



# KAKATIYA TEXTILES LIMITED

Registered Office : 9 & 10, Industrial Estate, Tetali, TANUKU - 534 218, W.G.Dist., A.P.

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Date: 04.09.2021

To  
The Corporate Relations Department  
**BSE Limited**  
Phiroze Jeejeebhoy Towers  
Dalal Street,  
Mumbai-400 001  
Fax No.: 022-22723121/3719

Dear Sir,

**Sub: Notice of 39<sup>th</sup> Annual General Meeting (AGM) and Annual Report of the Company for the F Y 2020-21**

**Ref: Company Code: 521054**

With reference to the subject cited above, Please find the enclosed Notice convening the 39<sup>th</sup> AGM of the Company to be held on Monday, the 27<sup>th</sup> day Of September, 2021 at 4.30 P.M through Video Conference/Other Audio Visual Means (VC/OAVM).

In order to comply with the requirements of Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company along with the Notice of AGM for the financial year 2020-21 which is being dispatched / sent to the members by the permitted mode(s).

This is for your information and necessary records.

ForKakatiya Textiles Ltd



**V Ravindranath**  
Chairman & Director  
DIN 00480295



**KAKATIYA TEXTILES LIMITED**

**39<sup>th</sup>**  

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**Annual Report**  

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**2020-21**



**KAKATIYA TEXTILES LIMITED**

**CIN: L18100AP1981PLC104439**



## KAKATIYA TEXTILES LIMITED

### **39<sup>th</sup> Annual General Meeting**

Monday, 27<sup>th</sup> Day of September, 2021,  
at 4.30 P.M,

Through Video Conference/Other  
Audio Visual Means (Vc/Oavm)

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## KAKATIYA TEXTILES LIMITED

### KAKATIYA TEXTILES LIMITED

CIN: L18100AP1981PLC104439

#### Corporate Information

##### Board of Directors & Key Managerial Personnel

Shri. Vanka Ravindranath	-	Chairman & Non-Executive Director
Smt. Vanka Raja Kumari	-	Non-Executive Director
Shri. Venkata Subba Rao Gamini	-	Independent Director
Shri. Kudary Anand	-	Independent Director
Shri. Ranga Rao Avula	-	Manager (up-to 09.03.2021)
Shri. Nanduri Hanumantha Rao	-	Chief Financial Officer
Shri. M Parthasarathy	-	Manager (w.e.f. 10.03.2021)

##### Statutory Auditors:

M/s. Chevuturi Associates  
Chartered Accountants  
#33-25-33D, Govindarajula Naidu Street,  
Surya Rao Pet, Vijayawada-520 003,  
Andhra Pradesh, India.

##### Secretarial Auditor:

M/s. P.S.Rao & Associates  
Flat No.10, 4<sup>th</sup> Floor,  
# 6-3-347/22/2, Ishwarya Nilayam,  
Opp: Sai Baba Temple,  
Dwarakapuri Colony, Punjagutta,  
Hyderabad-500 082  
Telangana

##### Registrar and Share Transfer Agent

M/s. Link Intime India Pvt Ltd  
Surya, 35, Mayflower Avenue  
Behind Senthil Nagar,  
Sowripalayam Road,  
Coimbatore – 641 028  
Ph / Fax: (0422) 2314792  
E-mail: [coimbatore@linkintime.co.in](mailto:coimbatore@linkintime.co.in)

##### Registered Office

Plot No. 9 & 10, Industrial Estate,  
Tetali, Tanuku, West Godavari-534218,  
Andhra Pradesh  
Phone No: 08819-224005 / 225005  
E-mail: [shares.ktl@rspl.ind.in](mailto:shares.ktl@rspl.ind.in)  
Website: [www.kakatiyatextiles.in](http://www.kakatiyatextiles.in)

## KAKATIYA TEXTILES LIMITED

### COMMITTEE

<b>AUDIT COMMITTEE</b>	
Shri. Kudary Anand Shri. Vanka Ravindranath Shri. Venkata Subba Rao Gamini	Chairman Member Member
<b>NOMINATION AND REMUNERATION COMMITTEE</b>	
Shri. Venkata Subba Rao Gamini Shri. Kudary Anand Smt. Vanka Raja Kumari	Chairman Member Member
<b>STAKEHOLDERS RELATIONSHIP COMMITTEE</b>	
Shri. Venkata Subba Rao Gamini Shri. Kudary Anand Smt. Vanka Raja Kumari	Chairman Member Member

## **KAKATIYA TEXTILES LIMITED**

### **NOTICE**

**NOTICE IS HEREBY GIVEN THAT THE 39<sup>th</sup> ANNUAL GENERAL MEETING OF THE COMPANY WILL BE HELD ON MONDAY, THE 27<sup>TH</sup> DAY OF SEPTEMBER, 2021 AT 4:30 PM THROUGH VIDEO CONFERENCE/OTHER AUDIO VISUAL MEANS (VC/OAVM) TO TRANSACT THE FOLLOWING ITEMS OF BUSINESS:**

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#### **ORDINARY BUSINESS:**

##### **1. Adoption of Financial Statements:**

To receive, consider and adopt the audited Financial Statements of the company for the Financial Year ended on 31<sup>st</sup> March, 2021 together with the Report of the Board of Directors and Auditors thereon;

##### **2. Re-Appointment of Director:**

To appoint a director in place of Smt. Vanka Raja Kumari (DIN: 00480392), who retires by rotation and being eligible offers herself for re-appointment.

#### **SPECIAL BUSINESS:**

##### **3. To approve the appointment of Shri. M Parthasarathy as Manager of the Company:**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) along with Schedule V of the Companies Act, 2013 and as recommended by Nomination & Remuneration Committee and the Board of Directors, consent of the Members of the company be and is hereby accorded for the re-appointment of Shri. M Parthasarathy, as Manager of the Company, for a period of 3 years with effect from 10<sup>th</sup> March, 2021 at a remuneration of Rs. 9,00,000 per annum and other superannuation benefits as per service rules of the Company."

**"FURTHER RESOLVED THAT** Shri. M Parthasarathy in addition to above mentioned Salary is also eligible for a commission of 3% on net profits of the Company arrived in pursuance of Section 198 of the Companies Act, 2013."

**"FURTHER RESOLVED THAT** the overall amount of remuneration payable to Shri. M Parthasarathy shall not exceed 5% of net profits of the Company arrived in pursuance of Section 198 of the Companies Act, 2013."

**"FURTHER RESOLVED THAT** where in any financial year during the tenure of his appointment, the company has no profits or its profits are inadequate, Shri. M Parthasarathy shall be paid salary, allowances and perquisites in accordance with the provisions of Schedule V of the Companies Act, 2013.

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**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby severally authorised to file the necessary forms, returns, documents and to do all such acts, deeds, matters and things as may be required to give effect to the foregoing resolution."

**By Order of the Board of Directors  
For Kakatiya Textiles Ltd**

**Sd/-  
V Ravindranath  
Chairman & Director  
DIN 00480295**

Place: Tanuku  
Date: 09.08.2021



## KAKATIYA TEXTILES LIMITED

### NOTES:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated January 13, 2021 and May 5, 2020 read with circulars dated April 8, 2020, April 13, 2020 and January 13, 2021 (collectively referred to as "MCA Circulars") and Circular No. SEBI/H/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 issued by Securities and Exchange Board of India ('SEBI Circular') permitted the holding of the Annual General Meeting ("AGM") through Video Conferencing ("VC") / Other Audio- Visual Means ("OAVM"), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
2. Statement as required under section 102 of the Companies Act, 2013, in respect of special business is annexed hereto.
3. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Service (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as voting during the AGM will be provided by CDSL.
4. The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re- appointment at this AGM is annexed.
5. The Register of Members and Share Transfer Books of the Company will remain closed from September 21, 2021 to September 27, 2021 (both days inclusive) for the purpose of giving effect to the transmission and transposition requests lodged with the Company.
6. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
7. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, Link Intime India Pvt. Ltd ("Link Intime") for assistance in this regard.
8. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to the RTA/Company.

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9. To promote green initiative, Members who have not registered their email addresses are requested to register the same with their Depository Participants in case the shares are held by them in electronic form and with Link Intime, in case the shares are held in physical form.
10. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to Link Intime in case the shares are held by them in physical form.
11. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website <https://www.kakatiyatextiles.in>. Members are requested to submit the said details to their DP in case the shares are held by them in electronic form and to Link Intime in case the shares are held in physical form.
12. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or Link Intime, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
13. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
14. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before September 22, 2021 through email on [cs@rspl.ind.in](mailto:cs@rspl.ind.in). The same will be replied by the Company suitably.
15. Pursuant to the directions/notifications of Securities and Exchange Board of India (SEBI) and Depositories, the demat account holders can operate their accounts if they had already provided Income Tax Permanent Account Number either at the time of opening of the account or at any time subsequently. In case they have not furnished the Income Tax Permanent Account Number to the Depository Participants, such demat account holders are requested to contact their DPs with a photocopy of the PAN Card (with original PAN Card for verification), so that the frozen demat accounts would be available for operation and further consequences of non-compliance with the aforesaid directives would be obviated. SEBI, vide Circular ref.no. MRD/Dop/Cir-05/2009 dated May 20, 2009 made it mandatory to have PAN particulars for registration of physical share transfer requests. Based on the directive contained in the said circulars, all share transfer requests are therefore to be accompanied with PAN details. Members holding shares in physical form can submit their PAN details to the Company / RTA.
16. Members may also note that the Notice of the 39<sup>th</sup> Annual General Meeting is available on the Company's website: [www.kakatiyatextiles.in](http://www.kakatiyatextiles.in). All documents referred to in the accompanying Notice and the Statement pursuant to Section 102(1) of the Companies Act, 2013 shall be open for inspection by the Members by writing an e-mail to the Company [cs@rspl.ind.in](mailto:cs@rspl.ind.in).
17. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories.

Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website [www.kakatiyatextiles.in](http://www.kakatiyatextiles.in), websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and CDSL at <https://www.evotingindia.com/>. Members whose email IDs are not registered with the Company/Depositories are requested to follow the process provided further

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for registration of email IDs with the depositories for procuring user ID & password and registration of email IDs for e-voting for the resolutions set out in this notice.

18. At the Thirty-Eighth AGM held on September 29, 2020 the Members approved appointment of M/s. Chevuturi Associates, Chartered Accountants (Firm Registration No. 000632S) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the Forty Third AGM. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the Thirty Ninth AGM.

### **E-VOTING**

#### **CDSL e-Voting System - For Remote e-voting and e-voting during AGM**

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020, May 05, 2020 and January 13, 2021 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at-least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.kakatiyatextiles.in](http://www.kakatiyatextiles.in). The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). The AGM Notice is also disseminated on the website of

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CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).

### THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:

- I. The voting period begins on Friday, 24<sup>th</sup> September, 2021 (09:00 A.M.) and ends on Sunday, 26<sup>th</sup> September, 2021 (05:00 P.M.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 20<sup>th</sup> September 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- II. Board of Directors have appointed Mr. M.B. Suneel, Practising Company Secretary, to act as Scrutinizer to conduct and scrutinize the electronic voting process in connection with the ensuing Annual General Meeting in a fair and transparent manner. The members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereunder.
- III. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue
- IV. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions.

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

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

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

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

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Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30.

- V. Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.
- 1) Shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - 2) Click on "Shareholders" module
  - 3) Now enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
  - 4) Next enter the Image Verification as displayed and Click on Login.
  - 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
  - 6) If you are a first time user follow the steps given below:

### For Members holding shares in Demat Form and Physical Form

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)  Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both 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 (v).

- VI. After entering these details appropriately, click on "SUBMIT" tab.
- VII. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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

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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.

- VIII. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- IX. Click on the EVSN for the relevant **Kakatiya Textiles Limited** on which you choose to vote.
- X. 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.
- XI. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- XII. 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.
- XIII. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- XIV. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- XV. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

### **XVI. Additional Facility for Non - Individual Shareholders and Custodians -For Remote Voting only.**

- Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto: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 linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto: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 favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [cs@rspl.ind.in](mailto:cs@rspl.ind.in), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

### **INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.

## KAKATIYA TEXTILES LIMITED

2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at-least 5 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 5 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

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

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

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022- 23058738 and 022-23058542/43.



## **KAKATIYA TEXTILES LIMITED**

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing,

### **C. General Instructions:**

- A. The voting rights of Members shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on September 20, 2021.
- B. The Chairman shall, at the general meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting, with the assistance of scrutiner, by using an electronic voting system for all those members who are present at the general meeting but have not cast their votes by availing the remote e-voting facility.
- C. The Scrutinizer shall immediately after the conclusion of voting at the AGM, first count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least 2 witnesses not in the employment of the Company and make not later than 48 hours of conclusion of the Meeting a consolidated Scrutiniser's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same and declare the result of voting forthwith.

A member can opt for only one mode of voting, i.e., either through remote e-voting or by e-voting at the AGM. If a member casts votes by both modes, then voting done through remote e-voting shall prevail and e-Voting at the AGM shall be treated as invalid.

The results declared along with the Scrutinizer's Report will be posted on the Company's website and communicated to the Stock Exchange.

The voting result will be announced by the Chairman or any other person authorized by him within two days of the AGM.

## KAKATIYA TEXTILES LIMITED

### EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

#### ITEM NO: 3

Due to casual vacancy caused by the resignation of Shri. A Ranga Rao members of the board vide their meeting held on 10.03.2021 have re-appointed Shri. M Parthasarathy as the manager of the company in terms of Section 203 of the Companies Act, 2013, for a period of 3 years commencing from 10.03.2021, at a remuneration as stated in the resolution No.3. The said appointment made by the board requires the approval of the members subsequently.

#### **A Brief profile of Shri. M Parthasarathy is as follows:**

Shri. M Parthasarathy is a diploma holder in textile technology. He is having a vast experience of over 26 years in the textile business. He was associated in various roles & designations in different companies. He started his career as a service executive and has worked in various prominent roles at different levels. He attended and obtained certifications from various internationally certified training centers. His vision, dynamism and efforts will definitely take the company to new heights in the coming years.

Taking into consideration of his rich experience of over 26 years and in view of the increased responsibility with the increase in business activities of the company it is proposed that Shri. M Parthasarathy be appointed as the manager of the company with effect from 10.03.2021 at a remuneration as detailed in the resolution. In compliance with the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Act, read with Schedule V to the Act, the terms of appointment and remuneration as set out in item No.3 are now being placed before the Members for their approval by way of Special Resolution.

Your Directors recommend the Resolution for your approval as Special Resolution.

None of the Directors, Key Managerial Personnel or their relatives, are concerned or interested in the proposed resolution.

The following is the additional information as per Section II of Part II of Schedule V of the Companies Act, 2013:

#### **I. General Information**

- (1) Nature of industry: The company is carrying on the business of manufacturing cotton yarn.
- (2) Date or expected date of commercial production: The company was incorporated in the year 1981 and the commercial production commenced simultaneously.
- (3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable
- (4) Financial performance based on given indicators:

(₹ in Lakhs)

Particulars	31.03.2021	31.03.2020
Total Income	1809	2426
Net Profit / (Loss) Before Tax(PBT)	(55)	(252)
Net Profit / (Loss) After Tax(PAT)	(55)	(252)

## **KAKATIYA TEXTILES LIMITED**

- (5) Foreign investments or collaborations, if any. Nil

### **II Information about the appointee**

- (1) Back ground details: Shri. M Parthasarathy, is a diploma holder in textile technology. He is having a vast experience of over 26 years in the textile business.
- (2) Past Remuneration: Shri. M Parthasarathy was drawing a remuneration of Rs.9 Lakhs p.a. in the previous financial year.
- (3) Recognition or awards: Shri. M Parthasarathy has accomplished has received award for the best employee in his previous company
- (4) Job profile and his suitability: Shri. M Parthasarathy has got a vast experience in the field of manufacturing of cotton yarn. It is under his supervision and directions that majority of the company's operations would be carried on. Keeping in view that Shri. M Parthasarathy has rich and varied experience in the Industry and has been involved in the textile industry over a long period of time, it would be in the interest of the Company, the resolution commended for your approval.
- (5) Remuneration proposed: The board has recommended for a remuneration of Rs. 9,00,000 (Rupees Nine Lakhs Only) per annum along with the superannuation benefits as per the service rules of the company with effect from 10th March 2021.
- (6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin): The proposed remuneration of Shri. M Parthasarathy is in line with the remuneration being paid to any Manger in the relevant industry. Considering the background, competence and experience of Shri. M Parthasarathy the proposed remuneration as set out in the resolution are considered to be fair, just and reasonable.
- (7) Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any. He does not have any relationship directly or indirectly with the company or relationship with the managerial personnel and is not having any directorship or membership of committee of the Board in any other listed Company,

### **III Other information:**

- (1) Reasons of loss or inadequate profits:

Due to sluggish growth in the textile industry the company is unable to make profits.

Further, the rise of the domestic interest rates has also adversely impacted the net profits of the company.

- (2) Steps taken or proposed to be taken for improvement

The operations of the company are being scaled up to increase to revenues.

- (3) Expected increase in productivity and profits in measurable terms

## **KAKATIYA TEXTILES LIMITED**

We expect a substantial increase in approval and implementation of various projects leading to good improvement in operating margins.

**By Order of the Board of Directors  
For Kakatiya Textiles Ltd**

**Sd/-  
V Ravindranath  
Chairman & Director  
DIN 00480295**

Place: Tanuku  
Date: 09.08.2021

## KAKATIYA TEXTILES LIMITED

### Information pursuant to the Listing Regulations and Secretarial Standards in respect of Appointment/ Re-appointment of Directors

Particulars	Shri. Partha Sarathy Mahadasyam	Smt. Raja Kumari Vanka
Date of Birth	21/05/1975	05/06/1965
Qualifications	Diploma Holder in Textile Technology	M.A.
Expertise in specific Functional area	Business Administration and Textile Processing.	Business Administration & Textile Processing.
Directorship held in other public companies (excluding foreign companies)	NIL	1. Indian Hair Industries Private Limited 2. Rk Hair Products Private Limited 3. Ravali Spinners Private Limited 4. SVR Spinning Mills Private Limited
Memberships / Chairmanships of committees of other Public companies (includes only Audit and Shareholders/ Investors Grievance Committee)	NIL	NIL
Number of shares held in the company	0	7,33,203

## KAKATIYA TEXTILES LIMITED

### DIRECTORS' REPORT

To  
The Members

Your Directors are delighted to present their 39<sup>th</sup> Annual Report of the Company for the financial year 2020-21 along with the audited accounts for the financial year ended March 31, 2021

(Rs. In Lakhs)

Particulars	31.03.2021	31.03.2020
Total Income	1822	2426
Profit before Depreciation, Interest & Tax for the year	0	(198)
Depreciation for the year	55	54
Finance Cost	0	0
Net Profit / (Loss)	(55)	(252)

#### DIVIDEND:

On account of the accumulated losses, your Directors do not recommend any dividend for the year ended 31<sup>st</sup> March, 2021.

#### TRANSFER TO RESERVES:

The Directors of the company didn't transfer any amount to its reserves.

#### TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

Since the Company has not declared any dividends, there is no unclaimed dividend to be transferred to Investor Education and Protection Fund.

#### BOARD MEETINGS CONDUCTED DURING THE PERIOD UNDER REVIEW:

The meetings of the board are scheduled at regular intervals to decided and discuss onbusiness performance, policies, strategies and other matters of significance.

The Company had conducted 5 (Five) Board meetings during the period under review. (i.e: 29.06.2020, 03.09.2020, 13.11.2020, 12.02.2021 and 10.03.2021) The intervening gap between any consecutive board meetings was within the period prescribed under the provisions of the Companies Act, 2013 read with the circulars and notifications given by the statutory authorities

#### DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 134(3)(c) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed and there are no material departures from those standards;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the loss of the company for that period;

## **KAKATIYA TEXTILES LIMITED**

- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors confirm that the annual accounts have been prepared on a going concern basis;
- (e) the directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively and
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **DECLARATION BY INDEPENDENT DIRECTORS:**

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under the Companies Act, 2013.

In terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, Independent Directors of the Company have enrolled their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs.

### **COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND OTHER MATTERS PROVIDED UNDER SECTION 178(3) OF THE COMPANIES ACT, 2013:**

The Company's Policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 is furnished on the Company's website [www.kakatiyatextiles.in](http://www.kakatiyatextiles.in).

### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013:**

The Company has not granted any loans or given any security or made any investments pursuant to the provisions of Section 186 of the Companies Act, 2013 during the year under review.

### **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

All transactions entered into with related parties during the financial year 2020-21 were in the ordinary course of business and on an arm's length basis. Since there are no transactions which are not on arm's length basis and material in nature the requirement of disclosure of such related party transactions in Form AOC-2 does not arise.

The policy on related party transactions as approved by the Board of Directors of the Company has been uploaded on the company's website and may be accessed through the website at [www.kakatiyatextiles.in](http://www.kakatiyatextiles.in)

### **ANNUAL RETURN:**

The annual return is placed on the company's website on [www.kakatiyatextiles.in](http://www.kakatiyatextiles.in)

### **INTERNAL AUDITORS:**

The Board of directors based on the recommendation of the audit committee has appointed M/s. Cherukuri & Co, Chartered Accountants as the Internal Auditors of the company. The internal auditors are submitting their report on quarterly basis.

### **STATUTORY AUDITORS:**

The Shareholders at their meeting held on 29<sup>th</sup> September 2020 (38th AGM) appointed M/s. Chevuturi Associates, Chartered Accountants, as the Statutory Auditors of the Company, to hold office as such till the conclusion of 43<sup>rd</sup> Annual General Meeting.

## KAKATIYA TEXTILES LIMITED

Further, the Statutory Auditor's report does not contain any qualifications, reservations, adverse remarks or disclaimers.

### **SECRETARIAL AUDITORS:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. PS Rao & Associates, Company Secretaries to undertake the Secretarial Audit of the Company. The report of the Secretarial Audit is annexed herewith as **Annexure-I** to this report.

### **CHANGE IN NATURE OF BUSINESS:**

There were no changes in the nature of business of the company.

### **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:**

There have been no material changes and commitments affecting the financial position of the Company which has occurred between the financial year ended 31<sup>st</sup> March, 2021 and the date of the report.

### **STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY:**

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

### **WHISTLE BLOWER POLICY (VIGIL MECHANISM):**

The Company has formulated a whistle blower policy in line with the provisions of Section 177 of the Companies Act, 2013 and Regulation 22 of the SEBI ((Listing Obligations and Disclosure Requirements) Regulations, 2015 to enable the directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy. The policy also provides for adequate safeguards against victimization of director(s) / employee(s) who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee in exceptional cases. The Whistle Blower policy has been uploaded on the company's website at [www.kakatiyatextiles.in](http://www.kakatiyatextiles.in).

### **ANNUAL EVALUATION OF THE BOARD ON ITS OWN PERFORMANCE AND OF THE INDIVIDUAL DIRECTORS:**

In accordance with the criteria suggested by the Nomination and Remuneration Committee, the Board of Directors evaluated the performance of the Board, having regard to various criteria such as Board composition, Board processes, Board dynamics etc. The Independent Directors, at their separate meetings, also evaluated the performance of non-independent directors and the Board as a whole based on various criteria.

The performance of each Independent Director was evaluated by the entire board of directors on various parameters like engagement, leadership, analysis, decision making, communication, governance etc. The Board and the Independent Directors were of the unanimous view that performance of the Board of Directors as a whole was satisfactory.

The performances of all the Committees were evaluated by the Board having regard to various criteria such as committee composition, committee, processes, committee dynamics etc. The Board was of the unanimous view that all the committees were performing their functions satisfactorily.



## KAKATIYA TEXTILES LIMITED

### DIRECTORS' & KEY MANAGERIAL PERSONNEL:

During the period under review, Shri. A Ranga Rao, Manager of the Company has been resigned from the office of Manager of the Company on 09.03.2021.

Further, based on the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company at their meeting held on 10.03.2021 have appointed Shri. M Parthasarathy as a Manager of the Company for a period of 3 years. The necessary resolution for appointment of Shri. M Parthasarathy is set out in the notice for approval of members in the ensuing Annual General Meeting of the Company.

Smt. Vanka Rajakumari, Director of the Company, retires by rotation at the ensuing Annual General Meeting and expressed her willingness to be reappointed as the Director of the Company. The necessary resolution for the appointment of Smt. Vanka Rajakumari is set out in the notice for approval of members in the ensuing Annual General Meeting of the Company.

Further, the term of Shri Gamini Venkata Subba Rao and Dr. Kuday Anand expired on conclusion of 38th Annual General Meeting held on 29<sup>th</sup> September 2020. The members of the Company have re-appointed Shri Gamini Venkata Subba Rao and Dr. Kuday Anand as Independent Directors for another term of five years till the conclusion of 43rd Annual General Meeting at the 38<sup>th</sup> Annual General Meeting held on 29<sup>th</sup> September 2020.

### COMPOSITION OF BOARD COMMITTEES:

We have in place of all the committees of the board which are required to be constituted under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Composition of various committees of the Board is hereunder:

#### Audit Committee

Shri Kudary Anand	Chairman
Shri Vanka Ravindranath	Member
Shri Venkata Subba Rao Gamini	Member

#### Nomination and Remuneration Committee

Shri Venkata Subba Rao Gamini	Chairman
Shri Kudary Anand	Member
Smt Vanka Raja Kumari	Member

#### Stakeholders Relationship Committee

Shri Venkata Subba Rao Gamini	Chairman
Shri Kudary Anand	Member
Smt Vanka Raja Kumari	Member

### DEPOSITS:

Since the Company has not accepted any deposits covered under Chapter V of the Companies Act, 2013, and accordingly, the question of default in repayment of deposits or payment of interest thereon, during the year, does not arise.

### EROSION OF NETWORTH:

As at 31<sup>st</sup> March 2021, your Company had a net worth of Rs. 1158.31 lakhs. Your Directors believe that the Company's net worth could become positive if the favorable business trend continues for some time. Therefore, the sickness status has not been referred to BIFR

## KAKATIYA TEXTILES LIMITED

### **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE:**

There is no significant and material order passed by the regulators or courts or tribunals impacting the going concern status and company's operation in future.

### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The Company has adequate internal control systems to monitor internal business process, financial reporting and compliance with applicable laws. The Company periodically reviews the adequacy and effectiveness of the control systems.

The Audit committee of the Board reviews internal control systems and their adequacy, significant risk areas, observations made by the internal auditors on control mechanism and the operations of the company, recommendations made for corrective action and the internal audit reports. The committee reviews with the statutory auditors and the management, key issues, significant processes and accounting policies.

### **PARTICULARS OF EMPLOYEES:**

The information required pursuant to Section 197 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and as amended in respect of our employees, is attached herewith as **Annexure-II**.

Further, we do not have any employee whose remuneration falls within the purview of the limits prescribed under the provisions of Section 197 of the Companies Act, 2013 read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and as amended i.e. 8.50 Lakhs per Month or Rs. 1.02Crores per Annum.

Further, details of top ten employees in terms of remuneration drawn during the financial year ended 31<sup>st</sup> March 2021 as required under Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and as amended is attached herewith as **Annexure-II**.

### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

Pursuant to the Regulation 34 (2) (e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a report on Management Discussion and Analysis is herewith annexed as **Annexure-III**.

### **CORPORATE GOVERNANCE REPORT:**

Since the paid up capital of the Company is less than Rs.10 Crores and the networth of the Company is less than Rs. 25 Crores, the provisions of Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation 2 of Regulation 46 and para C, D & E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are not applicable to the Company.

### **CORPORATE SOCIAL RESPONSIBILITY:**

Since your Company does not fall within any of the parameters specified under the provisions of Section 135 of the Companies Act, 2013 read with Rules made there under, reporting pursuant to Section 134 (3) (o) is not applicable.

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The information pertaining to conservation of energy, technology absorption, Foreign Exchange Earnings and outgo as required under section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is attached herewith as **Annexure-IV** to this report.

## **KAKATIYA TEXTILES LIMITED**

### **DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The Company has in place a policy on Sexual Harassment of Women at workplace in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The company has constituted an internal complaints committee to address the complaints regarding sexual harassment. All employees are covered under this policy. The company has not received any complaints during the year under review.

### **PERSONNEL RELATIONS:**

Staff and Labour relations during the year at all units of the company continued to be cordial.

### **ACKNOWLEDGEMENTS:**

Your Directors wish to thank the Company's Bankers, Financial Institutions, Customers and Suppliers for their unstinted support and co-operation.

Your Directors wish to place on record their appreciation of the confidence reposed by the shareholders in the Company at all times.

The Board of Directors also wishes to thank the employees at all levels for their excellent support and contribution made by them.

**By Order of the Board of Directors  
For Kakatiya Textiles Ltd**

**Sd/-  
V Ravindranath  
Chairman & Director  
DIN 00480295**

Place: Tanuku  
Date: 09.08.2021

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED ON 31st MARCH, 2021**

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

To,  
The Members,  
**Kakatiya Textiles Limited**  
Plot No.9 & 10, Industrial Estate,  
Tetali, Tanuku, West Godavari,  
Andhra Pradesh - 534218, India

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Kakatiya Textiles Limited, (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021 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;
- iii. The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment. (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;

## KAKATIYA TEXTILES LIMITED

- (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) Regulations, 2014(Not applicable to the Company during the audit period);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2018; ( 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 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (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) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- vi. Other specifically applicable laws to the Company:
- Water (Prevention and Control of Pollution) Act, 1974 read with rules issued thereunder;
  - Air (Prevention and Control of Pollution) Act, 1981;
  - Industries (Development & Regulation) Act, 1951;

We have also examined compliance with the applicable clauses Secretarial Standards issued by the institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All the decisions at the Board Meetings and Committee Meetings have been carried out unanimously as recorded in the Minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that

- there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

## **KAKATIYA TEXTILES LIMITED**

- there are no such specific events/ actions in pursuance of the above referred laws, rules, regulations etc. having a major bearing on the Company's Affairs.

**For P S Rao & Associates  
Company Secretaries**

**Sd/-  
MB Suneel  
Company Secretary  
C.P. No.: 14449  
UDIN : A031197C000830479**

Place: Hyderabad

Date: 09.08.2021

Note: This report is to be read with our letter of even date which is annexed as '**Annexure A**' and forms an integral part of this report.

## **KAKATIYA TEXTILES LIMITED**

### **Annexure A**

To,  
The Members,  
**Kakatiya Textiles Limited**  
Plot No. 9 & 10, Industrial Estate,  
Tetali, Tanuku, West Godavari - 534218.

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Account of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.,
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test 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 P S Rao & Associates  
Company Secretaries**

**Sd/-  
MB Suneel  
Company Secretary  
C.P. No.: 14449  
UDIN : A031197C000830479**

Place: Hyderabad  
Date: 09.08.2021

## KAKATIYA TEXTILES LIMITED

### Annexure-II

#### Report on Managerial Remuneration

As per Section 197 of the Companies Act 2013 Read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

**A) Statement of Particulars as per Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 :**

**i. The ratio of the remuneration of the each Director to the median remuneration of the employees of the Company for the financial year :**

Sl. No.	Name of Director	Designation	Ratio of the remuneration of each Director to the median remuneration of employees
1	Smt. V Raja Kumari	Non-Executive Director	0
2	Shri. V Ravindranath	Non-Executive Director	0
3	Shri. Anand Kudary	Independent Director	0
4	Shri. G Venkata Subba Rao	Independent Director	0

**ii. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2018-19:**

Sl. No.	Name of Director/ KMP and Designation	Designation	% increase in Remuneration in the Financial year 2020-21
1	Smt. V Raja Kumari	Director	0
2	Shri. V Ravindranath	Director	0
3	Shri. N Hanumatha Rao	CFO	0
4	Shri. A Ranga Rao	Manager	0

**iii. The percentage increase in the median remuneration of employees in the financial year: 1.11%**

**iv. The number of permanent employees on the rolls of Company as at March 31, 2021:**

There were 113 permanent employees on the rolls of Company as on March 31, 2021

**v. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.**

There was no increase in the Average percentile in the salaries of employees and managerial personnel.

**vi. The Company affirms that remuneration to the Directors and Key Managerial Personnel is as per the remuneration policy of the Company.**



## KAKATIYA TEXTILES LIMITED

### B) Top 10 Employees in terms of remuneration :

Name	Age	Qualification	Designation	Date of commencement of employment	Experience Gross (years)	Nature of employment	Remuneration in (Rs. In Lacs) Per Month	Previous Employment	Relative of Director If any	% of Shareholding
Mahadasyam Parthasarathy	46	Diploma in Textile Technology	General Manger	01.12.2020	26 Years		0.75	Pachala Spinning Mills	No	-
V. Basava Purnaiah	49	Diploma in Textile Technology	Production Manager	25.11.2018	29 Years		0.42	NSL Textiles	No	-
N.Hanumantha Rao	51	Graduate	Chief Financial Officer	01.02.2016	33 years		0.41	Balabalaji Textiles Ltd	No	-
V.Hari Obula Reddy	37	M.Com	Sr. Officer Accounts	04.10.2014	16 Years		0.29	Suryavanshi Industries Ltd	No	-
K.Gopala Rao	30	EEE	Electrical Incharge	02.03.2020	9 Years		0.25	Precot Meridian Ltd	No	-
G.Srinivasa Rao	53	B.Com	Jr. Officer (Cotton & Yarn)	01.03.1990	30 Years		0.24	Kakatiya Textiles Ltd	No	-
K.Shekar Babu	31	I.T.I	Foreman (SPG)	01.10.2016	18 Years		0.20	Sakku Spinning Mills Pvt Ltd	No	-
J. Bangaru Babu	32	I.T.I	A/C&MTC Supervisor	14.12.2020	14 Years		0.20	KVS Spinning Mills	No	-
R.Harish Reddy	28	I.T.I	Pre/Mtc Supervisor	20.12.2017	10 Years		0.17	GSR Textiles	No	-
U.Lakshminarayana	54	B.Com	Store Keeper	20.08.1986	33 Years		0.17	Kakatiya Textiles Ltd	No	-

C) There are no employees drawing Rs 8.50 Lacs per month or Rs 102.00 Lacs per annum, whether employed throughout the year or part of the Financial year.

D) There are no employees in the service of the Company covered under Rule 5 (2) (iii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

**By Order of the Board of Directors  
For Kakatiya Textiles Ltd**

**Sd/-  
V Ravindranath  
Chairman & Director  
DIN 00480295**

Place: Tanuku  
Date: 09.08.2021

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****INDUSTRY CONDITIONS AND REVIEW OF OPERATIONS****1. INDUSTRY STRUCTURE:**

The Indian textiles industry has an overwhelming presence in the economic life the country and is one of the oldest industries of the country. Even today, textiles sector is one of the largest contributors to India's industrial output with approximately 14 percent of the industry output. The textiles industry is also labour intensive and is one of the largest employers. The textile industry employs about 45 million people directly and 20 million people indirectly. The textile industry has two broad segments. First, the unorganized sector consists of handloom, handicrafts and sericulture, which are operated on a small scale and through traditional tools and methods. The second is the organized sector consisting of spinning, apparel and garments segment which apply modern machinery and techniques such as economies of scale.

**Opportunities**

The Indian textile industry is set for strong growth, buoyed by both strong domestic consumption as well as export demand. The global textile industry will continue to grow along with growing consumption of textile products in developing countries and a gradual economic recovery of major developed economies. India's textile sector is aided by several key advantages, in terms of availability of adequate raw material, entrepreneurial skills, large domestic market, presence of supporting industries and supporting policy initiatives from the government.

**Challenges**

Covid-19 Pandemic, which has not left any part of the world to face it. One side lives are been lost as a result of Pandemic, other largest consequence that the world is facing big downfall in the economy too. The textile sector is also reeling under liquidity and cost pressure due Covid-19. The major challenge that the textile industry is facing is rising production costs, arising out of rising wages and power costs. Currently the Indian textile Industry is going through sluggish phase due to over capacity and Covid-19.

**2. INDUSTRIAL RELATIONS AND HUMAN RESOURCE MANAGEMENT:**

The Company continued to have cordial and harmonious relations with its employees. It considers manpower as its assets and that people had been the driving force for growth of the Company

**3. HEALTH, SAFETY AND SECURITY ENVIRONMENT**

The Company has always been adopting all possible safety measures considering the health and safety of the workers and staff at all levels. This has resulted in improvement in the working environment and motivation among workers and staff.

**4. INFORMATION TECHNOLOGY:**

IT department has continued providing stable, faster & easier platform for the users to do their work with more productivity. Strengthening antivirus & security systems have made users' experience safe & secured. They can concentrate on their own work rather than concerned about security & availability of their data.

**5. CAUTIONARY STATEMENT**

Certain statements in the "Management Discussion and Analysis" section may be forward looking and are stated as required by applicable laws and regulations. Many factors may affect the actual

## **KAKATIYA TEXTILES LIMITED**

results, which could be different from what the Directors' envisage in terms of future performance and outlook.

**By Order of the Board of Directors  
For Kakatiya Textiles Ltd**

**Sd/-  
V Ravindranath  
Chairman & Director  
DIN 00480295**

Place: Tanuku  
Date: 09.08.2021

## KAKATIYA TEXTILES LIMITED

Annexure-IV

### PARTICULARS IN RESPECT OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Information as required under section 134 of the Companies Act, 2013 read with the rule 8(3) of Companies (Accounts) Rules, 2014 is here under:

#### (a) CONSERVATION OF ENERGY

**Steps taken for conservation of energy:** Energy conservation signifies how effectively and efficiently the company is managing its operations. The Company has undertaken various energy efficient practices and strengthened the Company's commitment towards becoming an environment friendly organization. The Company cautiously utilizes power and fuel to reduce the cost of maintenance.

#### (b) TECHNOLOGY ABSORPTION

- (i) The efforts made towards technology absorption: NA
- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution: NA
- (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): NA
- (a) The details of technology imported: NA
- (b) The year of import: NA
- (c) Whether the technology been fully absorbed: NA
- (d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: NA
- (iv) The expenditure incurred on Research and Development: NA

#### (c) FOREIGN EXCHANGE EARNINGS AND OUTGO

S. No	Particulars	Rs. In Mn	
		2020-2021	2019-2020
1	Earnings	Nil	Nil
2	Outgo	Nil	Nil

By Order of the Board of Directors  
For Kakatiya Textiles Ltd

Sd/-  
V Ravindranath  
Chairman & Director  
DIN 00480295

Place: Tanuku  
Date: 09.08.2021

# KAKATIYA TEXTILES LIMITED

## INDEPENDENT AUDITOR'S REPORT

To  
THE MEMBERS OF  
KAKATIYA TEXTILES LIMITED

### Report on the Audit of the Standalone Ind AS Financial Statements:

#### Opinion

We have audited the accompanying standalone Ind AS financial statements of **M/s. KAKATIYA TEXTILES LIMITED** ("the Company"), which comprise the balance sheet as at 31<sup>st</sup> March 2021, the statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the statement of Cash Flows ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 (financial position) of the Company as at 31<sup>st</sup> March 2021, and its loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

#### Basis for Opinion

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

#### Key Audit Matters

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

*We have determined that there are no key audit matters to communicate in our report."*

#### Information other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial

## KAKATIYA TEXTILES LIMITED

statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management and Those Charged with Governance 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 financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists

## KAKATIYA TEXTILES LIMITED

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

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

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. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication

### **Report on Other Legal and Regulatory Requirements:**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
  - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of changes in Equity and Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
  - d. In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

## KAKATIYA TEXTILES LIMITED

- e. On the basis of written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021, from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013.
- f. With respect to the adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

- 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 our opinion and to the best of our information and according to the explanations given to us
  - i. The Company does not have any pending litigations which would impact its financial position as on reporting date.
  - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which required to be transferred, to the Investor Education and Protection Fund by the Company.

For **CHEVUTURI ASSOCIATES**  
Chartered Accountants  
Firm Reg. No.000632S

Place: Tanuku  
Date: 28<sup>th</sup> June, 2021

**Sd/-**  
**CA. Rajitha Vemuri**  
Partner  
M.No. 228471  
UDIN: 21228471AAAAAI7941



## KAKATIYA TEXTILES LIMITED

### Annexure-A to the Independent Auditors' Report

The Annexure referred to in Paragraph 1 under the heading of "Report on other Legal and Regulatory Requirements" of our report of even date to the members of **Kakatiya Textiles Limited** for the year ended 31<sup>st</sup> March 2021. We report that:

- (i). (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) According to the information and explanations furnished to us, the company has physically verified its fixed assets during the period and such intervals which in our opinion, provided for the physical verification of all the Fixed Assets at reasonable interval having regard to the size of the company and nature of its business. According to the information and explanation given to us, no material discrepancies have been noticed on such verification carried out during the period.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii). According to the information and explanations furnished to us, the company has physically verified its inventories at reasonable intervals during the period under report. In our opinion and according to information and explanation given to us, the discrepancies if any noticed on verification of inventories between the physical stocks and the book records were not material, and have been properly dealt with in the books of account.
- (iii). According to the information and explanations furnished to us, the company has not granted any loans, secured or unsecured to companies, firms, LLP or other parties covered in register maintained under Section 189 of the Companies Act 2013. Consequently, paragraph 3 iii (a), (b) and (c) of the order are not applicable to the Company.
- (iv). According to the information and explanations furnished to us, the company has not given any loan, made any investment, given any guarantee, or provided any security covered under section 185 and 186 of the Companies Act, 2013. Hence reporting under clause (iv) of the Order is not applicable.
- (v). According to the information and explanations given to us, the company has not accepted any deposits covered under the provisions of section 73 to 76 or any other relevant provisions of the Act. Further, according to the information furnished to us, no order has been passed on the company by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal for non-compliance with the provisions of Sections 73 to 76 of the Companies Act, 2013.
- (vi). We have broadly reviewed the books of account and records maintained by the company pursuant to the rules made by the Central Government for the maintenance of Cost Records under the section 148 of the Companies Act, 2013 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained
- (vii). (a) According to the information and explanations furnished to us and according to the books and records produced for our examination, in our opinion, the company is regular in depositing with the appropriate authorities, the undisputed statutory dues including Provident Fund, Employees' State insurance, Income Tax, Sales Tax, Service Tax, Goods and Service tax, Custom Duty, Excise duty, Value added tax, Cess and other material statutory dues wherever applicable to it and further there are no undisputed statutory dues that were outstanding, as at the date of the Balance Sheet, for a period of more than six months from the date they became payable.
- (b) According to the information and explanations furnished to us and according to the records of

## KAKATIYA TEXTILES LIMITED

the company, the company has no disputed dues on account of Provident Fund, Employees' State insurance, Income Tax, Sales Tax, Service Tax, Goods and Service tax, Custom Duty, Excise duty, Value added tax, Cess and other material statutory dues pending remittance as at March 31, 2021.

- (viii). According to the information and explanations given to us, there were no defaults in repayment of dues to financial institutions, banks, government or debenture holders at the date of balance sheet.
- (ix). According to the information and explanations given to us, the company has not raised money by way of initial public offer or further public offer (including debt instrument) and the term loans from Banks and Financial Institutions have been applied for the purposes for which they were obtained.
- (x). According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi). According to the information and explanations furnished to us, the company has not paid or provided managerial remuneration during the period. Hence reporting requirement in terms of Clauses (xi) does not arise during the period under report.
- (xii). In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii). According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Indian accounting standards.
- (xiv). According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv). According to the information and explanations furnished to us, the company has not entered in to any non-cash transactions with directors or persons connected with him. Hence provisions of Section 192 of the Companies Act, 2013 are not applicable.
- (xvi). According to the information and explanations furnished to us, the company is not required to be registered under the section 45-IA of the Reserve Bank of India Act, 1934

Place: Tanuku  
Date: 28<sup>th</sup> June, 2021

For **CHEVUTURI ASSOCIATES**  
Chartered Accountants  
Firm Reg. No.000632S

**Sd/-**  
**CA. Rajitha Vemuri**  
**Partner**  
**M.No. 228471**  
**UDIN: 21228471AAAAAI7941**

## **KAKATIYA TEXTILES LIMITED**

### **Annexure-B to the Independent Auditors' Report**

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

We have audited the internal financial controls over financial reporting of **KAKATIYA TEXTILES LIMITED** ("the Company") as of 31<sup>st</sup> March 2021 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Auditors' Responsibility**

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

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

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

#### **Meaning of Internal Financial Controls over Financial Reporting**

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

## KAKATIYA TEXTILES LIMITED

company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Tanuku  
Date: 28<sup>th</sup> June, 2021

For **CHEVUTURI ASSOCIATES**  
Chartered Accountants  
Firm Reg. No.000632S

**Sd/-**  
**CA. Rajitha Vemuri**  
**Partner**  
**M.No. 228471**  
**UDIN: 21228471AAAAAI7941**

# KAKATIYA TEXTILES LIMITED

## BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2021

(₹ in Lakhs)

PARTICULARS	Note No.	As at March 31,2021	As at March 31,2020
<b>A. ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
(a) Property, plant and equipment	3	1095.23	1106.67
(b) Capital work-in-progress	3	41.67	56.94
(c) Deferred tax asset (Net)	4	297.95	297.95
(d) Income tax assets (net)		4.02	3.86
(e) Other non-current assets	5	86.43	108.00
<b>TOTAL NON-CURRENT ASSETS</b>		<b>1525.30</b>	<b>1573.42</b>
<b>CURRENT ASSETS</b>			
(a) Inventories	6	544.13	293.04
(b) Financial assets			
(i) Trade Receivables	7	73.20	63.80
(ii) Cash and cash equivalents	8	3.17	8.45
(iii) Bank balances other than (ii) above	9	5.81	5.81
(iv) Other financial assets	10	31.05	82.15
(c) Other current assets	11	130.54	130.05
<b>TOTAL CURRENT ASSETS</b>		<b>787.90</b>	<b>583.30</b>
<b>TOTAL ASSETS</b>		<b>2313.20</b>	<b>2156.72</b>
<b>B. EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity share capital	12	578.54	578.54
(b) Other equity	13	(2236.85)	(2181.98)
<b>TOTAL EQUITY</b>		<b>(1658.31)</b>	<b>(1603.44)</b>
<b>NON-CURRENT LIABILITIES</b>			
(a) Financial liabilities			
(i) Borrowings	14	2605.00	2605.00
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>2605.00</b>	<b>2605.00</b>
<b>CURRENT LIABILITIES</b>			
(a) Financial liabilities			
(i) Trade payables	15	253.12	26.12
(ii) Other financial liabilities	16	0.00	0.35
(b) Provisions	17	64.24	70.98
(c) Other current liabilities	18	1049.15	1057.71
<b>TOTAL CURRENT LIABILITIES</b>		<b>1366.51</b>	<b>1155.16</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2313.20</b>	<b>2156.72</b>
Corporate Information Significant accounting policies	1 2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date  
For **Chevuturi Associates**  
Chartered Accountants

Regn.No.000632S

**Sd/-**  
**(CA Ranjita Vemuri)**  
Partner  
ICAI M.No.228471

Place: Tanuku  
Date: 28.06.2021

For and on behalf of Board  
**Kakatiya Textiles Limited**

**Sd/-**  
**Vanka Raja Kumari**  
Director  
DIN .00480392

**Sd/-**  
**N. Hanumantha Rao**  
Chief Financial Officer

**Sd/-**  
**Vanka Ravindranath**  
Director  
DIN .00480295

**Sd/-**  
**Peeyush Sethia**  
Company Secretary

**KAKATIYA TEXTILES LIMITED**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2021**

(₹ in Lakhs)

PARTICULARS	Note No.	Year ended March 31,2021	Year ended March 31,2020
I Revenue from operations	19	1809.28	2419.77
II Other income	20	13.26	6.34
<b>III Total Income(I+II)</b>		<b>1822.54</b>	<b>2426.11</b>
<b>IV EXPENSES</b>			
Cost of materials consumed	21	945.38	1789.65
Purchases of stock-in-trade		325.51	64.57
Changes in inventories of finished goods, stock-in-trade and work-in-progress Employee	22	(52.68)	(129.95)
Employee benefits expense	23	156.74	231.84
Finance costs	24	0.05	0.34
Depreciation and amortisation expense	3	55.17	54.01
Other expenses	25	447.24	668.17
<b>Total Expenses (IV)</b>		<b>1877.41</b>	<b>2678.63</b>
<b>V Profit before tax (III -IV)</b>		<b>(54.87)</b>	<b>(252.52)</b>
VI Tax expense			
(i) Current tax		-	-
(ii) Deferred tax (credit) /expense		-	-
<b>Total Tax expense (VI) VII</b>		<b>-</b>	<b>-</b>
<b>Profit for the year (V -VI)</b>		<b>(54.87)</b>	<b>(252.52)</b>
VIII Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss:			
(a) Remeasurements of the defined benefit plans		-	-
(b) Equity instruments through other comprehensive income		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
<b>Total Other Comprehensive (Loss) / Income [(i)+(ii)]</b>		<b>-</b>	<b>-</b>
<b>IX Total comprehensive income for the year (VII +VIII)</b>		<b>(54.87)</b>	<b>(252.52)</b>
Earnings per share (of ₹ 10/- each):			
Basic and Diluted (₹)		<b>(0.95)</b>	<b>(4.36)</b>
Corporate Information			
Significant accounting policies	1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date  
For **Chevuturi Associates**  
Chartered Accountants  
Regn.No.000632S

**Sd/-**  
**(CA Ranjita Vemuri)**  
Partner  
ICAI M.No.228471

Place: Tanuku  
Date: 28.06.2021

For and on behalf of Board  
**Kakatiya Textiles Limited**

**Sd/-**  
**Vanka Raja Kumari**  
Director  
DIN .00480392

**Sd/-**  
**N. Hanumantha Rao**  
Chief Financial Officer

**Sd/-**  
**Vanka Ravindranath**  
Director  
DIN .00480295

**Sd/-**  
**Peeyush Sethia**  
Company Secretary

# KAKATIYA TEXTILES LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2021

(₹ in Lakhs)

PARTICULARS	Year ended 31.03.2021	Year ended 31.03.2020
<b>I CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax & extraordinary items Adjustments for	(54.87)	(252.52)
Depreciation	55.17	54.01
Finance Cost	0.05	0.34
(Profit) / Loss on Sale of Assets	0.00	2.12
Interest Income	(4.02)	(6.05)
<b>Operating profit before working capital changes</b>	<b>(3.67)</b>	<b>(202.10)</b>
<u>Movements in working capital</u>		
<u>Adjustments for (increase)/decrease in operating assets:</u>		
Trade receivables	(9.40)	108.34
Inventories	(251.09)	60.31
other current assets	50.61	(54.34)
<u>Adjustments for increase/(decrease) in operating liabilities:</u>		
Trade payables	227.00	(266.44)
Other liabilities	(8.91)	456.69
Provisions	(6.74)	(0.63)
<b>Cash generated from operations</b>	<b>(2.20)</b>	<b>101.83</b>
Less: Direct taxes paid	-	-
<b>Net cash from operating activities (A)</b>	<b>(2.20)</b>	<b>101.83</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(30.26)	(34.35)
Proceeds from sale of property, plant and equipment	1.80	12.55
Increase in other non current assets	21.41	(10.07)
Interest Received	4.02	6.05
<b>Net cash from Investing activities (B)</b>	<b>(3.03)</b>	<b>(25.82)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from borrowings	0.00	(69.85)
Interest and finance charges	(0.05)	(0.34)
<b>Net cash from financing activities (C)</b>	<b>(0.05)</b>	<b>(70.19)</b>
Net increase / (decrease) in cash and cash equivalents (A+B+C)	<b>(5.28)</b>	<b>5.82</b>
Cash and cash equivalents at the beginning of the period	8.45	2.63
Cash and cash equivalents at the end of the period	3.17	8.45
<b>Net increase / decrease in cash and cash equivalents</b>	<b>(5.28)</b>	<b>5.82</b>

As per our report of even date  
For **Chevuturi Associates**  
Chartered Accountants  
Regn.No.000632S

**Sd/-**  
**(CA Ranjita Vemuri)**  
Partner  
ICAI M.No.228471  
Place: Tanuku  
Date: 28.06.2021

For and on behalf of Board  
**Kakatiya Textiles Limited**

**Sd/-**  
**Vanka Raja Kumari**  
Director  
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Chief Financial Officer

**Sd/-**  
**Vanka Ravindranath**  
Director  
DIN .00480295

**Sd/-**  
**Peeyush Sethia**  
Company Secretary

## KAKATIYA TEXTILES LIMITED

### **STATEMENT ON ACCOUNTING POLICIES AND NOTES ON ACCOUNTS**

#### **1. Corporate Information:**

Kakatiya Textiles Limited is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956 vide CIN NO: L18100AP1981PLC104439. Its shares are listed on Bombay Stock Exchange in India. The company is engaged in the manufacture and sale of cotton yarn.

#### **2. Statement on Accounting Policies**

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 and guidelines issued by the Securities and Exchange Board of India (SEBI).

The accounting policies are applied consistently to all the periods presented in the financial statements.

##### **a) Basis of preparation of financial statements**

The financial statement has been prepared on the historical cost convention under accrual basis of accounting except for certain financial assets and liabilities (as per the accounting policy below), which have been measured at fair value. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

##### **b) Use of Estimates:**

The preparation of financial statements requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. The management believes that these estimates and assumptions are reasonable and prudent. However, actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in the current and future period.

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in the relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

##### **c) Revenue Recognition:**

Revenue is measured at the fair value of the consideration received or receivable and net of returns, trade allowances rebates and amounts collected on behalf of third parties. It includes Excise Duty but excludes Value Added Tax, Sales Tax, GST and Service tax.

Effective from 1st April 2018, the Company adopted Ind AS 115-"Revenue from contracts with customers" and applied prospectively contracts with customers, existing as on 1st April 2018. The applicability of Ind AS 115 did not have any significant impact on recognition and measurement of revenue and related items in the financial results of the company.

##### **Sale of products:**

Revenue from sale of products is recognized, when significant risks and rewards of ownership pass to the dealer / customer, as per terms of contract and it is probable that the economic benefits associated with the transaction will flow to the Company.



## KAKATIYA TEXTILES LIMITED

Interest on investments and deposits is booked on a time proportion basis taking into account the amounts invested and the rate of interest when no significant uncertainty as to measurability or collectability exists.

Revenue from sale of assets is recognized upon delivery, which is when title passes to the customer.

### **d) Property, Plant and Equipment**

Freehold Land is carried at historical cost. All other items of Property Plant and Equipment are stated at cost of acquisition or construction less accumulated depreciation / amortization and impairment, if any. Cost includes purchase price, taxes and duties, labour cost and directly attributable overheads incurred up to the date the asset is ready for its intended use. However, cost excludes Excise Duty, Value Added Tax and Service Tax, to the extent credit of the duty or tax is availed of.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as separate asset is de-recognized when replaced. All other repairs and maintenance are charged to Profit or Loss during the reporting period in which they are incurred.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/ (losses).

### **e) Depreciation and amortization**

Depreciation on tangible assets is provided on the straight-line method over the useful lives of assets in the manner prescribed in Schedule II of the Companies Act, 2013. Depreciation for assets purchased / sold during a period is proportionately charged. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, commencing from the date the asset is available to the Company for its use.

### **f) Inventories:**

Inventories are stated at the lower of cost and net realizable value. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and cost necessary to make the sale.

i) Cost of raw materials, components, stores, spares and work-in-process are valued at cost, determined on a first-in-first-out basis.

ii) By-products and scrap are valued at net realizable value and it is reduced from cost of the main product.

### **g) Borrowing Costs:**

Borrowing costs incurred in connection with the funds borrowed for acquisition/erection of assets that necessarily take substantial period of time to get ready for intended use, are capitalized as part of such assets. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalization. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowings costs. All other borrowing costs are charged to revenue.

### **h) Employee Benefits**

#### **(i) Gratuity**

In accordance with The Payment of Gratuity Act, 1972 The Company provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees. The Gratuity

## KAKATIYA TEXTILES LIMITED

Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company

Gratuity benefits are managed through the Group Gratuity Scheme of LIC. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each Balance Sheet date using the projected unit credit method.

The liability or asset recognized in the balance sheet in respect of defined benefit pension and gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by Actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on the Government Bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income (net-off deferred tax). They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost

### **(ii) Provident Fund and Employees' state Insurance Scheme:**

Eligible employees of The Kakatiya Textiles Limited receive benefits from a provident fund and Employees' State Insurance scheme which is a defined benefit plan. Both the eligible employee and the company make monthly contributions to the Provident Fund and Employees' State Insurance equal to a specified percentage of the covered employee's salary.

### **i) Foreign Exchange Transactions:**

- i)** Transactions in foreign currency are initially accounted at exchange rate prevailing on the date of transaction, and adjusted appropriately, with the difference in the rate of exchange arising on actual receipt/payment during the period under report.
- ii)** At each Balance Sheet date foreign currency monetary items being receivables/payables are reported using the rate of exchange on that date and difference is recognized as income or expense. Foreign currency non-monetary items are reported using the exchange rate at which they were initially recognized.
- iii)** In respect of forward exchange contracts in the nature of hedges. Premium or discount on the contract is amortized over the term of the contract. Exchange differences on the contract are recognized as profit or loss in the period in which they arise.

### **j) Income Taxes:**

Income tax expense comprises current and deferred taxes.

- i)** Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.
- ii)** Deferred tax is recognized under the liability method, on timing differences, being the

## KAKATIYA TEXTILES LIMITED

difference between taxable income and accounting income that originate in one period and capable of reversal in one or more subsequent periods, at the rate of tax enacted or substantively enacted by the balance sheet date.

### **k) Provisions, Contingent Liabilities and Contingent assets:**

#### **i) Provision:**

A provision is recorded when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated. The estimated liability for product warranties is recorded when products are sold based on technical evaluation.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. Provisions are discounted when time value of money is material. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expenses.

#### **ii) Contingent liabilities:**

Wherever there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognized because (a) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or (b) the amount of the obligation cannot be measured with sufficient reliability. Show cause notices are not considered as Contingent Liabilities unless converted into demand.

#### **iii) Contingent assets:**

Contingent assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

### **l) Earnings per Share:**

The Basic EPS is calculated by dividing profit or loss from continuing operations attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the period as per IND AS-33, Earnings per Share.

The diluted EPS of an entity is calculated on the same basis as basic EPS, after adjusting for the effects of dilutive potential ordinary shares unless the effect of the potential dilutive equity shares is anti-dilutive.

### **m) Cash and Cash equivalents**

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

### **n) Cash flow statement:**

Cash flows are reported using the indirect method, whereby the profit for the period is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the

## KAKATIYA TEXTILES LIMITED

company are segregated.

**o) Government Grants:**

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Grants related to revenue items are presented as part of profit or loss under general heading such as other income or they are deducted in reporting the related expenses.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the company with no future related costs are recognized in profit or loss in the period in which they become receivable.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

## NOTE No.2 PROPERTY, PLANTANDEQUIPMENT

(₹ in Lakhs)

Particular	Land - Freehold	Non Factory Buildings	Factory Buildings	Plant & Machinery	Electrical Installations	Furniture & Fixtures	Computers	Vehicles	Total	Capital Work in Progress*
Gross Carrying Amount As at 01.04.2019	11.86	226.61	246.23	1880.54	225.13	29.65	15.11	46.61	2681.74	56.94
Additions	-	7.61	-	37.79	-	0.08	0.05	-	45.53	30.14
Disposals / Transfers	-	-	-	1.80	-	-	-	-	1.80	45.41
Gross Carrying Amount As at 31.03.2020	11.86	234.22	246.23	1916.53	225.13	29.73	15.16	46.61	2725.47	41.67
Accumalated Depreciation As at 01.04.2019	-	35.49	210.93	1112.57	153.30	26.09	13.86	22.93	1575.07	-
Depreciation charged for the year	-	3.70	8.22	33.80	3.05	0.89	0.32	5.19	55.07	-
Disposals / Transfers	-	-	-	-	-	-	-	-	-	-
Accumalated Depreciation As at 31.03.2020	-	39.19	219.15	1146.37	156.25	26.98	14.18	28.12	1630.24	-
Net Carrying Amount										
As at31.03.2020	11.86	191.12	35.30	767.97	71.93	3.56	1.25	23.68	1106.67	56.94
As at31.03.2021	11.86	195.03	27.08	770.16	68.88	2.75	0.98	18.49	1095.23	41.67

**KAKATIYA TEXTILES LIMITED**

(₹ in Lakhs)

Note No.	Schedules Annexed to and Forming Part of Balance Sheet	As at 31st March, 2021	As at 31st March, 2020
<b>4</b>	<b><u>DEFERRED TAX ASSET (Net):</u></b>		
	Depreciation	(26.92)	(26.92)
	Losses	309.94	309.94
	Others	14.93	14.93
		<b>297.95</b>	<b>297.95</b>
<b>5</b>	<b><u>OTHER NON-CURRENT ASSETS:</u></b>		
	Unsecured considered good:		
	Deposits with Govt authorities	76.91	98.48
	Capital advances	9.52	9.52
		<b>86.43</b>	<b>108.00</b>
<b>6</b>	<b><u>INVENTORIES:</u></b> (at lower of cost and net realisable value)		
	(a) Raw materials and bought-outcomponents	219.84	14.30
	(b) Work-in-progress	81.40	37.61
	(c) Finishedgoods		
	Cotton Yarn	171.29	174.68
	Cotton Waste	16.37	4.07
	(d) Stores and spares (including secondary packingmaterial)	55.23	62.38
	(e) Good in transit	0.00	0.00
		<b>544.13</b>	<b>293.04</b>
<b>7</b>	<b><u>TRADE RECEIVABLES:</u></b>		
	(Unsecured -considered good)		
	Exceeding Six Months	-	-
	Others	73.20	63.80
		<b>73.20</b>	<b>63.80</b>
<b>8</b>	<b><u>CASH &amp; CASH EQUIVALENTS:</u></b>		
	Cash in hand	0.07	0.43
	Balances with Banks		
	-In Current Accounts	3.10	8.02
	-Fixed Deposits	-	-
		<b>3.17</b>	<b>8.45</b>
<b>9</b>	<b><u>BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS</u></b>		
	Balances with Banks		
	Held as margin / Fixed Deposits	5.81	5.81
		<b>5.81</b>	<b>5.81</b>

## KAKATIYA TEXTILES LIMITED

		(₹ in Lakhs)			
Note No.	Schedules Annexed to and Forming Part of Balance Sheet	As at 31st March, 2021	As at 31st March, 2020		
<b>10</b>	<b><u>OTHER CURRENT FINANCIAL ASSETS:</u></b> <b><u>Unsecured, considered good unless stated otherwise</u></b>				
	Prepaid Expenses	1.85	2.38		
	Employee related Advances	3.05	3.22		
	Advance for purchase of Raw Material	6.90	14.00		
	Advance for purchase of stores	13.21	20.91		
	Advance for Expenses	4.73	5.41		
	Other Advances	1.31	36.23		
		<b>31.05</b>	<b>82.15</b>		
<b>11</b>	<b><u>OTHER CURRENT ASSETS:</u></b> <b><u>Unsecured, considered good unless stated otherwise</u></b>				
	Interest accrued on fixed deposits	2.59	2.10		
	Receivable on account of sale of Machinery	58.32	58.32		
	Receivable on account of Indirect income	6.19	6.19		
	Receivable on account of VAT	63.44	63.44		
		<b>130.54</b>	<b>130.05</b>		
<b>12</b>	<b><u>SHARE CAPITAL:</u></b>				
	i) Authorised Sharecapital				
	65,00,000 (65,00,000) Equity Shares of ₹ 10/- each	650.00	65000000		
	5,00,000 (5,00,000) 1% Cumulative Redeemable Preference Shares of ₹ 100/- each.	500.00	50000000		
		<b>1150.00</b>	<b>115000000</b>		
	ii) Issued, Subscribed & Paid Up Capital				
	58,10,600 (58,10,600) Equity shares of ₹ 10/- each	581.06	58106000		
	Less: Calls in arrears	2.52	252500		
		<b>578.54</b>	<b>57853500</b>		
<b>Reconciliation of number of shares outstanding at the beginning and at the end of the year:</b>					
		Asat 31.03.2021		As at 31.03.2020	
		₹ lakhs	No. of shares	₹ lakhs	No. of shares
	No. of equity shares outstanding at the beginning of the year	581.06	58,10,600	581.06	58,10,600
	Add: Additional shares / Bonus shares issued	-	-	-	-
	Less: Shares forfeited / Bought back	-	-	-	-
	No. of equity shares outstanding at the end of the year	<b>581.06</b>	<b>58,10,600</b>	<b>581.06</b>	<b>58,10,600</b>

## KAKATIYA TEXTILES LIMITED

### Details of shares held by shareholders holding more than 5% of shares

Name of the Shareholders	Asat 31.03.2021		As at 31.03.2020	
	No.of shares	% of holding	No. of shares	% of holding
<b>Equity Capital</b>				
Shri Vanka Ravindra Nath	7,47,603	12.87	7,47,603	-
Smt Vanka Raja Kumari	7,33,203	12.62	7,33,203	-
Shri Vanka Raghuveer	7,33,203	12.62	7,33,203	-
Ms. VankaRavali	7,33,203	12.62	7,33,203	-

(₹ in Lakhs)

Note No.	Schedules Annexed to and Forming Part of Balance Sheet	As at 31st March, 2021	As at 31st March, 2020
<b>13</b>	<b>OTHER EQUITY:</b>		
	i) General reserve		
	Opening Balance	17.50	1750000
	Add:Additions	-	-
	Less:Utilised/transferred	-	-
	<b>Closing Balance (A)</b>	<b>17.50</b>	<b>1750000</b>
	ii) Surplus/(Deficit) in Statement of profit and loss		
	Opening Balance	(2199.48)	(194696158)
	Add: Net Loss transferred from statement of Profit & Loss	(54.87)	(25252057)
	<b>Closing Balance (B)</b>	<b>(2254.35)</b>	<b>(219948215)</b>
	<b>(A+B)</b>	<b>(2236.85)</b>	<b>(218198215)</b>
<b>14</b>	<b>NON-CURRENT BORROWINGS</b>		
	a) HDFC Bank VehicleLoan	-	-
	<b>Note:</b>		
	The above loan was primarily secured by hypothecation of Specific assets purchased out of above finance.		
	<b>Terms &amp; Conditions</b>		
	AmountSanctioned : 13.70		
	No. of Installments : 47		
	RateofInterest : 10.00%		
	(The company is regular in repayment of installment amountson		
	c) Unsecured Loans		
	i) Inter CorporateLoan	2105.00	2105.00
	d) PreferenceShares	500.00	500.00
		<b>2605.00</b>	<b>2605.00</b>
<b>15</b>	<b>TRADE PAYABLES:</b>		
	i) Due to Micro, Small & Medium Enterprises	-	-
	ii) Others	253.12	26.12
		<b>253.12</b>	<b>26.12</b>



## KAKATIYA TEXTILES LIMITED

(₹ in Lakhs)			
Note No.	Schedules Annexed to and Forming Part of Balance Sheet	As at 31st March, 2021	As at 31st March, 2020
<b>16</b>	<b><u>OTHER CURRENT FINANCIAL LIABILITIES</u></b>		
	Current maturities of Long term Debt	0.00	0.35
		<b>0.00</b>	<b>0.35</b>
<b>17</b>	<b><u>CURRENT PROVISIONS</u></b>		
	Bonus Payable	4.48	6.00
	Gratuity payable	59.76	64.98
		<b>64.24</b>	<b>70.98</b>
<b>18.</b>	<b><u>OTHER CURRENT LIABILITIES:</u></b>		
	i) Other Payables		
	a) Advance from customers	894.49	903.18
	b) Statutory Liabilities	17.18	10.85
	c) Employee related payables	22.49	29.15
	d) Creditors for Capital Goods	0.00	0.00
	e) Creditors for Commission	23.94	42.31
	f) Creditors for Expenses	91.05	72.22
		<b>1049.15</b>	<b>1057.71</b>
<b>19</b>	<b><u>REVENUE FROM OPERATIONS:</u></b>		
	a) Sale of Products:	1809.28	2394.31
	b) Other Operating Revenues:	0.00	25.46
		<b>1809.28</b>	<b>2419.77</b>
<b>20.</b>	<b><u>OTHER INCOME:</u></b>		
	Interest Income	4.02	5.98
	Interest Income on Income Tax refunds	-	0.07
	Gain from Sale of Fixed Asset	-	0.00
	Credit balances written Off	8.53	0.29
	Misc Income	-	-
	Scrap Sales	0.71	-
		<b>13.26</b>	<b>6.34</b>
<b>21</b>	<b><u>COST OF MATERIALS CONSUMED:</u></b>		
	Opening Stock of Cotton Lint	14.30	211.70
	Add: Purchases	1150.92	1592.25
	Less: Closing Stock of Cotton Lint	219.84	14.30
		<b>945.38</b>	<b>1789.65</b>
<b>22</b>	<b><u>CHANGE IN INVENTORIES OF FINISHED GOODS WORK-IN-PROCESS &amp; STOCK IN TRADE:</u></b>		
	<b><u>Inventories at the beginning of the year</u></b>		
	Finished Goods	174.68	27.53
	Stock-in-Process	37.61	46.57
	Process waste	4.07	12.31
		<b>216.36</b>	<b>86.41</b>
	<b><u>Inventories at the end of the year</u></b>		
	Finished Goods	171.29	174.68
	Stock-in-Process	81.39	37.61
	Process waste	16.36	4.07
		<b>269.04</b>	<b>216.36</b>
		<b>(52.68)</b>	<b>(129.95)</b>

**KAKATIYA TEXTILES LIMITED**

(₹ in Lakhs)

Note No.	Schedules Annexed to and Forming Part of Balance Sheet	As at 31st March, 2021	As at 31st March, 2020
<b>23</b>	<b><u>EMPLOYEE BENEFIT EXPENSES:</u></b>		
	Salaries,Wages and Bonus	140.58	200.30
	Contributions to Provident fund and other funds	9.60	14.03
	Gratuity Fund Contribution	0.00	6.50
	Welfare Expenses	6.56	11.01
		<b>156.74</b>	<b>231.84</b>
<b>24</b>	<b><u>FINANCE COST:</u></b>		
	Interest Paid toBanks		
	On Vehicle Loans	0.00	0.30
	Interest paid to Others	0.05	0.04
		<b>0.05</b>	<b>0.34</b>
<b>25</b>	<b><u>OTHER EXPENSES:</u></b>		
	Stores and spares Consumed	76.25	82.85
	Power & Fuel	212.23	374.36
	Taxes & Licences	12.77	12.68
	Repairs & Maintenance		
	- Factory Building	1.29	0.28
	- Plant & Machinery	97.95	133.58
	- Others	0.14	0.10
	Selling expenses	12.87	28.11
	Payment to Auditors	0.25	0.33
	Professional charges	7.30	4.89
	Insurance	2.96	3.56
	Postage,Telephone & Printing	1.08	1.93
	Traveling & Conveyance Expenses	0.21	0.75
	Others	21.94	22.63
	Loss on sale of assets	0.00	2.12
		<b>447.24</b>	<b>668.17</b>

## KAKATIYA TEXTILES LIMITED

### 26. Auditors Remuneration:

Particulars	31.03.2021	31.03.2020
Auditors Remuneration:		
As Statutory Auditors	0.25	0.30
Reimbursement of expenses	0.00	0.03
	<b>0.25</b>	<b>0.33</b>

### 27. Earnings Per Share (E.P.S) -AS-20:

(₹ in Lakhs)

Particulars	31.03.2021	31.03.2020
i) Net Profit attributable to the ordinary shareholders for Basic & Diluted Earnings per Share (Before Extra-ordinary items)	(54.87)	(252.52)
ii) Net Profit attributable to the ordinary shareholders for Basic & Diluted Earnings per Share (After Extra-ordinary items)	(54.87)	(252.52)
ii) No. of ordinary shares	5784950	5785350
iii) Nominal value pershare(₹)	10	10
iv) Weighted average No of equityshares	5784950	5785350
v) Basic & Diluted Earnings per Share(₹) (Before Extra-Ordinary items)	(0.95)	(4.36)
v) Basic & Diluted Earnings per Share(₹) (After Extra-ordinary items)	(0.95)	(4.36)

### 28. Particulars disclosed pursuant to "Ind AS-24 Related Party Disclosures".

- a) Key Management Personnel  
Smt. Vanka Raja Kumari Director  
Sri. Vanka Ravindranath Director
- b) Relatives of Key Management Personnel  
Sri. Vanka Raghuv eer  
Ms. Vanka Ravali
- c) Companies controlled by Key Management Personnel:  
Indian Hair Industries Private Limited  
RK Hair Products Private Limited  
Ravali Spinners Private Limited  
SVR Spinning Mills Private Limited  
Raghuv eer Infra & Fashions Private Limited

## KAKATIYA TEXTILES LIMITED

Related Party Disclosure (as certified by the Management)

(₹ in Lakhs)

Sl. No.	Nature of transaction	Key Management Personnel		Relatives of Key Management Personnel		Companies / firms controlled by KMP / Relatives of KMP	
		2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
<b>1</b>	<b>Sale of goods &amp; Stores to</b>						
	---- SVR Spinning Mills Pvt Ltd	--	--	--	--	--	0.73
	---- Ravali Spinners Pvt Ltd	--	--	--	--	305.70	66.77
<b>2</b>	<b>Purchase of Goods, Packing Material &amp; Stores from</b>						
	---- SVR Spinning Mills Pvt Ltd	--	--	--	--	2.97	22.04
	---- Ravali Spinners Pvt Ltd	--	--	--	--	452.97	394.78
<b>3</b>	<b>Remuneration paid to KMP</b>						
	---- Peeyush Sethia	2.88	--	--	--	--	--
	<b>Balances as at 31.03.2021</b>						
	<b>Share capital of the company held by</b>						
<b>4</b>	<b>Equity Share Capital</b>						
	Shri Vanka Ravindra Nath	74.76	74.76	--	--	--	--
	Smt Vanka Raja Kumari	73.32	73.32	--	--	--	--
	Shri Vanka Raghuv eer	--	--	73.32	73.32	--	--
	Ms. Vanka Ravali	--	--	73.32	73.32	--	--
	<b>Preference Share Capital</b>						
	Shri Vanka Ravindra Nath	125.00	125.00	--	--	--	--
	Smt Vanka Raja Kumari	125.00	125.00	--	--	--	--
	Shri Vanka Raghuv eer	--	--	125.00	125.00	--	--
	Ms. Vanka Ravali	--	--	125.00	125.00	--	--
<b>5</b>	<b>Amount due to</b>						
	---- Ravali Spinners Pvt Ltd (Net)	--	--	--	--	864.31	900.52
	---- SVR Spinning Mills Pvt Ltd (Net)	--	--	--	--	28.15	--
	---- Raghuv eer Infra & Fashions Pvt Ltd	--	--	--	--	2105.00	2105.00
<b>6</b>	<b>Amount due from</b>						
	---- SVR Spinning Mills Pvt Ltd (Net)	--	--	--	--	--	0.32
	---- Indian Hair Industries Pvt Ltd	--	--	--	--	--	35.00

## KAKATIYA TEXTILES LIMITED

29. Disclosure on payments and dues to "suppliers" as defined under the "Micro, Small and Medium Enterprises Development Act, 2006" ("The Act").

	<b>Particulars</b>	<b>31-03-2021</b> ₹	<b>31-03-2020</b> ₹
1.	Principal amount due to suppliers under MSMED Act, as at the end of the year Principal amount of bills to be paid.	-NIL-	-NIL-
2.	Interest accrued and due to suppliers under MSMED Act on the above amount as at the end of the year.	-NIL-	-NIL-
3.	Payment made to suppliers (other than interest) beyond the appointed day, during the year	-NIL-	-NIL-
4.	Interest paid to suppliers under MSMED Act (other than Section 16)	-NIL-	-NIL-
5.	Interest paid to suppliers under MSMED Act (Section 16)	-NIL-	-NIL-
6.	Interest due and payable to suppliers under MSMED Act, for payments already made.	-NIL-	-NIL-
7.	Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act (ii) + (iv)	-NIL-	-NIL-

The Company has not received intimation from suppliers regarding the status under Micro Small and Medium Enterprises Development Act, 2006 and based on the information available with the Company there are no dues to Micro, Small and Medium Enterprises Development Act, 2006.

30. The company operates in one primary segment. i.e., Textiles Hence reporting under Ind AS-108 was not applicable.

31. The previous year's figures have been regrouped / reclassified wherever necessary to conform to the current period presentation.

As per our report of even date  
For **Chevuturi Associates**  
Chartered Accountants  
Regn.No.000632S

**Sd/-**  
**(CA Ranjita Vemuri)**  
Partner  
ICAI M.No.209237  
Place: Tanuku  
Date: 28.06.2021

For and on behalf of Board  
**Kakatiya Textiles Limited**

**Sd/-**  
**Vanka Raja Kumari**  
Director  
DIN .00480392

**Sd/-**  
**N. Hanumantha Rao**  
Chief Financial Officer

**Sd/-**  
**Vanka Ravindranath**  
Director  
DIN .00480295

**Sd/-**  
**Peeyush Sethia**  
Company Secretary



If undelivered please return to :  
**KAKATIYA TEXTILES LIMITED**  
Plot No. 9 & 10, Industrial Estate,  
Tetali, Tanuku, West Godavari - 534218,  
Andhra Pradesh