CHETAN KUMBHOJKAR
COMPANY SECRETARIES

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2026

[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
(CIN: L17119PN1980PLC022962)
Registered Office: 14/30 Ground Floor,
B Wing, Katare Complex,
Gandhinagar, Bl. No. 10, Solapur 413006

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 (CIN: L17119PN1980PLC022962) (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, 2026 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, 2026, 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 thereunder - Not applicable to the Company during the Audit period.

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

Chetan

Chetan Kumbhojkar
M.NO.F13717
COP NO.23821
Company Secretary

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Plot No 6B,1st Floor, Shree Renuka, Revenue Colony, Parvati Darshan, Near Sane Guruji Smarak, Sinhgad Road,Pune 411030

(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 –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, 2018 - Not applicable to the Company during the audit period.

(d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 - Not applicable to the Company during the audit period.

(e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 - Not applicable to the Company during the audit period.

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 and Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Companies Act and dealing with client.

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - Not applicable to the Company during the audit period; and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - Not applicable to the Company during the audit period;

(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 and approved by the Central Government under Section 118(10) of the Companies Act, 2013, have been complied with by the Company during the year.

Chetan

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COP NO.23821
Company Secretary

I have not examined the compliance by the Company with respect to;

- Applicable tax laws, such as Direct and Indirect Tax laws, since the same have been subject to review by the Statutory Auditors 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 the following observations:

1. There are delays in certain cases w.r.t. the filing of e-Forms with the Registrar of Companies, Pune, Maharashtra.

2. In accordance with Regulation 31(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is noted that 3,650 equity shares (representing 0.13% of the total shareholding) held by the Promoters and Promoter Group remain pending for dematerialization as on the year-end date.

3. The Company has not complied with the provisions of Section 124 of the Companies Act, 2013 and the applicable rules thereunder, relating to the transfer of unclaimed and unpaid dividends, along with the corresponding shares, to the Investor Education and Protection Fund (IEPF). The unpaid dividend pertains to the amount declared at the Annual General Meeting held in the year 2013.

<u>I further report that;</u>

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors as on 31st March, 2026. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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.

Chetan Kumbhojkar
M.NO.F13717
COP NO.23821
Company Secretary

For Chetan Kumbhojkar
Company Secretary
Peer Review No. 5834/2024

C.R. Kumbhojkar

CS Chetan Ramesh Kumbhojkar
Proprietor
M. No.: F13717 | CP No.: 23821
UDIN: f013717H001056055

Chetan Kumbhojkar
M.NO.F13717
COP NO.23821
Company Secretary

Date: 08th August, 2026
Place: Pune

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

Annexure A to the Secretarial Audit Report

To,
The Members,
Katare Spinning Mills Limited
(CIN: L17119PN1980PLC022962)
Registered Office: 14/30 Ground Floor,
B Wing, Katare Complex,
Gandhinagar, Bl. No. 10, 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 conducted on a test-check basis to ensure that correct facts are reflected in the secretarial records. I believe that the processes and practices followed by me 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. Compliance with the provisions of corporate and other applicable laws, rules, regulations and standards is the responsibility of the management of the Company. My examination was limited to the verification of procedures on a test-check basis.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Chetan Kumbhojkar
Company Secretary
Peer Review No. 5834/2024

Chetan Kumbhojkar
M.NO.F13717
COP NO.23821
Company Secretary

C.R.Kumbhojkar

CS Chetan Ramesh Kumbhojkar
Proprietor
M. No.: F13717 | CP No.: 23821
UDIN: f013717H001056055

Date: 08th August, 2026 | Place: Pune