



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. No. KSM-13/2023-24

30.05.2023

To

**Department of Corporate Services,
Bombay Stock Exchange Ltd,**
Floor No. 25 Phiroz Jeejeebhay Towers,
Dalal Street,
Mumbai- 400 001

BSE Scrip Code: 502933

**Sub: Outcome of Board Meeting dated 30th May, 2023
Ref: Regulation 33(3) of the SEBI (LODR) Regulations, 2015**

Dear Sir/Madam,

The Board Meeting of the Company was held on 30th May, 2023 at 04.00 p.m. and concluded on 5.30 p.m. The Board of Directors at their Board Meeting had approved and taken on record the Audited Financial Results for the quarter and year ended 31st March, 2023 as recommended by Audit Committee.

Please find enclosed herewith the following;

1. Audited Financial Results for the quarter and year ended 31st March, 2023.
2. Limited Review Report for the quarter ended 31st March, 2023.

The information and papers are being filed pursuant to Regulation 33(3) of the SEBI (LODR) Regulations, 2015.

Please take the aforesaid on your records and acknowledge the receipt.

Thanking you,
Yours faithfully,

FOR KATARE SPINNING MILLS LIMITED


KISHORE KATARE
Managing Director
(DIN: 00645013)





G. M. Pawle

B. Com., F.C.A.

CHARTERED ACCOUNTANT

OFFICE :

Ganesh Complex, Ground Floor, 276, Sakhar Peth,

Near Laxmi Co-op. Bank, Solapur - 413005.

Tel.: 0217-2741800, Cell : 9422459687 E-mail : pawlegm@gmail.com

INDEPENDENT AUDITOR'S REPORT

To, .

The Members of Katare Spinning Mills Limited

Report on the Audit of the Standalone Financial Statement

Opinion

I have audited standalone financial statements of Katare Spinning Mills Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2023, 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 (hereinafter referred to as the "standalone financial statements").

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 Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for qualified Opinion

I conducted my audit of the standalone financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act. My responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 ("ICAI") together with the ethical requirements that are relevant to my audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the 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 standalone financial statements.



Material Uncertainty Related to Going Concern

During the year under 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 Note No. 23 – other income.

The company has sold its part of the land, for a consideration of Rs. 121.00 lakh. Profit from sale of land Rs. 120.55 lakh is credited to other income. However, the sale deed in respect thereof is notarized and registered sale deed is not yet executed which is reported to be pending for procedural matter of stamp duty exemption granted by District Industries Centre but not implemented by the sub-registrar.

Key Audit Matters:

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

Key Audit Matter	How the same is addressed in the audit
<p>Deferred Tax Asset/liability 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 whether to recognize deferred taxation assets is dependent on the directors' assessment of the utilization of the historical taxation losses and the timing of realizing temporary differences, which requires significant judgement.</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</p>	<p>I evaluated the taxation provisions and potential exposures. This included:</p> <ul style="list-style-type: none">Analyzing the taxation consequences arising on significant or unusual transactions to determine if the treatment adopted is appropriate under the circumstances, and/or based on appropriate legal counsel opinion obtained by the directors.Analyzing the current and deferred taxation calculations for compliance with relevant taxation legislation and uncertainty to recoup the same by way of future taxable profitsEvaluating the directors' assessment of the estimated manner in which the timing differences,



<p>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>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.</p> <ul style="list-style-type: none"> • 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 recognized and are based on the most probable outcome. • I assessed the disclosures to ensure that this was accurately and appropriately recognized and found that the disclosures relating to the current and deferred tax are appropriate
<p>Payment of Gratuity 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, 2023 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 my auditor's report thereon.

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

In connection with my 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 my knowledge obtained during the course of my 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 Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. 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.

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility

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

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

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



- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, I am also responsible for expressing my opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. I consider quantitative materiality and qualitative factors in (i) Planning the scope of my audit work and in evaluating the results of my work; and (ii) To evaluate the effect of any identified misstatements in the Financial Statements.

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

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would



reasonably be expected to outweigh the public interest benefits of such communication.

II. Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on my audit 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 The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of accounts.
 - d) In my opinion, the aforesaid standalone financial 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 as on 31st March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2023 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 with reference to financial statements of the Company and the operating effectiveness of such controls refer to my separate report in "Annexure A". My report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance the requirements of section 197(16) of the Act, as amended:

In my opinion and to the best of my information and according to the explanations given to me, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the act.

- h) 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) Rule, 2014, as amended 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 financial position in its Financial Statements.



- ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii) There are no incidences where the amount is required to be transferred to the investor Education and Protection Fund by the Company.
- iv) (a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the note to the Standalone Financial Statements, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to my notice that has caused me to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) rules, 2014 for maintaining books of account using software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.



2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, I give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For G M PAWLE
Chartered Accountant



Ganesh Mallikarjun Pawle
Proprietor

(Membership No.: 032561)

UDIN: **23032561BGTDEJ9776**

Place: Solapur

Date: 30th May 2023

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of my report to the Members of Katare Spinning Mills Limited of even date)

Report on the Internal Financial Controls with reference to Standalone Financials Statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

I have audited the internal financial controls with reference to standalone financial statements of Katare Spinning Mills Limited (the "Company") as of March 31, 2023 in conjunction with my audit of the standalone 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 with reference to standalone financial statements 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 (the "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 Act.

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 with reference to standalone financial statements

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

Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

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 with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements 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, 2023, 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.

For G M PAWLE
Chartered Accountant



Ganesh Mallikarjun Pawle
Proprietor
(Membership No.: 032561)

Place: Solapur
Date: 30th May, 2023

UDIN: 23032561BGTDEJ9776

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of my report to the Members of Katare Spinning Mills Limited of even date)

To the best of my information and according to the explanations provided to me by the Company and the books of account and records examined by me in the normal course of audit, I that:

- i. In respect of the Company's property, plant and equipment, right-of-use assets and intangible assets:
 - (a) (i) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and relevant details of right-of-use assets.
(ii) The Company has maintained proper records showing full particulars of intangible assets.
 - (b) Property, Plant and Equipment have been physically verified by the management during the year in accordance with the phased program 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) Based on my examination of the property tax receipts and agreement for land on which building is constructed, registered sale deed / transfer deed / conveyance deed provided to me, I report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
 - (d) The Company has not revalued any of its property, plant and equipment (including right-of-use assets) and intangible assets during the year.
 - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. In respect of its inventory:
 - (a) The management has conducted physical verification of inventory at reasonable intervals during the year, in my opinion, the coverage and procedure of such verification by the management is appropriate. As informed to me, any discrepancies of 10% or more in the aggregate for each class of inventory were not noticed on such verification.



- (b) The company has not been sanctioned working capital limits in excess of five crore rupees (at any point of time during the year), in aggregate, from banks or financial institutions on the basis of security of current assets. Accordingly, the provisions of clause 3(ii)(b) of the order are not applicable.
- iii. The Company has during the year, not made investments in, 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. The company has not accepted any deposits or amounts which are deemed to be deposits under the directives of the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder, where applicable. Accordingly, the provisions of clause 3(v) of the order are not applicable.
- v. The company has not accepted any deposit or amounts which are deemed to be deposits. Hence reporting under clause 3(v) of the Order is not applicable.
- 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) In my opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities, except the amount of Special capital Incentive of Rs. 3,16,139.
- b) There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.
- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.



- ix. (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix) (a) of the Order is not applicable.
- (b) The Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix) (c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, funds raised on a short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- x. (a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x) (a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x) (b) of the Order is not applicable.
- xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) the whistle blower complaints were not received by the Company during the year (and up to the date of this report), hence determining the nature, timing and extent of such complaints in my audit procedures does not arise. .
- xii. The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
- xiii. In my opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.



- xiv. (a) According to the information and explanations given to me, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) I have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of my audit procedures.
- xv. In my opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence the provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) In my opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi) (a), (b) and (c) of the Order is not applicable.
- (b) In my opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi) (d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by my audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and my knowledge of the Board of Directors and Management plans and based on my examination of the evidence supporting the assumptions, nothing has come to my attention, which causes me to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. I, however, state that this is not an assurance as to the future viability of the Company. I further state that my reporting is based on the facts up to the date of the audit report and I neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.



xx The provisions of section 135 towards corporate social responsibility are not applicable to the company. Accordingly, the provisions of clause 3(xx) of the order are not applicable.

Place: Solapur
Date: 30th May, 2023



For G M PAWLE
Chartered Accountant

Ganesh Mallikarjun Pawle
Proprietor
(Membership No.: 032561)

UDIN: 23032561BGTDEJ9776

KATARE SPINNING MILLS LTD
Audited Balance Sheet as at 31st March, 2023

	Particulars	Note	As at 31/03/2023	As at 31/03/2022
I	ASSETS			
	Non-current assets			
	Property, plant and equipment and Intangible assets	1	1,16,60,15,068	1,24,86,24,470
	Capital work-in-progress	2	12,01,724	11,78,284
	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	4,67,400	7,63,400
	- Others	7	3,11,23,951	52,42,258
	Deferred tax assets (Net)	8	0	0
	Other non-current assets		0	0
	Total Non Current Asset : A		1,19,88,19,343	1,25,58,19,612
	Current assets			
	Inventories	9	1,72,75,847	1,72,75,847
	Financial assets			
	- Current investments		0	0
	- Trade and other receivables	10	2,12,60,909	1,64,76,189
	- Cash and cash equivalents	11	6,25,298	8,57,092
	- Short term loans and advances	12	6,15,249	6,15,249
	Assets for current tax (net)			
	Other current assets	13	29,83,949	64,49,508
	Non-current assets classified as held for sale			
	Other Non-Current Assets		0	0
	Total Current Assets B		4,27,61,252	4,16,73,885
	Total Assets		1,24,15,80,595	1,29,74,93,497



KATARE SPINNING MILLS LTD
Audited Balance Sheet as at 31st March, 2023

	Particulars	Notes	As at 31/03/2023	As at 31/03/2022
II	EQUITY AND LIABILITIES			
	Equity			
	Equity Share capital	14	2,85,00,000	2,85,00,000
	Other Equity	15	1,16,60,83,867	1,22,21,39,701
	- 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		1,19,45,83,867	1,25,06,39,701
	Non-current liabilities			
	Financial liabilities			
	- Long term borrowings	16	3,16,139	3,16,139
	- Other financial liabilities (Trade Payable)	17	52,83,525	46,03,793
	Long term provisions		0	0
	Deferred tax liabilities (Net)		67,06,000	50,12,000
	Other non-current liabilities	18	0	0
	Total Non Current Liabilities		1,23,05,664	99,31,932
	Current liabilities			
	Financial liabilities			
	- Short term borrowings	19	3,32,60,050	54,10,865
	- Trade and other payables	20	6,16,537	24,82,383
	- Other financial liabilities		0	0
	Other current liabilities	21	8,14,477	14,28,617
	Short-term provisions (IT Provision)			2,76,00,000
	Liabilities for current tax (net)			
	Total Current Liabilities		3,46,91,064	3,69,21,865
	Total Equity and Liabilities		1,24,15,80,595	1,29,74,93,498
			0	0

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

GANESH MALLIKARJUN PAWLE
Chartered Accountants

GANESH M PAWLE
Chartered Accountant
ICAI Membership No :032561
Solapur. 30th May 2023
UDIN : 23032561BGTDEJ9776



For and on behalf of the Board
Katara Spinning Mills Ltd

K T Katara
Managing Director
DIN 00645013

SOU V K KATARE
Director
DIN 1443784

K T KATARE
CFO

BHAGYSHREE RAWANI
Company Secretary
M.NO.A64745



KATARE SPINNING MILLS LTD
Statement of Audited Profit and Loss for the year ended 31st Mar, 2023

Particulars	Notes	As at 31/03/2023	As at 31/03/2022
I Income:			
Revenue from Operations (Gross)	22	7,07,39,277	3,46,23,628
Other Income	23	1,26,30,776	24,48,86,663
Total Income		8,33,70,053	27,95,10,291
II Expenses:			
Cost of Materials Consumed	24	6,51,44,791	2,93,47,190
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	25	0	19,82,400
Employee Benefits Expense	26	24,41,782	18,90,212
Finance Costs	27	13,41,197	97,40,459
Other Expenses	28	1,41,18,210	7,34,32,718
Depreciation and Amortization Expense	1	1,37,48,621	1,35,73,851
Total Expenses		9,67,94,601	12,99,66,830
III Profit/(Loss) Before Tax		-1,34,24,548	14,95,43,461
IV Tax Expense:			
Current tax including MAT		0	2,76,00,000
Deferred tax		16,94,000	4,27,39,000
Total		16,94,000	7,03,39,000
V Profit (Loss) for the period		-1,51,18,548	7,92,04,461
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		-1,51,18,548	7,92,04,461
XVI Earnings per equity share			
(i) Basic	Basic	(5.30)	27.79
(ii) Diluted	Diluted	(5.30)	27.79

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

GANESH MALLIKARJUN PAWLE
Chartered Accountants

GANESH M PAWLE
Chartered Accountant
ICAI Membership No :032561
Solapur, 30th May 2023
UDIN : 23032561BGTDEJ9776



For and on behalf of the Board
Katara Spinning Mills Ltd

K T Katara
Managing Director
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Director
DIN 1443784

K. K. KATARA
CFO

BHAQYSHREE RAWANI
Company Secretary
M.NO.A64745





G. M. Pawle

B. Com., F.C.A.

CHARTERED ACCOUNTANT

OFFICE :

Ganesh Complex, Ground Floor, 276, Sakhar Peth,

Near Laxmi Co-op. Bank, Solapur - 413005.

Tel.: 0217-2741800, Cell : 9422459687 E-mail : pawlegm@hotmail.com

Ref. No.:

Date :

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, 2023, 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 thereunder; 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





G. M. Pawle

B. Com., F.C.A.

CHARTERED ACCOUNTANT

OFFICE :

Ganesh Complex, Ground Floor, 276, Sakhar Peth,

Near Laxmi Co-op. Bank, Solapur - 413005.

Tel.: 0217-2741800, Cell : 9422459687 E-mail : pawlegm@hotmail.com

Ref. No.:

Date :

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, 2022 to 31st March, 2023.

For G. M. Pawle
Chartered Accountants

Mr. Ganesh Mallikarjun Pawle
Proprietor
(M.N. 032561)



Place: Solapur
Date: 30/05/2023

UDIN: 23032561BGTDEK8961

KATARE SPINNING MILLS LTD
CIN- L17119PN1980PLC022962
GANDHINAGAR, BL NO.10 SOLAPUR, MH-413006

STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2023

(Rs. In Lakhs)

Sl. No.	Particulars	Standalone				
		Quarter ended			Year ended	
		31.03.2023 (Audited)	31.12.2022 (Unaudited)	31.03.2022 (Audited)	31.03.2023 (Audited)	31.03.2022 (Audited)
1	Revenue from operations	304.35	142.66	(3.86)	707.39	346.24
2	Other Income	0.59	0.93	1,552.45	126.31	2,448.86
3	Total Income (1+2)	304.94	143.59	1,548.59	833.70	2,795.10
4	Expenses					
(a)	Cost of materials consumed	-	-	-	-	-
(b)	Purchase of Stock-in-Trade	292.64	122.72	10.27	651.45	293.47
(c)	Changes in inventories of work-in-progress & finished goods	22.48	-	19.82	-	19.82
(d)	Employee benefits expense	6.66	5.56	4.81	24.42	18.90
(f)	Finance costs	13.07	(0.05)	(354.94)	13.41	97.40
(g)	Depreciation	35.80	33.82	70.19	137.49	135.74
(h)	Other expenses	39.38	51.78	520.97	141.18	734.33
	Total expenses	410.03	213.83	271.12	967.95	1,299.66
5	Profit/(Loss) before exceptional items and tax (3-4)	(105.09)	(70.24)	1,277.47	(134.25)	1,495.44
6	Exceptional Items	-	-	-	-	-
7	Profit/(Loss) before extraordinary items (6+-7)	(105.09)	(70.24)	1,277.47	(134.25)	1,495.44
8	Extraordinary Items					
9	Profit/(Loss) before tax (7+-8)	(105.09)	(70.24)	1,277.47	(134.25)	1,495.44
10	Tax expense					
	Current Tax	-	-	276.00	-	276.00
	Deferred Tax	16.94	-	427.39	16.94	427.39
	Earlier years' tax	-	-	-	-	-
	Total tax expenses	16.94	-	703.39	16.94	703.39
11	Profit for the period (9-10)	(122.03)	(70.24)	574.08	(151.19)	792.05
12	Other comprehensive income					
(i)	Remeasurement of defined benefit plans	-	-	-	-	-
(ii)	Income tax relating to item (i) above	-	-	-	-	-
	Total other comprehensive income (net of tax)	-	-	-	-	-
13	Total comprehensive income (11+12)	(122.03)	(70.24)	574.08	(151.19)	792.05
14	Paid-up equity share capital (Face Value Rs. 10/- per share)	28.50	28.50	28.50	28.50	28.50
15	Other equity					
16	Earnings per share (of Rs. 10/- each)					
(a)	Basic	-4.28	-2.46	20.14	-5.30	27.79
(b)	Diluted	-4.28	-2.46	20.14	-5.30	27.79

NOTES:

1. The above result were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 30th May, 2023. The Statutory Auditors of the Company have conducted a 'Limited Review' of the Financial results for the quarter ended 31st March, 2023.

2. The Company has adopted Indian Accounting Standards (Ind AS) from 1st April, 2017. Accordingly, these financial results have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards (Ind AS) 34 Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued there under and other accounting principles generally accepted in India.

3. The Company operates in multiple business segment, i.e. Cotton yarn manufacturing, Solar power generation.

4. The figures for the previous period have been regrouped/rearranged wherever considered necessary.

GANESH MALLIKARJUN PAWLE
Chartered Accountants

GANESH M PAWLE
Chartered Accountant
ICAI Membership No :032561
Solapur. 30th May 2023
UDIN : 23032561BGTDEK8961



For and on behalf of the Board
Katara Spining Mills Ltd

K. T. KATARE
Managing Director
DIN 00645013

SOU V K KATARE
Director
DIN 1443784



KATARE SPINNING MILLS LTD

Standalone Segment Reporting for the Period ended 31st March, 2023

(Rs.in Lakhs)

Sl. No.	Particulars	Standalone				
		Quarter ended			Year ended	
		31.03.2023 (Audited)	31.12.2022 (Unaudited)	31.03.2022 (Audited)	31.03.2023 (Audited)	31.03.2022 (Audited)
1	Segment Revenue					
	Spinning	286.23	130.66	1,532.51	777.67	2,745.17
	Hotel Division	-	-	14.91	-	15.27
	Solar Power	18.71	12.93	1.17	56.03	34.66
	Sub Total :	304.94	143.59	1,548.59	833.70	2,795.10
	Less:Intersegment Revenue					
	Revenue from operations	304.94	143.59	1,548.59	833.70	2,795.10
2	Segment Results before Tax & Interest					
	Spinning	(89.62)	(64.87)	923.30	(113.02)	1,602.50
	Hotel Division	-	-	14.91	-	15.27
	Solar Power	(2.40)	(5.42)	(15.68)	(7.82)	(24.93)
	Total :	(92.02)	(70.29)	922.53	(120.84)	1,592.84
a	Less : Interest					
	Spinning	13.07	(0.05)	(354.94)	13.41	97.40
	Hotel Division	-	-	-	-	-
	Solar Power	-	-	-	-	-
	Total :	13.07	(0.05)	(354.94)	13.41	97.40
	Segment Profit/(Loss) before tax	(105.09)	(70.24)	1,277.47	(134.25)	1,495.44
3	Capital Employed					
	(Segment Assets-Segment liabilities)					
a	Spinning	11,366.82	12,047.55	11,887.12	11,366.82	11,887.12
b	Hotel Division	-	-	-	-	-
c	Solar Power	579.02	528.34	657.68	579.02	657.68
	Total	11,945.84	12,575.89	12,544.80	11,945.84	12,544.80

*The company operates in multiple business segment i.e Cotton yarn manufacturing, Solar Generation.



KATARE SPINNING MILLS LTD
Audited Cash Flow Statement for the period ended 31.03.2023

Sr. No.	Particulars	As at 31/03/2023	As at 31/03/2022
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Profit before tax	-134.25	1,495.44
	Non cash adjustment to reconciled profit before tax to net cash flows :		
	Depreciation	137.49	135.74
	Interest Expenditure	13.41	97.40
	Interest ,Rent & Other Non Operating Income	-126.31	-2,448.86
	Operating profit before working capital changes	-109.66	-720.28
	Movements in working capital		
	Increase/(Decrease) in trade payables	6.80	-68.50
	Increase/(Decrease) in trade payables Current	-18.66	0.00
	Increase/(Decrease) in other current liabilities	-6.14	-37.77
	Increase/(Decrease) in other long term liabilities	0	320.53
	Decrease/(Increase) in trade receivables	2.96	958.58
	Decrease/(Increase) in inventories	0.00	20.66
	Decrease/(Increase) in other current assets	51.39	0.00
	Decrease/(Increase) in other current liabilities(Current Tax)	-276.00	-18.16
	Decrease/(Increase) in trade receivables (current)	-47.85	22.28
	Cash generated from / (used in) operations	-397	477
	Direct taxes paid (net of refunds)		0.00
	Net cash flow from / (used in) operating activities (A)	-397	477
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Proceeds from sale of Fixed Assets	9.45	0.00
	Investment in bank deposits (having original maturity of more than three months)		5.33
	Interest ,Rent & Other Non Operating Income	126.31	2,448.86
	Net Cash from / (used in) Investing Activities (B)	135.76	2,454.19
C	CASH FLOWS FROM FINANCING ACTIVITIES		
	Proceeds from short term borrowings	278.49	-2,832.28
	Interest Paid	-13.41	-97.40
	Net cash flow from / (used in) Financing Activities (C)	265.08	-2,929.68
	Net Increase/(Decrease) in cash & cash equivalents (A)+(B)+(C)	3.69	1.85
	Cash & Cash equivalents at the beginning of the period	2.56	0.71
	Cash & Cash equivalents at the end of the period	6.25	2.56

Components o Cash & Cash Equivalent :

Particulars	As at 31/03/2023	As at 31/03/2022
Bank Balance with Bank	6.15	0.62
Cash in hand	0.10	1.94
	6.25	2.56

GANESH MALLIKARJUN PAWLE
Chartered Accountants

GANESH M PAWLE
Chartered Accountant
ICAI Membership No :032561
UDIN : 23032561BGTDEJ9776



For and on behalf of the Board
Katara Spining Mills Ltd

K. T. KATARE
Managing Director
DIN 00645013

SOU V K KATARE
Director
DIN 1443784



KATARE SPINNING MILLS LIMITED
 Reg. Off:- 14/30 GROUND FLOOR, B WING, KATARE COMPLEX,
 GANDHINAGAR , BL NO.10 SOLAPUR, MH-413006
 CIN- L17119PN1980PLC022962

AUDITED STANDALONE STATEMENT OF ASSETS AND LIABILITIES AS AT 31.03.2023

(Rs.in Lakh's)

PARTICULARS	As at 31.03.2023	As at 31.03.2022
ASSETS		
Non-current assets		
(a) Property, Plant and Equipment	11672.17	12498.03
(b) Investment Property	0.00	0
(c) Goodwill	0.00	0
(d) Other Intangible assets	0.00	0
(e) Financial Assets		
(i) Investments	0.11	0.11
(ii) Trade receivables	4.67	7.63
(iii) Loans	0.00	0.00
(f) Deferred tax assets (net)	0.00	0
(g) Other non-current assets	311.24	53.28
Current assets		
(a) Inventories	172.76	172.76
(b) Financial Assets		
(i) Investments	0.00	0
(ii) Trade receivables	212.61	164.76
(iii) Cash and cash equivalents	6.25	8.57
(iv) Bank balances other than	6.15	0
(c) Current Tax Assets (Net)	0.00	0
(d) Other current assets	29.84	69.79
Total Assets	12415.81	12974.93
EQUITY AND LIABILITIES		
Equity		
(a) Equity Share capital	285.00	285.00
(b) Other Equity	11660.84	12221.40



LIABILITIES			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings		3.16	3.16
(ii) Trade payables		52.84	46.04
(iii) Other financial liabilities		0.00	0.00
(b) Provisions		0.00	0.00
(c) Deferred tax liabilities (Net)		67.06	50.12
(d) Other non-current liabilities		0.00	0.00
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings		332.60	54.11
(ii) Trade payables		6.17	24.82
(iii) Other financial liabilities		0.00	0.00
(b) Other current liabilities		8.14	14.28
(c) Provisions		0.00	0
(d) Current tax liabilities (Net)		0.00	276
Total Equity and Liabilities		12415.81	12974.93
		0.00	0.00

Place: Solapur

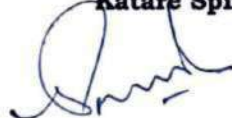
GANESH MALLIKARJUN PAWLE
Chartered Accountants



GANESH M PAWLE
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For and on behalf of the Board
Katara Spinning Mills Ltd



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