartered Accountants

For and on behalf of Borad
Katara Spining Mills Ltd

Nilkanth R Waghchaware
Proprietor
ICAI Membership No :048890
Solapur. 30th May 2022
UDIN22048890AJXBRQW4077

K T Katara
Managing Director
DIN 00645013

S. T. Katara
Director
DIN 0045013

K K KATARE
CFO

Manish P Kakrai
Company Secretary
M.NO.A58037

**KATARE SPINNING MILLS LTD (Spinning, Power and Hotel Division)
Statement of Consolidated Profit and Loss for the year ended 31st March, 2022**

Particulars		Notes	As at 31/03/2022	As at 31/03/2021
I	Income:			
	Revenue from Operations (Gross)	22	3,46,23,628	10,46,93,687
	Other Income	23	24,48,86,663	10,47,736
	Total Income		27,95,10,291	10,57,41,423
II	Expenses:			
	Cost of Materials Consumed	24	2,93,47,190	9,21,78,860
	Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	25	19,82,400	32,14,206
	Employee Benefits Expense	26	18,90,212	21,45,003
	Finance Costs	27	97,40,459	60,03,793
	Other Expenses	28	7,34,32,718	1,08,29,662
	Depreciation and Amortization Expense	1	1,35,73,851	87,40,249
	Total Expenses		12,99,66,830	12,31,11,773
III	Profit/(Loss) Before Tax		14,95,43,461	-1,73,70,350
IV	Tax Expense:			
	Current tax including MAT		2,76,00,000	0
	Deferred tax		4,27,39,000	0
	Total		7,03,39,000	0
V	Profit (Loss) for the period		7,92,04,461	-1,73,70,350
VI	Other Comprehensive Income:			
(a)	Items that will not be reclassified to statement of profit or loss:		0	0
(b)	Income tax relating to items that will not be reclassified to statement of profit or loss - Foreign Currency Exchange Loss		0	0
(c)	Items that will not be reclassified to statement of profit or loss:		0	0
(d)	Income tax relating to items that will be reclassified to statement of profit or loss		0	0
			0	0
IX	Total Comprehensive Income for the period		7,92,04,461	-1,73,70,350
XVI.	Earnings per equity share			
(i)	Basic	Basic	27.79	(6.09)
(ii)	Diluted	Diluted	27.79	(6.09)

The accompanying notes are an integral part of the financial statements
In terms of my report attached

N. R. Waghchaware & Associates
Chartered Accountants

Nilkanth R Waghchaware
Proprietor
ICAI Membership No :048890
Solapur.30th May 2022
UDIN22048890AJWBRQW4077

For and on behalf of the Board
Katare Spining Mills Ltd

K T Katare
Managing Director
DIN 00645013

S T Katare
Director
DIN 00685066

K K KATARE
CFO

Manish P Kakrai
Company Secretary
M.NO.A58037

KATARE SPINNING MILLS LIMITED

KATARE SPINNING MILLS LTD
NOTE - 1
Property, plant and equipment

SCHEDULE OF FIXED ASSETS FORMING PART OF BALANCE SHEET AS ON 31.03.2022

PARTICULARS	GROSS BLOCK										DEPRECIATION PROVIDED										NET BLOCK										
	01.04.21		31.03.2022		31.03.2021		31.03.2020		31.03.2019		31.03.2018		31.03.2017		31.03.2016		31.03.2015		31.03.2014		31.03.2013		31.03.2012		31.03.2011		31.03.2010				
	ORIGINAL COST AS ON	ADDITIONS DURING THE YEAR	AS ON ORIGINAL COST	TO REVALUATION	REVALUATION COST	FOR THE YEAR	FOR THE YEAR	FOR THE YEAR	FOR THE YEAR	FOR THE YEAR	FOR THE YEAR	FOR THE YEAR	FOR THE YEAR	FOR THE YEAR	FOR THE YEAR	FOR THE YEAR	FOR THE YEAR	FOR THE YEAR	FOR THE YEAR	FOR THE YEAR	FOR THE YEAR	FOR THE YEAR	FOR THE YEAR	FOR THE YEAR	FOR THE YEAR	FOR THE YEAR	FOR THE YEAR	FOR THE YEAR	FOR THE YEAR	FOR THE YEAR	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30		
FACTORY LAND	36,23,375	1,27,27,332	1,63,50,707	30,83,410	26,98,925	91,09,25,035	91,14,65,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
BUILDING	8,27,55,884	5,54,04,136	13,81,60,024	44,14,894	29,42,82,600	33,10,73,632	37,55,58,082	3,79,41,090	7,54,97,152	6,81,843	80,40,872	65,22,515	1,40,35,334	-10,20,576	2,42,82,291	4,71,81,156	6,63,63,746	4,52,02,811	1,74,63,079	6,26,65,998	1,25,88,441	25,21,21,444	29,47,98,855	0	0	0	0	0	0	0	
BUILDING SOLAR PROJECT	76,40,885	0	76,40,885	0	76,40,885	17,10,408	17,10,408	2,99,335	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
PLANT & MACHINERY	8,50,04,896	5,50,22,861	15,00,27,757	2,98,65,435	2,83,27,427	7,01,42,887	7,54,04,332	5,50,22,859	13,04,47,191	9,91,861	0	9,91,861	-3,99,73,976	-2,98,65,435	3,64,42,215	2,53,27,424	6,17,49,959	1,96,00,364	2	1,96,00,364	83,92,846	2	83,92,848	0	0	0	0	0	0	0	
PLANT & MACHINERY SOLAR PROJ.	5,92,34,965	0	5,92,34,965	0	5,92,34,965	66,52,462	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
VEHICLES	26,64,085	0	26,64,085	0	26,64,085	0	26,64,085	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
OFFICE EQUIPMENTS	3,89,151	0	3,89,151	0	3,89,151	0	3,89,151	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
COMPUTER	26,83,128	0	26,83,128	0	10,54,916	0	10,54,916	0	23,10,254	24,487	0	24,487	-14,45,978	0	8,97,743	0	8,97,743	0	0	0	0	0	0	0	0	0	0	0	0	0	0
FURNITURE & FIXTURE	2,09,48,312	0	2,09,48,312	0	27,74,414	0	27,74,414	0	1,88,96,394	0	0	0	-1,61,70,611	0	26,96,694	0	26,96,694	0	0	0	0	0	0	0	0	0	0	0	0	0	0
OTHER ASSETS SOLAR PROJECT	2,99,703	0	2,99,703	0	2,99,703	0	2,99,703	0	1,22,988	47,482	0	47,482	0	0	1,70,148	0	1,70,148	0	0	0	0	0	0	0	0	0	0	0	0	0	0
OTHER ASSETS	48,14,820	0	48,14,820	0	23,77,429	0	23,77,429	0	40,30,929	71,503	0	71,503	-22,40,459	0	18,63,974	0	18,63,974	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL - A	31,62,61,837	12,31,53,329	43,94,15,166	1,15,08,82,248	1,23,05,35,862	1,42,82,29,316	1,56,84,255	1,23,05,35,862	3,66,60,094	3,66,60,094	19,60,75,332	1,23,05,35,862	1,23,05,35,862	1,23,05,35,862	1,23,05,35,862	1,23,05,35,862	1,23,05,35,862	1,23,05,35,862	1,23,05,35,862	1,23,05,35,862	1,23,05,35,862	1,23,05,35,862	1,23,05,35,862	1,23,05,35,862	1,23,05,35,862	1,23,05,35,862	1,23,05,35,862	1,23,05,35,862	1,23,05,35,862	1,23,05,35,862	1,23,05,35,862
B) Research & Dev. Equip.	3,80,877	0	3,80,877	0	3,80,877	0	3,80,877	0	3,80,877	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Research & Dev. G Block	3,80,877	0	3,80,877	0	3,80,877	0	3,80,877	0	3,80,877	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL - B	3,80,877	0	3,80,877	0	3,80,877	0	3,80,877	0	3,80,877	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Grand Total :-(A+B)	31,66,42,714	12,31,53,329	43,97,96,043	1,15,08,82,248	1,23,05,35,862	1,42,82,29,316	1,60,65,132	1,23,05,35,862	3,66,60,094	3,66,60,094	19,60,75,332	1,23,05,35,862	1,23,05,35,862	1,23,05,35,862	1,23,05,35,862	1,23,05,35,862	1,23,05,35,862	1,23,05,35,862	1,23,05,35,862	1,23,05,35,862	1,23,05,35,862	1,23,05,35,862	1,23,05,35,862	1,23,05,35,862	1,23,05,35,862	1,23,05,35,862	1,23,05,35,862	1,23,05,35,862	1,23,05,35,862	1,23,05,35,862	
Note No : 2 Capital Work in Progress																															
Solar Project	76,48,555	0	76,48,555	6,64,840	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Paint & Machinery - Work in Progress	0	0	0	10,47,033	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Paint & Machinery -	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL - C	76,48,555	0	76,48,555	6,64,840	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL :-(A+B+C)	31,82,91,269	12,31,53,329	44,74,51,598	1,14,90,70,819	1,23,05,35,862	1,42,82,29,316	1,62,46,984	1,23,05,35,862	3,66,60,094	3,66,60,094	19,79,50,664	1,23,05,35,862	1,23,05,35,862	1,23,05,35,862	1,23,05,35,862	1,23,05,35,862	1,23,05,35,862	1,23,05,35,862	1,23,05,35,862	1,23,05,35,862	1,23,05,35,862	1,23,05,35,862	1,23,05,35,862	1,23,05,35,862	1,23,05,35,862	1,23,05,35,862	1,23,05,35,862	1,23,05,35,862	1,23,05,35,862	1,23,05,35,862	1,23,05,35,862
Previous Year	32,27,15,948	12,72,35,875	44,99,48,823	0	44,24,679	40,76,545	31,82,91,269	19,31,54,329	44,14,55,998	17,26,87,239	9,60,68,255	26,87,73,891	77,66,040	9,74,939	87,49,248	-42,93,445	-40,76,545	17,66,99,825	9,29,63,919	26,95,93,744	14,98,48,716	3,11,64,610	18,08,13,337	14,98,48,716	3,11,64,610	18,08,13,337	14,98,48,716	3,11,64,610	18,08,13,337	14,98,48,716	

KATARE SPINNING MILLS LIMITED

KATARE SPINNING MILLS LTD (Spinning, Power and Hotel Division)

NON CURRENT -

Note No : 3 Financial Assets

		As at 31/03/2022		As at 31/03/2021	
		Rs.		Rs.	
a)	Earmarked Balances with Banks (Unpaid Dividend)	0		0	
	Total		0		0

Notes : 04 NON CURRENT INVESTMENTS

		As at 31/03/2022		As at 31/03/2021	
		Rs.		Rs.	
1	Bank of India 900 Equity Shares of Rs. 10 each fully paid (Market Value Rs.38700/-)@43/share	9,000		9,000	
2	Laxmi Coop Bank 1 equity share of Rs. 100 fully paid	100		100	
3	Kamala Coop Bank Ltd 2 equity shares of Rs. 1000 each fully paid	2,000		2,000	
4	Kamala Sakhar Udhog Ltd 1 equity of Rs. 100 fully paid	100		100	
			11,200		11,200

Notes : 05 LONG-TERM LOANS & ADVANCES

		As at 31/03/2022		As at 31/03/2021	
		Rs.		Rs.	
1	Advance against Capital Goods	0		0	
			0		0

Notes : 06 Trade Receivable

		As at 31/03/2022		As at 31/03/2021	
		Rs.		Rs.	
		Outstanding Less than 3 Year	Outstanding More than 3 Year	Outstanding Less than 3 Year	Outstanding More than 3 Year
	Undisputed trade receivables- considered good		7,63,400		22,24,411
	Undisputed trade receivables- considered doubtful		0		1,07,99,735
	Disputed trade receivables- considered good		0		0
	Disputed trade receivables- considered doubtful		0		0
	Net Total		7,63,400		1,30,24,146

KATARE SPINNING MILLS LIMITED

KATARE SPINNING MILLS LTD (Spinning,Power and Hotel Division)

Notes : 07 Others

		As at 31/03/2022		As at 31/03/2021	
		Rs.		Rs.	
i)	Loans shall be Classified as				
	a) Security Deposit				
	b) Loan To Related Parties (Ref Sub Notes :7)	85,315.00		85,315	
	C) Other Loan (Fixed Assets advance)	0.00		0	
			85,315		85,315
ii)	Above Loans are sub-classified as				
	Secured- Considered Good	0.00		0	
	Unsecured- Considered Good (Ref Sub Notes :7)				
	All Business Deposits	5,78,397.00		15,30,489	
	VAT, Sales Tax Income Tax Refunds	5,96,123.96		27,13,837	
	MAT Credit Entitlement	40,67,737.00		40,67,737	
	Others				
	Bonus Accrued on KM INS	0.00		0	
	Interest on Term Loan (Deffered)	0.00		4,28,00,000	
	Total	52,42,257.96	52,42,258	5,11,12,063	5,11,12,063
	Doubtful	0.00		0	0
	Total	52,42,257.96	52,42,258	5,11,12,063	5,11,12,063
	Less: Doutful	0		0	
	Net Total		53,27,573		5,11,97,378

Note:

During the year an amount of Rs.4,28,00,000/- Interest on Term Loan Deferred written off to Profit and Loss Account against the OTS settled during the year 2022

KATARE SPINNING MILLS LTD (Spinning,Power and Hotel Division)

Note : 08 DEFERRED TAX ASSET/LIABILITY

Deferred tax assets for the period ended March, 31, 2022 has been provided on the estimated tax computation for the year. Major components of deferred tax assets and liabilities arising on account of timing differences are

Sr. No.	Particulars	As at 31/03/2022		As at 31/03/2021	
		Rs.		Rs.	
A	Derred tax Assets				
	Unabsorbed depreciaton & Losses	2,17,62,000		5,68,67,000	
	Disallowances	0		1,70,24,000	
	Provision for Bad & Doubtful debts	0		53,29,000	
	Total		2,17,62,000		7,92,20,000
B	Deferred tax Liabilities				
	On account of timing difference in depreciation	2,67,74,000		3,03,66,000	
	Others- Accrued bonus on Keyman	0		1,11,27,000	
	Total		2,67,74,000		4,14,93,000
C	Deferred Tax Asset/Liability		-50,12,000		3,77,27,000

KATARE SPINNING MILLS LIMITED

Notes : 09 INVENTORIES

		As at 31/03/2022		As at 31/03/2021	
		Rs.		Rs.	
I	Inventories-(at cost except otherwise stated and as certified by Board of Director)-(Refer-Sub Group -9)				
1	Raw Materials	9,50,317		9,50,317	
2	Consumables	17,99,411		18,82,601	
3	Work in Process	6,18,937		6,18,937	
4	Finished Goods	1,39,07,182		1,58,89,582	
			1,72,75,847		1,93,41,437

Notes : 10 CURRENT TRADE RECEIVABLES

		As at 31/03/2022		As at 31/03/2021	
		Rs.		Rs.	
I	Secured- Considered Good				
1	Unsecured- Considered Good-(Sub Note 10)	1,64,76,189		1,87,03,745	
2	Doudtful				
	Total	1,64,76,189		1,87,03,745	
	Less: Doudtful	0			
3	Bad				
	Net Total		1,64,76,189		1,87,03,745

Notes : 11 CASH & BANK BALANCES

		As at 31/03/2022		As at 31/03/2021	
		Rs.		Rs.	
	Cash and cash equivalents				
1	Cash on hand	1,93,937		42,675	
	Balances with banks				
1	Bank of India CD 2011/79	0		12,847	
2	Bank of Maharashtra C/A	1,719		1,719	
3	Bank of Maharashtra CD A/c 138	13,120		13,120	
4	Kamala Coop Bank FD	0		6,68,516	
5	Bank of India CCH	0		357	
6	Kamala Coop Bank A/c 713	0		74	
7	FD with Kamala Bank-3767	6,00,905		4,66,145	
8	Kamala Coop Bank OD A/c 421	47,411		0	
Total			8,57,092		12,05,453

KATARE SPINNING MILLS LIMITED

KATARE SPINNING MILLS LTD (Spinning, Power and Hotel Division)

Notes : 12 Short Term loans and advances

		As at 31/03/2022		Rs.	As at 31/03/2021	
					Rs.	
a	Loans and advances to related parties					
	Unsecured, considered good	0			0	
b	Others (Unsecured, considered good) -Refer Sub Note 12	0			2,75,000	
c	ELDI in Spinning Division	6,15,249			6,15,249	
	Total			6,15,249		8,90,249

Notes : 13 Other Current Assets

		As at 31/03/2022		Rs.	As at 31/03/2021	
					Rs.	
I	(Unsecured Considered Good) Advances recoverable in cash or in kind for value to be received					
1	Hank Yarn Obligation Receivable	0			5,390	
2	Interest Accrued	41,717			1,34,760	
3	Advance Income Tax & TDS FY21-22	18,87,210			9,775	
4	Prepaid Expenses	69,844			69,846	
5	GST IGST Debit Balance FY21-22	6,44,076			3,39,735	
6	TDS FY20-21	13,946				
7	Advances recoverable in cash & Kind (Ref Sub Notes :13)	37,07,101			37,13,491	
				63,63,894		42,72,997

Notes : 14 SHARE CAPITAL

		As at 31/03/2022		Rs.	As at 31/03/2021	
					Rs.	
1	AUTHORISED SHARE CAPITAL					
	6000000 Equity Shares of Rs. 10/- each	6,00,00,000		6,00,00,000	6,00,00,000	6,00,00,000
2	ISSUED, SUBSCRIBED & PAID UP SHARE					
	2850000 Equity Shares of Rs. 10/- each fully paid	2,85,00,000		2,85,00,000	2,85,00,000	2,85,00,000
				2,85,00,000		2,85,00,000

	Details of Shareholders holding more than 5% shares in the company				
		No.of Shares	% holding in the class	No.of Shares	% holding in the class
1	Kishor Tipanna Katare	5,84,714	21	5,84,714	21
2	Subhash Tippanna Katare	3,44,005	12	3,44,005	12
3	Shakuntala Tulsidas Katare	3,82,651	13	3,82,651	13

KATARE SPINNING MILLS LIMITED

KATARE SPINNING MILLS LTD (Spinning,Power and Hotel Division)

Note No :15 OTHER EQUITY

Particulars	As at 31/03/2022 Rs.	As at 31/03/2021 Rs.	As on 31/03/2020 Rs.
Capital Reserve	2,74,98,444	58,422	58,423
Revaluation Reserve	1,17,25,30,548	5,35,02,268	5,75,80,813
General Reserve	60,32,884	60,32,884	60,32,884
Retained Earnings	1,60,28,756	-7,85,71,118	-6,52,79,316
Share Premium	49,068	49,068	49,068
Total	1,22,21,39,701	-1,89,28,476	49,068

Notes : 16 LONG - TERM BORROWINGS

		As at 31/03/2022 Rs.		As at 31/03/2021 Rs.	
1	SCI-Other Long Term Borrowings	3,16,139		3,16,139	
			3,16,139		3,16,139

Additional information to Secured/Unsecured Borrowings - The long term portion of term loans are shown under long term

Notes : 17 OTHER FINANCIAL LIABILITIES (TRADE PAYABLE)

		As at 31/03/2022 Rs.		As at 31/03/2021 Rs.	
		Less Than 3Year	More Than Three Years	Less Than 3Year	More Than Three Years
1	Non Current Other Financial Liabilities				
	MSME				
	Other		46,03,793		51,62,409
	Disputed Dues-MSME				
	Disputed Dues-Others				
	Total		46,03,793		51,62,409

Notes : 18 OTHER NON CURRENT LIABILITIES

		As at 31/03/2022 Rs.		As at 31/03/2021 Rs.	
1	Gratuity Payable	0		0	
			0		0

KATARE SPINNING MILLS LIMITED

KATARE SPINNING MILLS LTD (Spinning, Power and Hotel Division)

NOTE NO. : 19 SHORT TERM BORROWINGS

		As at 31/03/2022		Rs.	As at 31/03/2021	
					Rs.	
	Loans Repayable on Demand - From Bankers					
A	Secured:					
1	Bank of India 6029 - Note 19(i) Below	0			22,61,49,559	
2	Kamala Coop Bank OD (Hotel)	0			9,24,833	
B	Unsecured Loans:					
	Kamala Coop Bank OD 421-3rd Party FDOD	0			3,38,04,007	
C	Loans From Related Parties (Ref Sub Notes :19)				2,77,60,024	
	Promotors	0				
	Directors	36,55,776				
	KMPs	0				
	Related Parties	17,55,089	54,10,865			
		0			0	
	Total			54,10,865		28,86,38,423

Note19(i) :BOI one Time Settlement A/c6029 and 10 (Account wise Details)

		As at 31/03/2022		Rs.	As at 31/03/2021	
1	Bank of India 6029	0			6,16,22,909	
2	Unapplied Interest on CC	0			3,42,84,493	
3	Term Loan Solar Plant CM	0			0	
4	Unpaid Installment of TL	0			6,21,18,000	
5	Unapplied Interest on TL	0			5,74,07,135	
6	Unpaid Interest on TL	0			74,40,022	
7	Bank of India TL Solar Div-10(Previous Year Long Term)	0			2,78,82,000	
	Sub Total	0			25,07,54,559	
	Less: Amount Paid under OTS					
8	BOI OTS PAID A/C-6029 and 10	0			2,46,05,000	
	Total Outstanding as on 17.7.2020	0			22,61,49,559	

Note:

During the FY21-22 One Time Settlement(OTS-2022) relating the Term Loan and CC completed ,details as follow

A) Term Loan-10 OTS-2022

S No	Particulars	Term Loan (Rs)	Remark 2022
1	Bank of India TL Solar Div-10(Previous Year Long Term)	2,78,82,000	
2	Unpaid Installment of TL	6,21,18,000	
3	Unpaid Interest on TL	74,40,022	
4	Total Outstanding Before OTS	9,74,40,022	
	Less:		
5	One Time Settlement amount	7,00,00,000	
6	Princiapal Waiver Amount on OTS(4-5)	2,74,40,022	Tranferred to Capital Reserve
7	Unapplied Interest on Term Loan	5,74,07,135	Credited to P&L 2022

KATARE SPINNING MILLS LIMITED

KATARE SPINNING MILLS LTD (Spinning, Power and Hotel Division)

B) BOI -6029- OTS 2022

S No	Particulars	CC (Rs)	Remark
1	Bank of India 6029	6,16,22,909	
	Add: Unapplied Interest on CC	3,42,84,493	
2	Add: Exp paid by BOI(Insurance Hotel)	15,95,544	
3	Less: BOI Settlement Paid(Up to Last Year)	-2,46,05,000	
4	Total Outstanding Before OTS	7,28,97,946	
	Less:		
5	One Time Settlement amount	4,07,00,000	
6	Princiapal Waiver Amount on OTS(4-5)	3,21,97,946	Credited to P&L 2022

Summary Effect from Above -2021-22

S No	Particulars	Ref from Above	Rs.
A)	As per the above Total Interest Credited Profit and Loss Account on account of OTS(Revesal of Interest)	A(7)+ (B6)	8,96,05,081
B)	Princiapal Waiver Amount on OTS on Term Loan	A(6)	2,74,40,022
C)	Ineffect of above Deferred interest on Term Loan amounting Rs.4,28,00,000/- (uncharged to P& L) which was shown in the asset side ,debited to profit and loss account on account of OTS completed in year 2022		

Notes : 20 TRADE AND TRADE PAYABLES

		As at 31/03/2022		As at 31/03/2021	
			Rs.		Rs.
	MSME	0	0	0	0
	Other	0	24,82,383		93,32,019
	Disputed Dues-MSME	0	0	0	0
	Disputed Dues-Others	0	0	0	0
	Total		24,82,383		93,32,019

Notes : 21 OTHER CURRENT LIABILITIES

		As at 31/03/2022		As at 31/03/2021	
			Rs.		
A	Revenue Received in Advance (Ref Sub Notes :21)				
I	Other Statutory Liabilities (VAT,TDS, PF etc)	8,56,655	8,56,655	27,10,212	27,10,212
II	Other (Ref Sub Notes :21)				
1	Advances received from customer	0		3,38,601	
2	Outstanding Expenses	4,55,035		20,31,166	
3	Bonus Payable	1,16,627		1,24,966	
			5,71,662		24,94,733
	Total		14,28,317		52,04,945

Note 24.a Cost of materials consumed

	Particulars		For the Quarter ended 31st March 2022	For the year ended 31st March 2021
a.	Raw material consumed			
	Opening stock	---	10,33,507	10,33,507
	Add: Purchases of raw material	---	0	0
	Subtotal		10,33,507	10,33,507
	Sale/return of Raw material		0	0
	Less: Closing stock	---	9,50,317	10,33,507
	Total cost of material consumed :-		83,190	0
b.	Purchase of traded goods			
	Cotton Yarn	---	2,92,64,000	9,21,78,860
	Total :-		2,92,64,000	9,21,78,860
	Total (a+b) :-		2,93,47,190	9,21,78,860

Note 25. Changes in inventories of finished goods, work-in-progress and stock-in-trade

<u>Inventories at the end of the year:</u>				
	Finished goods	---	1,35,23,430	1,55,05,830
	Work-in-progress	---	6,18,937	6,18,937
	Wastage & scrap	---	3,83,752	3,83,752
	Diesel (Fule)	---	0	0
			1,45,26,119	1,65,08,519
<u>Inventories at the beginning of the year:</u>				
	Finished goods	---	1,55,05,830	1,76,47,086
	Work-in-progress	---	6,18,937	16,91,887
	Wastage & scrap	---	3,83,752	3,83,752
	Diesel (Fule)	---	0	0
			1,65,08,519	1,97,22,725
	Net (increase) / decrease :-		-19,82,400	-32,14,206

Note 26 : Employee benefits expense

Salaries and wages -Refer Sub Notes 26	---	18,40,883	20,13,206
Contributions to provident and other funds	---	45,129	1,10,147
Staff welfare expenses	---	4,200	21,650
Total :-		18,90,212	21,45,003

Note 27 : Finance costs

(a) Interest expense on:			
(i) Borrowings			
Interest On Term Loan	---	0	3,439
Bank interest (Refer Sub Notes 27)	---	27,20,044	41,39,582
Interest Paid To Other- (Refer Sub Notes 27)		69,97,030	18,21,704
Interest Paid on Delayed Payments		23,385	39,068
Total :-		97,40,459	60,03,793

KATARE SPINNING MILLS LTD (Spinning,Power and Hotel Division)

Note 22 : Revenue from operations

Sr. No.	Particulars		For the Quarter ended 31st March 2022	For the year ended 31st March 2021
(a)	Sale of products	---	3,11,52,000	9,78,89,084
(b)	Sale of services	---	0	0
(c)	Other operating revenues	---	6,239	4,898
(d)	Solar Power Generation (capitively consumed)	---	34,65,389	67,99,705
	Total Revenue from operations :-		3,46,23,628	10,46,93,687

Note:

(i)	Sale of products comprises :			
	<u>Manufactured goods</u>			
	Cotton Yarn	---	0	71,77,684
	Less Return Goods		0	1,14,750
	Traded goods			
	Cotton Yarn	---	3,11,52,000	9,08,26,150
	Total - Sale of products :-		3,11,52,000	9,78,89,084
(ii)	Sale of services comprises			
	Hank yarn receipt	---	0	0
	Total - Sale of services :-		0	0
(iii)	Other operating revenues comprise:			
	Sale of scrap & waste	---	6,239	4,898
	Total - Other operating revenues :-		6,239	4,898

Note 23 : Other income

(a)	Interest income (Refer Note (i) below)	---	75,644	1,47,608
(b)	Dividend Income			
	from other long term investments	---	240	0
(c)	Rent received	---	0	25,000
(d)	Other non-operating income (Refer Note (ii) below)	---	24,48,10,779	8,75,128
	Total :-		24,48,86,663	10,47,736

Note:

(i)	Interest income comprises:			
	Interest from banks on deposits:	---	75,644	1,21,812
	Other interest			
	Interest on MSEB deposit	---	0	25,796
	Total - Interest income :-		75,644	1,47,608
(ii)	Other non-operating income comprises:			
	Old O/s Creditors Balance Written off -(Refer Sub Notes 23)	---	20,19,123	6,23,353
	Interest Reversal on the OTS Made 2022	---	8,96,05,081	1,000
	Excess Bonus Provision Reversal	---	57,545	66,447
	Profit on sale of Hotel Property 2022	---	150112801	1,78,759
	Profit on Sale of Machinery 2022		30,16,230	
	Discount Received		0	5,569
	Total - Other non-operating income :-		24,48,10,779	8,75,128

Note 28 : Other expenses

Particulars	---	For the Quarter ended 31st March 2022	For the year ended 31st March 2021
Consumption of stores and spare parts	---	6,90,737	2,86,135
Consumption of packing materials	---	0	11,247
Power and fuel (Refer Sub Note 28)	---	51,01,990	47,34,125
Rent	---	1,64,963	1,38,780
Repairs and maintenance	---	2,90,782	1,68,050
Repairs to Power Stack Solar Plant	---	0	7,36,000
Insurance	---	8,28,948	7,81,569
Rates and taxes	---	42,53,462	3,32,149
Communication	---	19,822	28,979
Travelling and conveyance	---	2,01,750	1,95,212
Freight and forwarding	---	13,932	15,309
Sales commission	---	0	2,588
Legal and professional (Refer Sub Note 28)	---	49,27,121	7,21,772
<u>Payments to auditors</u>			
- As auditors - statutory audit (Refer Sub Note 28)	---	91,600	91,600
Bank charges	---	1,847	7,169
Internet Charges	---	10,174	8,490
Directors sitting fees	---	0	10,000
Advertisement	---	98,621	5,600
Fine & Penalties	---	2,30,914	3,540
Miscellaneous expenses	---	1,12,524	88,573
Job Work Charges	---	0	42,450
ROC filling Fee	---	26,300	7,800
Stock Exchange Fee	---	3,09,000	3,00,000
Deffered Interest on Loan W/o	---	4,28,00,000	0
Old Debit O/s Written off (Refer Sub Note 28)	---	1,22,81,733	1,89,506
Mat Credit Written off	---	0	10,22,496
Security Charges Hotel	---	9,76,498	9,00,523
Total :-		7,34,32,718	1,08,29,662

Note No: 29

Notes to Standalone Financial Statement as on 31.03.2022

1. Background:

Katara Spinning Mills Limited (the company) is a company limited by shares, incorporated and domiciled in India. The company is engaged in the manufacture of cotton yarn, solar power and is also engaged in the hospitality business.

2. Significant accounting policies

2.1 System of Accounting:

First-time adoption of Ind AS Pursuant to the Companies (India Accounting Standard) Rules, 2015,

The Company has adopted 31st March 2018 as reporting date for first time adoption of India Accounting Standard (Ind AS) and consequently 1st April 2015 as the transition date for preparation of financial statements. The financial statements for the year ended 31st March 2018, are the first financials, prepared in accordance with Ind AS. Upto the Financial year ended 31st March 2017, the Company prepared its financial statements in accordance with the Accounting Standards notified under the Section 133 of the Companies Act 2013, read together with Companies (Accounts) Rules 2014 (Previous GAAP).

For preparing these financial statements, opening balance sheet was prepared as at 1st April 2016 i.e., the date of transition to Ind AS. The figures for the previous periods and for the year ended 31st March 2017 have been restated, regrouped and reclassified, wherever required to comply with Ind AS and Schedule III to the Companies Act 2013 so as to make them comparable.

This note explains the principal adjustments made by the Company in restating its financial statements prepared in accordance with Previous GAAP, including the balance sheet as at 1st April 2016 and the financial statements as at and for the year ended 31st March 2017.

Exemptions:

Ind AS 101 allows first time adopters certain exemptions from the retrospective application of certain requirements under Ind AS.

On transition to Ind AS, the Company has applied the following exemptions:

1. Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1st April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.
2. Company has elected to continue with the carrying value of all of its intangible assets recognised as at 1st April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.
3. Ind AS 102 Share based payment has not been applied to equity instruments in share based
4. Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the followings:

Certain financial assets and liabilities that are measured at fair value; (refer accounting policy regarding financial instruments)

Defined benefit plans – plan assets measured at fair value

5. Current and non-current classification

An asset is classified as current if:

- i. It is expected to be realized or sold or consumed in the Company's normal operating cycle;
- ii It is held primarily for the purpose of trading;
- iii It is expected to be realized within twelve months after the reporting period; or
- iv It is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A Liability is classified as current if:

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

KATARE SPINNING MILLS LIMITED

All other liabilities are classified as non-current.

The operating cycle is the time between acquisition of assets for processing and their realization in cash and cash equivalents. Based on the nature of products and time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities

2.2 Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. The Chairman and Managing Director has been identified as being the Chief Operating Decision Maker.

The segment results are as under:

(Rs. In lakhs)

SEGMENT REVENUE	Spinning Division		Hotel Division		Solar Power		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
Sales Revenue	2745	989	15	0	35	68	2795	1057
Segment Result	-26	-56	15	4	-25	-64	-36	-116
Unallocated Corporate Expenses	0	0	0	0	0	0	0	0
Unallocated Corporate Income	0	0	0	0	0	0	0	0
Operating Profit	-26	-56	15	4	-25	-64	-36	-116
Interest Expenses	(97)	(59)	(0)	(1)	(0)	(0)	(97)	(60)
Interest Income	1531	1	0	1	0	0	1531	2
Profit/loss from ordinary activities	1408	-114	15	4	-25	-64	1398	-174
Extra-Ordinary items	0	0	0	0	0	0	0	0
Net Profit/loss	1408	-114	15	4	-25	-64	1398	-174
OTHER INFORMATION:								
Segment Assets	12317	1786	0	548	658	1048	12975	3382
Segment Liabilities	369	1425	0	59	0	1548	369	3032
Depreciation (net)	77	30	0	0	59	57	136	87

Power generated in solar division 8,49,360 units consumed captive for spinning division, valued at Rs.34.65 lakhs.

2.3 Revenue recognition:

i) Revenue from Sale of Goods

Revenue from Sale of Goods is recognized when all the significant risk and rewards of ownership have been transferred to the buyer, revenue can be measured reliably, the costs incurred can be measured reliably, it is probable that the economic benefits associated to the transaction will flow to the entity and there is no continuing management involvement with the goods. Transfer of risks and rewards vary depending on the individual terms of contract of sale. Revenue from sale of goods is stated inclusive of excise duty when applicable and net of returns, trade allowances, rebates, sales tax, GST and amounts collected on behalf of third parties.

Income from guest accommodation in respect of hotel division is recognized on day to day basis after the guests check-in. Discounts, if any, in this regard are accounted upon final conclusion of the bill with the guests. Any advance received in respect of the same is treated as a liability pending finalization of bill/provision of services. Income from sale of Food & Beverages is recognized at the point of serving of these items to the guests. The income stated is inclusive of luxury tax, service charge and VAT but net of complimentary and discounts.

In the case of solar power generation unit, it is mainly used for captive consumption. Units generated are treated as income and portion of the units used for captive consumption is booked as expenditure being used at the prevailing rates as if purchased from MSEDCL.

Dividends from investment are recognized as income of the year in which the same are declared by the investee company

ii) Interest Incomes:

There were no financial instruments requiring treatment specified under Ind AS. Interest income is included in Other Income in the Statement of Profit and Loss.

2.4 Income Taxes:

- i. The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.
- ii. The current income tax charge is not calculated as the company is in operating loss.
- iii. Income Tax is computed after adjustments of Other Comprehensive income
- iv. Deferred income tax is provided in full, using the liability method, on temporary difference arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax assets realized, or the deferred income tax liability is settled
- v. Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses
- vi. Current and deferred tax is recognized in profit or loss. Except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively
- vii. Minimum Alternate Tax paid in accordance with tax laws, which give rise to the future economic benefits in the form of adjustment to future income tax liability, is considered as asset in the balance sheet when it is probable that future economic benefit associated with it will flow to the company and the asset can be measured reliably. Out of them Rs.10,22,496/- lapsed as on 31.3.2021 and hence written off to the profit and loss statement.

2.5 Impairment of Assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss will be recognized for the amounts by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less costs of disposal and value in

use. For the purpose of assessing impairment, assets are compared at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Company of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2.6 Cash and cash equivalents:

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowing in current liabilities in the balance sheet.

2.7 Trade receivables:

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

The trade receivable outstanding for more than one year are amounting to Rs.7,63,400/- However, in the opinion of the management these are considered as good for recovery and has not been written as Bad.

2.8 Inventories:

- a. Finished goods are valued at lower of cost or Net Realizable Value. Cost for this purpose is arrived at on Absorption costing basis. Excise duty is included in valuation of finished goods.
- b. Stock in process/plant is valued at cost.
- c. Stock of raw materials, Stores and Spares and packing materials are valued at cost. Cost for this purpose, does not include duties/taxes that are recoverable in future.
- d. Food & Beverages:
 - 1) Groceries: Groceries is valued at cost arrived at on weighted average basis.
 - 2) Beverages: Valued at cost.

Consequent upon possession taken over by the lender bank of the hotel property, the stock which was perishable and unrealizable has been written off.

2.9 Investments and other financial assets.

- i. Investments held by the company are not of the nature requiring valuation as measured by Ind AS and accordingly are stated at cost of acquisition.
- ii. Impairment of financial assets

For trade receivable only, the company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

2.10 Offsetting financial instruments

There were no such Financial instruments requiring off-set as prescribed under Ind AS.

2.11 Property, Plant and Equipment

Property, Plant and Equipment Leasehold land is carried at historical costs. All other items of property, plant and equipment are stated at cost less accumulated depreciation and impairment loss, if any.

Cost includes cost of acquisition, installation or construction, other direct expenses incurred to bring the assets to its working condition and finance costs incurred up to the date the asset is ready for its intended use and excludes cenvat / value added tax eligible for credit / setoff.

Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the same are depreciated separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit or loss as incurred.

Capital work-in-progress in respect of assets which are not ready for their intended use are carried at cost, comprising of direct costs, related incidental expenses and attributable interest. All identifiable Revenue expenses including interest incurred in respect of various projects / expansion, net of income earned during the project development stage

prior to its intended use, are considered as pre - operative expenses and disclosed under Capital Work-in-Progress. Capital expenditure on tangible assets for research and development is classified under property, plant and equipment and is depreciated on the same basis as other property, plant and equipment.

Property, plant and equipment are eliminated from financial statements, either on disposal or when retired from active use. Losses arising in the case of the retirement of property, plant and equipment and gains or losses arising from disposal of property, plant and equipment are recognised in the statement of profit and loss in the year of occurrence.

Depreciation for Company

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Property, plant and equipment is provided on written down value method, over the useful life of the assets, as specified in Schedule II to the Companies Act, 2013. Property, plant and equipment which are added / disposed off during the year, depreciation is provided on pro-rata basis. Building constructed on leasehold land are depreciated based on the useful life specified in Schedule II to the Companies Act, 2013, where the lease period of the land is beyond the life of the building. In other cases, building constructed on leasehold lands are amortized over the primary lease period of the lands. The asset's residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

2.12 Trade and Other Payables:

These amounts represent liabilities for goods provided to the company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

2.13 Borrowings:

Borrowings are initially recognized at fair value, net of transaction cost incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In the case the fee is deferred until the draw down occurs.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

2.14 Provision

Provision are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the liability. The increase in the provisions due to the passage of time is recognized as interest expenses. Provision for litigation related obligation represents liabilities that are expected to materialize in respect of matters in applicable cases.

2.15 Employee benefits:

- The Company's contribution to Provident Fund and pension fund are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made.
- Gratuity is accounted for on actual payment basis. No provision for gratuity on actuarial basis is made and hence its effect on profit or loss cannot be ascertained.

2.16 Dividend: During the year, the company has not declared the dividend on its shares.

2.17 Contribution to Equity:

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.18 Earnings per share:

1. Basic earnings per share is calculated by dividing:

- The profit attributable to owners of the company
- By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

2. Diluted earnings per share

- Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:
- The after 'income Tax' effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares

2.19 Excise Duty:

During the year under review Excise duty was not applicable to the products of the company.

2.20 Research and Development:

Revenue Expenditure on research and development is expensed in the period in which it is incurred. Capital expenditure on research and development is shown as additional fixed assets.

2.21 Information pertaining to Profit and Loss Account :

- There were no foreign currency transactions.

KATARE SPINNING MILLS LIMITED

2.22 Related Party Transaction (As on 31.03.2022)

Name of the party	Relationship	Nature of transaction	Transaction Value	Dr /Cr Balance	Balance as on date of balance Sheet	Amount written off
	Managing Director					
Kishore T Katare (Unsecured Loan)		Receipts Cr Interest Payable Cr Payments Dr	12,56,79,535 54,23,980 13,90,77,27	Cr	35,55,776	Nil
Kamal K Katare	Son of Director	Salary Credited Amount Paid	30,000 1,59,969	Cr	0	Nil
Subhash Textiles A (Prop Subhash T Katare)	Director	Amount Paid	3,51,262	Cr	0	Nil
Subhash Textiles (Prop Subhash T Katare)	Director	Rent(Cr) Amount Paid	1,04,000 3,04,524	Cr	20,000	Nil
SouVidyavati K Katare	Director	Director Sitting fees Cr Amount Paid	0 72500	Cr	0	Nil
Vijay Textiles	Deceased Director	Rent credited	0			
		Amount Debited	0	Cr	5,86,981	Nil
Shakuntala T katare	Wife of Deceased Director	Amount Paid	2,32,867	Cr	2,32,867	Nil
Sachin Textile	Daughter in Law of Director	Amount Paid	15,956		0	Nil
Kamal Marketing Pvt Ltd	Associate Enterprise	Interest Credited Amount Receipt Inter Ledger Transfer received Payment of amount	8,73,347 90,20,000 15,15,369 2,52,00,000	CR	11,68,108	Nil
Kamal Marketing Pvt Ltd (Trade)		Purchase of yarn	2,18,06,400			
		Expenses(bank) on behalf	11,46,579			
		Sales of yarn	2,37,88,800		0	Nil
		Amount Paid	9764.91			
		Amount Transfer(dr)	15,15,369			
Katara Cotton Waste Spg Mills	Associate Enterprise	Sales of yarn	89,20,800			
		Purchase of yarn	89,20,800			
		Expenses Incurred	31,664	Dr	1,33,47,397.60	
Rakesh V Katara(HotelDiv)	Son of Dcsed Director	Amount paid	0	Dr	85,315	

2.23 Contingent Liability and Commitments:

- A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- A present obligation arising from past events, when no reliable estimate possible;
- A possible obligation arising from the past events, unless the probability of outflow of resources is remote.

2.24 Critical estimates and Judgments:

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Managements also needs to exercise judgment in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of item which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statement.

The areas involving critical estimates or judgments are:

- I. Estimation of current expense and payable
- II. Estimation of defined benefit obligations
- III. Allowance for uncollected accounts receivable and advances-Trade receivable do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrevocable amounts. Individual trade receivable are written off when management deems them not to be collectible.

Impairment is made on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

2.25 Corporate Social Responsibility (CSR) Expenditure

In view of continuous losses, the Company has not incurred any expenditure on this aspect during the year under audit.

2.26 Risk Exposure

Through its defined benefit plans, the company is exposed to a number of risk, the most significant of which are detailed below;

- Interest rate risk: The plan exposes the Company to the risk of change in interest rate of the borrowings
- Salary Escalation Risk: The present value of the defined benefit is not calculated with the assumption of salary increase rate of plan participants in future.
- Demographic Risk: The Company has to use certain mortality and attrition in assumption in valuation of the liability. The company is exposed to the risk of actual experience turning out to be worse compared to the assumption.
- Asset Liability Mismatching or Market Risk: Market Risk is the risk that changes in market prices such as the prices of cotton and yarn largely depend upon the changes in the market prices.
- Financial Risk Management Objectives and Policies: The Company's activities expose it to a variety of financial risks, market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Company's financial liabilities comprise of borrowings, trade payable and other liabilities to manage its operation and financial assets includes trade receivables and other receivables etc. that arise from its operations
- Credit Risk: Credit risk refers to the risk of default on its obligation by the customer / counter party resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is carrying value of respective financial assets. Trade receivables and unbilled revenue are typical unsecured and are derived from revenue earned from customers. Credit risk has always been managed by each business segment through credit approvals establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in normal course of business. On account of adoption of Ind AS 109 the Company uses expected credit loss model to assess the impairment loss or gain.

- **Liquidity Risk:** The Company's principle sources of liquidity are cash and cash equivalents, current investments and the cash flow that is generated from operations. Presently the Company suffers from inadequacy of working capital to meet its current requirements. Accordingly, liquidity risk is perceived but management is trying to find out the end and means to augment the same. The Company is closely monitoring its liquidity position to maintain adequate source of funding.

2.27 Additional Note:

- Previous period's figures have been regrouped/ rearranged wherever necessary in order to confirm to the current period's classification.

N.R.Waghchaure & Associates
Directors Chartered Accountants,
FRN: 114999W

for and on behalf of the Board of
Katara Spinning Mills Ltd.

Nilkanth R Waghchaure
Proprietor
ICAI Membership No :048890
Solapur, 30th May 2022

Director
Kishore T Katara

Note : 30 Earnings Per Share (EPS)

Particulars	31.03.2022	31.03.2021
a. Net Profit/Loss as per profit and loss a/c	79204461	-17370350
b. Weighted average no. of equity shares	2850000	2850000
c. Earnings/(Loss) per share	27.79	-6.09

Note : There are no diluted equity share therefore no working is given for diluted earnings per share

Note 31: Deferred Taxation:

(Rs. In Lakhs)

Particulars	Balance on 31.03.2021	Arising during the year	Balance as on 31.03.2022
A. Deferred Taxation :			
- on account of timing difference in depreciation	303.66	-35.92	267.74
- Others	111.27	-111.27	0
Sub total A:	414.93	-147.19	267.74
B. Deferred Tax Assets			
- Unabsorbed depreciation and losses	568.67	-351.05	217.62
- Disallowances	170.24	-170.24	0
- Provision for Bad & Doubtful Debts	53.29	-53.29	0
Sub Total B :	792.2	-574.58	217.62
C. Deffered Tax Assets/ Liab (B-A)	377.27	-427.39	-50.12

Company has made provision for deferred tax liability as above.

Note 32 : Previous year's figurs have been regrouped/reclassified wherever necessary to correspond with the current year's classification / disclosure.

Note 33 : Balance of Trade payables, Loans & advances & trade receivables have been taken as per books awaiting respective confirmation & reconciliation.

as per my report of even date for and on behalf on the Board of Directors

N. R. WAGHCHAWARE & ASSOCIATES
Chartered Accountants
FRN : 114999W

For and on behalf of Borad of Directors
Katare Spining Mills Ltd

SD/-

Nilkanth R Waghchaware
Proprietor
ICAI Membership No :048890
Solapur. 30th May 2022

Director
Kishore T Katare

KATARE SPINNING MILLS LIMITED

KATARE SPINNING MILLS LTD Audited Cash Flow Statement for the year ended 31.03.2022

Sr. No.	Particulars	CURRENT YEAR Rs.	PREVIOUS Audited YEAR Rs.
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Profit before tax	14,95,43,461	-1,73,70,350
	Non cash adjustment to reconciled profit before tax to net cash flows :		
	Depreciation	1,35,73,851	87,40,249
	Fixed Assets written off	0	0
	Interest Expenditure	97,40,459	60,03,793
	Interest ,Rent & Other Non Operating Income	-24,48,86,663	-10,47,736
	Operating profit before working capital changes	-7,20,28,892	-36,74,044
	Movements in working capital		
	Increase/(Decrease) in trade payables	-68,49,636	23,22,213
	Increase/(Decrease) in other current liabilities	2,88,35,372	-1,20,960
	Increase/(Decrease) in other financial liabilities	-5,58,616	-3,84,038
	Decrease/(Increase) in trade receivables	1,22,60,746	1,64,458
	Decrease/(Increase) in inventories	20,65,590	32,44,006
	Decrease/(Increase) in long term loans & advances given	0	0
	Decrease/(Increase) in short term loans & advances given	2,75,000	-2,75,000
	Decrease/(Increase) in other current assets	3,56,36,103	-1,55,281
	Decrease/(Increase) in other financial assets	4,58,69,805	11,11,920
	Decrease/(Increase) in trade receivables (current)	22,27,556	35,73,342
	Cash generated from / (used in) operations	4,77,33,027	58,06,616
	Direct taxes paid (net of refunds)	0	0
	Net cash flow from / (used in) operating activities (A)	4,77,33,027	58,06,616
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchases of Fixed Assets, including intangible assets, CWIP & capital advances	0	0
	Proceeds from sale of Fixed Assets	0	2,21,245
	Increase/(Decrease) in trade payables Fixed Assets / Mylan	0	0
	Purchase of current investments	5,33,721	0
	Investment in bank deposits (having original maturity of more than three months)	0	0
	Interest ,Rent & Other Non Operating Income	24,48,86,663	10,47,736
	Net Cash from / (used in) Investing Activities (B)	24,54,20,384	12,68,981
C	CASH FLOWS FROM FINANCING ACTIVITIES		
	Proceeds from issuance of share capital & preference share capital	0	0
	Proceeds from long term borrowings	0	0
	Repayment of long term borrowing	0	0
	Proceeds from short term borrowings	-28,32,27,557	-11,31,995
	Interest Paid	-97,40,459	-60,03,793
	Dividend paid on equity shares		
	Tax on equity dividend paid		
	Net cash flow from / (used in) Financing Activities (C)	-29,29,68,016	-71,35,788
	Net Increase/(Decrease) in cash & cash equivalents (A)+(B)+(C)	1,85,395	-60,191
	Cash & Cash equivalents at the beginning of the period	70,792	1,30,983
	Cash & Cash equivalents at the end of the period	2,56,187	70,792

For and on behalf of the Board

N. R. Waghchaware & Associates
Chartered Accountants
ICAI Membership No :048890
Solapur.30th May 2022
UDIN : 22048890AJWBRQW4077

For and on behalf of the Board
Katara Spining Mills Ltd

K T Katara
Managing Director
DIN 00645013

KATARE SPINNING MILLS LIMITED

KATARE SPINNING MILLS LIMITED

Registered Office: 14/30 Ground Floor, B Wing, Katare Complex,
Gandhinagar, Bl. No. 10 Solapur MH- 413006.

Tel- 2623981, 2628581 Email- katarespinningmills@gmail.com

www.katarespinningmills.com

CIN: L17119PN1980PLC022962

42ND ANNUAL GENERAL MEETING – THURSDAY, 29TH SEPTEMBER, 2022

ATTENDANCE SLIP

Registered Folio No. /	
DP ID & Client ID	
Name and address of the Member(s)	
Joint Holder 1	
Joint Holder 2	
No. of Shares	

I / We record my / our presence at the ‘FORTY SECOND ANNUAL GENERAL MEETING’ of the Company held on Thursday, 29th September 2022, at 11.00 A.M., at 14/30 Ground Floor, B Wing, Katare Complex, Gandhinagar, Bl. No. 10 Solapur MH- 413006.

Member’s / Proxy’s name in Block Letters Member’s / Proxy’s Signature

KATARE SPINNING MILLS LIMITED

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42ND ANNUAL GENERAL MEETING – THURSDAY, 29TH SEPTEMBER, 2022

Form No. MGT-11

Proxy form

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the
Companies (Management and Administration) Rules, 2014]

CIN: **L17119PN1980PLC022962**

Name of the Company: **KATARE SPINNING MILLS LIMITED**

Registered Office: 14/30 Ground Floor, B Wing, Katare Complex, Gandhinagar,
Bl. No. 10 Solapur MH- 413006.

Name of the members (s) :

Registered address :

E-mail ID:

Folio No./ Client ID:

DP ID :

I/We, being the member(s) of shares of the above-named
Company, hereby appoint

1) _____ of _____ having e-mail id _____ or failing
him

2) _____ of _____ having e-mail id _____ or failing him

3) _____ of _____ having e-mail id _____

and whose signatures are appended below as my/our proxy to attend and vote
for me/us and on my/our behalf at the Forty Second Annual General Meeting of
the Company, to be held on the Thursday, 29th day of September, 2022 at 11.00
am at 14/30 Ground Floor, B Wing, Katare Complex, Gandhinagar, Bl. No. 10
Solapur MH- 413006.

KATARE SPINNING MILLS LIMITED

and at any adjournment thereof in respect of such resolution as are indicated below:

Description	For*	Against*
1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2022 and Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and the Reports of the Board of Directors and the Auditors of the Company.		
2. To re-appoint Mr. Umakant Mahindrakar (DIN 01233305), who retires by rotation and being eligible, seeks re-appointment.		
3. To appoint the Statutory Auditor in terms of Section 139 of the Companies Act, 2013 and fixing their remuneration.		
4. Additions in Main Objects of Memorandum of Association of the Company.		

Affix
Revenue
Stamp

Signature of shareholder

Signed this _____ day of _____ 2022

Signature of first Proxy holder

Signature of second Proxy holder

Signature of third Proxy holder

Notes:

*1. Please put 'x' in the appropriate column against the respective resolutions. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

2. This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

KATARE SPINNING MILLS LIMITED

KATARE SPINNING MILLS LIMITED

Registered Office: 14/30 Ground Floor, B Wing, Katare Complex,
Gandhinagar, Bl. No. 10 Solapur MH- 413006.

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CIN: L17119PN1980PLC022962

42ND ANNUAL GENERAL MEETING – THURSDAY, 29TH SEPTEMBER, 2022

BALLOT FORM

Sr. No.	Particulars	Details
1	Name of the First Named Shareholder (In block letters)	
2	Postal address	
3	Registered folio No. / *Client ID No. (*Applicable to investors holding shares in dematerialized form)	
4	No. of shares held	

I/We hereby exercise my/our vote in respect of Ordinary/Special resolution enumerated below by recording my/our assent or dissent to the said resolutions stated in the Notice of 42nd Annual General Meeting (AGM) by placing the **tick (√)** mark at the resolution below:

Description	For*	Against*
1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2022 and Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and the Reports of the Board of Directors and the Auditors of the Company.		
2. To re-appoint Mr. Umakant Mahindrakar (DIN 01233305), who retires by rotation and being eligible, seeks re-appointment.		
3. To appoint the Statutory Auditor in terms of Section 139 of the Companies Act, 2013 and fixing their remuneration.		
4. Additions in Main Objects of Memorandum of Association of the Company.		

Place: _____

Date: _____

(Signature of the shareholder)

INSTRUCTIONS:

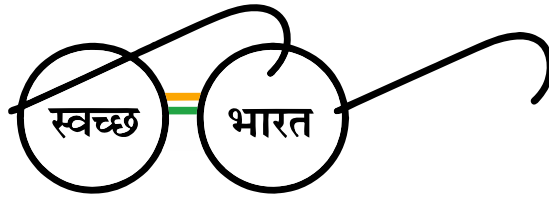
1. Members may fill up the ballot form printed overleaf and submit the same in a sealed envelope to the scrutinizer, **Mr. G. N. Pawar, Chartered Accountant, Solapur** (appointed as scrutinizer of the Company in a fair and transparent manner) at the Mr. G. N. Pawar, Chartered Accountant, office at G-6, Bavi Plaza, 9/3, Murarji Peth, Opp. ST Stand, Solapur- 413 002 or to his Email-Id gnpawar@gmail.com
 2. Duly completed and signed Ballot Forms shall reach the Scrutinizer before the AGM date. Alternatively, the Ballot form can also be deposited in the box to be made available at the venue during the AGM. The Ballot Forms received after the AGM date shall be strictly treated as if the reply from the Member has not been received.
 3. The Company will not be responsible if the envelope containing the ballot form is lost in transit.
 4. Unsigned, incomplete or incorrectly ticked forms are liable to be rejected and the decision of the scrutinizer on the validity of the forms will be final.
 5. The right of voting by ballot form shall not be exercised by a proxy.
 6. To avoid fraudulent transactions, the identity/signature of the members holding shares in electronic/Demat form is verified with the specimen signatures furnished by NSDL/CDSL and that of members holding shares in physical form is verified as per the records of the share transfer agent of the Company (i.e. Link In-time India Private Limited, Pune branch) Members are requested to keep the same updated.
 7. There will be only one ballot form for every Folio/DP ID Client ID irrespective of the number of joint holders.
 8. In case of joint holders, the ballot form should be signed by the first named member and in his/her absence by the next named member. Ballot form signed by a joint holder shall be treated valid if signed as per records available with the Company and the Company shall not entertain any objection on such ballot form from other joint holders.
 9. Where the ballot form has been signed by an authorized representative of the body corporate/trust/society, etc. a certified copy of the relevant authorization/board resolution to vote should accompany the ballot form.
-

An aerial, high-angle photograph of a vast solar farm. The image shows a dense grid of blue photovoltaic solar panels, each with a visible silver grid pattern. The panels are arranged in long, parallel rows that stretch across the landscape, creating a strong sense of perspective and scale. The lighting is bright, highlighting the texture and color of the solar cells.

**1 M.W. Solar Power Project
for Captive Consumption**

Book-Post

To,



एक कदम स्वच्छता की ओर

From :

Katare Spinning Mills Ltd.

14/30, Raviwar Peth, 2nd Wing, Ground Floor,
Gandhi Nagar, Akkalkot Road, Solapur - 413 005.