

Katare Spinning Mills Ltd.

CIN- L17119PN1980PLC022962
37th ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED
ON 31ST MARCH, 2017
CORPORATE INFORMATION
BOARD OF DIRECTORS

Name of Director	Designation	DIN
Shri. Kishore T Katare	Managing Director	00645013
Shri. Subhash T Katare	Director	00685066
Mrs. Vidyavati K Katare	Director	01443784
Shri. Umakant Mahindrakar	Director	01233305
Shri. Suresh B Inamdar	Independent Director	00692775
Shri. Yadgiri N konda	Independent Director	00692800

REGISTERED OFFICE
“KAMALA” 259, Sakhar Peth,
Solapur – 413 005

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

HOTEL TRIPURSUNDARI
Civil Lines, Solapur- 413 001

SOLAR POWER PROJECT
Kamalanagar, Tamalwadi – 413 601
Tal: Tuljapur- Dist. Osmanabad

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

SECRETARIAL AUDITORS
NIKHIL SAWANT & CO.
Company Secretaries
8/176, Health Camp, Pandavnagar,
Pune – 411 016

BANKERS
Bank of India,
Main Branch, Solapur – 413 002.

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
37th Annual General Meeting
Wednesday, 27th September, 2017 11.00 a.m. (I.S.T.)
KATARE SPINNING MILLS LIMITED
Add: Hotel Tripursundari, 224, Civil Lines, Solapur-413 001.
Remote e-voting Period:
From 9.00 a.m. on Sunday, 24th September, 2017
Till 5.00 p.m. on Tuesday, 26th September, 2017

Katare Spinning Mills Ltd.

NOTICE

Notice is hereby given that 37th Annual General Meeting of the Members of the Company will be held on Wednesday, the 27th September, 2017 at 11.00 a.m. (I.S.T.) at Hotel Tripursundari, 224, Civil Lines, Solapur- 413 001 to transact, the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2017 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 Mrs. Vidyavati K Katare (DIN 01443784), who retires by rotation and being eligible, seeks re-appointment.

“RESOLVED THAT, pursuant to the provisions of Section 152 of the Companies Act, 2013, Mrs. Vidyavati K Katare (DIN 01443784), who retires by rotation at this meeting and being eligible offered herself 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 and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT, pursuant to the provisions of section 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, M/s N. R. Waghchaure & Associates, Chartered Accountants, (Firm Registration Number 114999W), be and is hereby appointed as the Statutory Auditors of the Company for a term of 5 years in place of retiring auditor Mr. G. M. Pawale, Chartered Accountants (Membership Number 032561), to hold office from the conclusion of this 37th Annual General Meeting until the conclusion of the 42nd Annual General Meeting to be held in year 2022, subject to ratification by members every year, as applicable, 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.”

By Order of the Board of Directors
KATARE SPINNING MILLS LIMITED

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

Place: Solapur
Date: 14th August, 2017

Katare Spinning Mills Ltd.

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. 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.
5. The Register of Members and the Transfer Books of the Company will be closed from 22nd September 2017 to 27th September 2017 (both days are inclusive).
6. Members are requested to notify the changes in their Address, Bank Details, E-mail etc. if any, to the Companies 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.
7. 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 Companies Registrars and Transfer Agents.
8. 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.
9. 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.
10. 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.
11. 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.
12. Members, who hold shares in electronic form, are requested to bring their Client Id and DP Id for easy Identification.
13. The Notice of the AGM along with the Annual Report of FY 2016-17 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, physical copies are being sent by the permitted mode. 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.
14. 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.

Katare Spinning Mills Ltd.

15. 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.
16. Members / proxies are requested to bring their attendance slip duly filled in and also, bring their copy of the Annual report for the meeting.
17. Members having multiple folios are requested to intimate to the Company such folios to enable the company to consolidate all shareholdings into one folio.
18. 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 Intime India Private Limited, on all the resolutions set forth in this Notice.
19. Route Map showing directions to reach to the venue of the 37th AGM is given at the end of this Notice as per the requirement of the Secretarial Standards-2 on "General Meeting."

20. 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 Intime Private Limited, as the case may be, for service of documents.

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

- a. The facility for voting through ballot paper shall 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.
- b. 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 26th September, 2017.
- c. The detailed instructions for voting through Ballot paper is annexed herewith separately.
- d. 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.
- e. The remote e-voting period commences on 24th September, 2017 (9.00 am) and ends on 26th September, 2017 (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 21st September, 2017 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 26th September, 2017. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
- f. The notice of 37th 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. For members who have not registered their e-mail addresses, physical copies of the aforesaid documents are being sent by the permitted mode.
- g. 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.

Katare Spinning Mills Ltd.

The instructions for shareholders voting electronically are as under:

1. The voting period begins on 24.09.2017, 09.00 A.M. (IST) and ends on 26.09.2017, 05.00 P.M. (IST) 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 21.09.2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
2. The shareholders should log on to the e-voting website www.evotingindia.com.
3. Click on Shareholders.
4. 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. Members holding shares in Physical Form should enter Folio Number registered with the Company.
5. Next enter the Image Verification as displayed and Click on Login.
6. 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.
7. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both Demat shareholders as well as physical shareholders) <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	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.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your Demat account or in the company records for the said Demat account or folio. <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).

8. After entering these details appropriately, click on “SUBMIT” tab.
9. Members 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.
10. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
11. Click on the EVSN for the relevant KATARE SPINNING MILLS LTD. on which you choose to vote.

Katare Spinning Mills Ltd.

12. 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.
13. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
14. 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.
15. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
16. You can also take print out of the voting done by you by clicking on “Click here to print” option on the Voting page.
17. 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.
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. Note for Non – Individual Shareholders and Custodians
 - 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.
 - 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.
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.

By Order of the Board of Directors
KATARE SPINNING MILLS LIMITED

Place: Solapur
Date: 14th August, 2017

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

Katare Spinning Mills Ltd.

DIRECTOR'S REPORT

To the Members,
Of Katare Spinning Mills Limited

Your Director's have pleaser in presenting their **37th Annual Report** of the Company together with its Audited Statement of Profit & Loss for the year ended 31st March, 2017 and the Balance Sheet as on that date.

1. Financial Highlights

(Rs. In lacs)

Particulars	2016-17	2015-16
Turnover	3608.24	3549.10
Profit Before Interest & Depreciation	48.20	296.73
Less : Interest	305.70	319.15
Loss before depreciation	-257.50	-22.42
Less : Depreciation	110.35	108.86
Loss after depreciation & before taxation	-367.85	-131.28
Add : Excess provision in the last year	0.76	2.91
Less: Tax expenses relating to previous year	9.52	0.00
Add/Less: Deferred Tax Liability/Assets	115.33	94.40
Profit / loss for the period	-261.28	-33.97
Add : Balance carried from previous year	112.96	146.92
Amount available for appropriation	0	112.96
Profit carried forward	-148.33	112.96

2. 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

The Company has already Commissioned Rooftop Solar Power Project at Hotel and has getting good benefit by way of reduction in monthly electricity bills of the Hotel as usual.

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 accordingly, pleased to inform you that the Company has successfully commissioned 1 MW Solar Power plant for captive consumption in the month of April, 2015. This is the first net metering installation in the Maharashtra. During the financial year total 14,32,808 electricity units have been generated and it helps the Company to save in electricity bill substantially.

3. ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, is furnished in MGT-9 and is attached to this Report.

Katare Spinning Mills Ltd.

4. DIVIDEND

Your Directors do not recommend any dividend for the year under report.

5. BOARD MEETINGS

During the year under review, 4 (Four) Board Meetings were held and the intervening gap between the meetings did not exceed the period prescribed under the Act, the details of which are given in the Corporate Governance Report.

6. 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 Securities Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 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 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 (Listing Obligations and Disclosure Requirements) Regulations, 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, (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 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.

Katare Spinning Mills Ltd.

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 (Listing Obligations and Disclosure Requirements) Regulations, 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 MD/ 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 MD/ EDs would be based on performance as evaluated by the NRC and approved by the Board.

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

7. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS

During the Financial year under review, no significant material orders were passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations.

Katare Spinning Mills Ltd.

8. AUDIT COMMITTEE

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

9. DIRECTORS

In accordance with the Act and the Articles of Association of the Company, Mrs. Vidyavati K. kataré (DIN 01443784) retires by rotation, and is eligible for re-appointment.

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed both under the Act and SEBI (Listing Obligations and Disclosure requirements) regulations, 2015.

10. RESERVES

There was no transfer of any amount to General Reserve account of the Company, as the Company was having the losses during year. The Company is trying for betterment of future for it.

11. 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 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 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

Mr. G. M. Pawale, Chartered Accountant, Solapur (M. No. 032561) Auditor of the Company, has done with his appointment period as per Companies Act, 2013 in our Company, so he was retiring from his office.

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, M/s N. R. Waghchaure & Associates, Chartered Accountants, (Firm Registration Number 114999W), be appointed as a Statutory Auditors of the Company and the Board have conveyed their consent to be appointed as the Statutory Auditors of the Company along with a confirmation that, their appointment, if made by the members, would be within the limits prescribed under the Companies Act, 2013. Accordingly, Ordinary Resolution is submitted to the meeting for the consideration and approval of members. 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.