

37th

ANNUAL REPORT

2020 - 2021



NIWAS
SPINNING MILLS LTD.

NIWAS SPINNING MILLS LIMITED
CIN – L17110PN1984PLC032702

THIRTY SIXTH ANNUAL REPORT AND ACCOUNTS – 2020-2021

BOARD OF DIRECTORS

Shri. V. R. Jaju	Managing Director
Shri. A. V. Jaju	Director
Shri M. R. Daga	Director

REGISTERED & ADMINISTRATIVE OFFICE

406/A, West Mangalwar Peth, Solapur – 413 002.

FACTORIES

B-2/2,
M.I.D.C.
Solapur – 413 006.

AUDITORS

A B N J & Co.
302 Nav Vivek Indl. Estate
Mogal Lane, Behind Johnson & Johnson
Mahim (W), Mumbai – 400 016.

BANKERS

Neelkanth Co-op Bank Ltd.
Vikas Sahakari Bank Ltd.
Canara Bank
K.A.Ichalkaranji Janata Sah. Bank Ltd.

REGISTRAR & TRANSFER AGENT

Purva Sharegistry (India) Pvt Ltd
Unit no. 9, Shiv Shakti Industrial Estate,
J .R. Boricha marg, Opp. Kasturba Hospital Lane,
Lower Parel (E).
Mumbai – 400 011

NOTICE

NOTICE is hereby given that the THIRTY SEVENTH ANNUAL GENERAL MEETING of the shareholders of NIWAS SPINNING MILLS LIMITED will be held on 30TH, the September, 2021 through Video Conferencing (VC) / Other Audio Visual Means (OAVM) at 03.00 p.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Financial Statements of the Company for the year ended 31st March 2021 along with the Reports of the Auditors' and Directors' thereon.
2. To appoint Director in place of Mr. Aditya V. Jaju (DIN: 02625781) who retires by rotation and being eligible, offers himself for re-appointment

SPECIAL BUSINESS:

3. To approve investment by way of subscription, purchase or otherwise, the securities of any other body corporate.
4. **To consider and if thought fit, to pass the following resolution as a SPECIAL RESOLUTION:**

“RESOLVED THAT pursuant to the provisions of Section 186 and other applicable provisions of the Companies Act 2013, if any, and the Rules made there under (including any statutory modification thereof for the time being in force and as may be enacted from time to time) (The ‘Act’), subject to such approvals, consents, sanctions and permissions, as may be necessary, and all other provisions of applicable laws, the consent of the Members be and is hereby accorded/granted for loans already given or investments already made whether within the limits of Section 186 or beyond the limits of Section 186 of the Companies Act, 2013 and to give further loans to any of the Company, to give guarantee or provide security in connection with a loan made by any person to any of the Company, to acquire by way of subscription, purchase or otherwise, the securities of any body corporate upto an aggregate amount not exceeding Rs. 25 Crores (Rupees Twenty Five Crores) including the existing loans / guarantees/securities provided or investments made by the Company, notwithstanding that the aggregate of the loans or guarantees or securities so far given or to be given and/ or securities so far acquired or to be acquired by the Company may collectively exceed the limits prescribed under Section 186 of the Companies Act, 2013.”

“RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, approval of the Company be accorded to the Board of Directors of the Company (hereinafter referred to as Board which expression shall include any committee thereof or persons authorized by the Board) to do all such acts, matters and things and to take all such steps as may be required in this connection and to settle any questions, difficulties or doubts that may arise in this regard and to execute such documents, deeds, writings, papers and/ or agreements as may be required as it may in its absolute discretion, deem fit, necessary or appropriate.”

FOR NIWAS SPINNING MILLS LTD.

PLACE : SOLAPUR

(V. R. Jaju)
Managing Director
DIN : 00081475

DATED : 01/09/2021

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 20/2020 dated May 5, 2020 read with Circular No. 14/2020 dated April 8, 2020, and Circular No. 17/2020 dated April 13, 2020 and Circular No. 02/2021 dated January 13, 2021 issued by the Ministry of Corporate Affairs (MCA) and Circulars dated May 12, 2020 and January 15, 2021 issued by Securities and Exchange Board of India (SEBI), hereinafter collectively referred to as "Circulars", Companies are allowed to conduct the Annual General Meeting (AGM) through Video Conferencing (VC) or Other Audio Visual Means (OAVM) during the calendar year 2020 2021 and hence physical attendance of the Members at the AGM venue is not required. The 37th AGM of the Company shall be conducted through VC/OAVM in accordance with the aforesaid Circulars.
 2. A member entitled to attend and vote at the Meeting is entitled to appoint proxy to attend and vote on poll instead of himself and the proxy need not be a member of the Company. Since this AGM is being held through VC/OAVM pursuant to the Circulars, the facility to appoint proxy to attend and cast vote for the members is not available for this Notice Annual General Meeting and hence the form and attendance slip including route map are not annexed to this notice.. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting. Further, pursuant to 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.
 3. The members can join the AGM in the VC/OAVM mode 15 minutes before and up to 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation of the AGM through VC/OAVM will be made available for 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, the Nomination and Remuneration Committee and the stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
 4. The Register of Members and the Share Transfer books of the Company will remain closed from 23-09-2021 to 30-09-2021 (both days inclusive).
 5. 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
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2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020, and 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/EGM. 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.

6. 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.
 7. In compliance with the aforesaid Circulars, Notice of the AGM along with the Annual Report for the year 2020-21 is being sent through electronic mode to those Members whose e-mail addresses are registered with the Company or their Depository participants. Members who have not yet registered their e-mail addresses are requested to follow the process mentioned below, for registering their e-mail addresses to receive login ID and password for e-voting.
 8. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, and Circular No. 02/2021 dated January 13, 2021, the Notice calling the AGM has been uploaded on the website of the Company at <https://www.niwasmill.com>. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. at www.evotingindia.com.
 9. Members holding shares in physical mode and who have not registered their email addresses with the Company are requested to register their email addresses with the Company's Share Transfer Agent, M/s. Purva Share Registry (India) Pvt. Ltd. at (www.purvashare.com). Members holding shares in Dematerialized mode are requested to register/ update their e-mail addresses with their Depository Participants.
 10. As mandated by the Securities and Exchange Board of India (SEBI) effective April, 2019, requests for affecting transfer of shares (except in case of transmission or transposition of shares) shall not be processed unless the shares are held in a dematerialized form with a depository. Members are advised to dematerialize shares held by them in physical mode.
 11. All documents referred to in Notice calling AGM and Explanatory Statement will be available electronically for inspection by the Members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to niwas_mill@rediffmail.com.
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12. Information required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, with respect to the Director seeking re-appointment at the 337th Annual General Meeting in respect of **Item No. 2. of the Notice and Explanatory Statement of the Special Business pursuant to Section 102 of the Companies Act, 2013, in respect of Item No. 4 of the Notice** are given in the Annexure A.

THE INSTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM/EGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:

- The voting period begins on 27th September, 2021 (9.00 a.m.) and ends on 29th September, 2021 (5.00 pm.) . During this period shareholder's of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 23rd September, 2021 of <Record Date> may cast their vote electronically. The e-voting module shall be disabled by Purva for voting thereafter.
- Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.
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Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for **Individual shareholders holding securities in Demat mode** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME/PURVA, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

Individual Shareholders holding securities in demat mode with NSDL	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS” “Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.
Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 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

- Login method for e-Voting and joining virtual meeting for **shareholders other than individual shareholders holding in Demat form & physical shareholders.**
- 1) The shareholders should log on to the e-voting website <https://evoting.purvashare.com>.
 - 2) Click on “Shareholder/Member” 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) If you are holding shares in demat form and had logged on to www.evotingindia.com or www.evoting.nsdl.com and voted on an earlier e-voting of any company, then your existing password is to be used.
 - 5) If you are a first-time user follow the steps given below:

	For Shareholders holding shares in Demat Form other than individual 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).
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- After entering these details appropriately, click on “SUBMIT” tab.
 - Shareholders holding shares in physical form will then directly reach the Company selection screen.
 - For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
 - Click on the EVENT NO. for the relevant <Company Name> on which you choose to vote.
 - On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO/ABSTAIN” for voting. Select the option YES or NO or ABSTAIN as desired. The option YES implies that you assent to the Resolution, option NO implies that you dissent to the Resolution and option ABSTAIN implies that you are not voting either for or against the Resolution.
 - Click on the “NOTICE FILE LINK” if you wish to view the Notice.
 - 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.
 - Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
 - **Facility for Non – Individual Shareholders and Custodians – Remote Voting**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to <https://evoting.purvashare.com> and register themselves in the “Custodians / Mutual Fund” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to evoting@purvashare.com.
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- 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.
- 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; niwas_mill@rediffmail.com and suhas62@yahoo.com (designated email address by company) , if they have voted from individual tab & not uploaded same in the Purva e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is the same as the instructions mentioned above for Remote e-voting.
 2. The link for VC/OAVM to attend the meeting will be available where the EVENT NO. of Company will be displayed after successful login as per the instructions mentioned above for Remote 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/EGM.
 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 Three (3) **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 Three (3) **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.
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9. Only those shareholders, who are present in the AGM/EGM 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 EGM/AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the EGM/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 Purva e-Voting System, you can write an email to evoting@purvashare.com or contact at 022-49614132 and 022-23018261.

All grievances connected with the facility for voting by electronic means may be addressed to Ms. Deepali Dhuri, Compliance Officer, Purva Sharegistry (India) Private Limited, Unit No. 9, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Lower Parel (East), Mumbai - 400011 or send an email to evoting@purvashare.com or contact at 022- 022-49614132 and 022-23018261.

12. The voting rights of Members shall be in proportion to the shares held by them on the paid up equity share capital of the Company as on cut-off date being, 23rd September 2021. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on cut-off date only shall be entitled to avail the facility of Remote e-voting or e-voting at the AGM through the e-voting facility provided by CDSL.
 13. The results shall be declared not later than forty-eight hours from the conclusion of the AGM. The results declared along with the Scrutinizer's Report shall be placed on the Company's website <https://www.niwasmill.com> and on the website of CDSL www.evotingindia.com immediately after the results are declared and will simultaneously be forwarded to BSE Ltd., where the shares of the Company are listed and shall be displayed at the Registered Office of the Company.
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14. Information required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, with respect to the Director seeking re-appointment at the 37th Annual General Meeting in respect of Item No. 2. of the Notice and Explanatory Statement of the Special Business pursuant to Section 102 of the Companies Act, 2013, in respect of Item Nos. 3. to 5 of the Notice are given as Annexure A which forms part of the Notice.

1514. The resolutions listed in the Notice of 37th AGM shall be deemed to be passed on the date of the AGM, subject to the receipt of the requisite number of votes in favour of the respective resolutions.

FOR NIWAS SPINNING MILLS LTD.

PLACE : SOLAPUR

DATED : 01/09/2021

(Vijay R. Jaju)
Managing Director
DIN : 00081475

ANNEXURE A

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

Item No. 2 of Notice: Re-appointment of Mr. Aditya V. Jaju (DIN: 02625781), as a Director retiring by rotation.

Mr. Aditya Jaju, was appointed as a Director of the Company on 25th August, 2009. He is a B.Com graduate and has over 12 years of experience in the field of Textile Industry.

Mr. Aditya Jaju had attended 5 out of the 5 Board Meetings held in the financial year 2020-21.

During the financial year 2020-21, Mr. Aditya Jaju was not paid remuneration and any sitting fees.

ANNEXURE B

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4

To approve investment by way of subscription, purchase or otherwise, the securities of any other body corporate upto an aggregate amount not exceeding Rs. 25 Crores.

Pursuant to Section 186 of the Companies Act, 2013 (the Act), the Company cannot directly or indirectly

(a) give any loan to any person or other body corporate;

(b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and

(c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, exceeding 60% of its paid-up share capital, free reserves and securities premium account or 100% of its free reserves and securities premium account, whichever is more, except with the prior approval by means of a special resolution of its Shareholders.

In order to make optimum use of funds whenever available with the Company on account of sale of land or otherwise and also to achieve long term strategic and business objectives, the Board of Directors of the Company proposes to make use of the same by making investment in other bodies corporate or granting loans, giving guarantee or providing security to other persons or other body corporate as and when required. In view of the aforesaid, it is proposed to take approval under Section 186 of the Companies Act, 2013, by way of a special resolution, upto an aggregate amount not exceeding Rs. 25 Crs (Rupees Twenty Five Crores only).

The Board recommends the Resolution at Item No. 4 for your approval as a Special Resolution.

None of the Directors or Key Managerial Personnel or their relatives are in any way concerned with or interested, financially or otherwise in the resolution.

NIWAS SPINNING MILLS LIMITED
CIN – L17110PN1984PLC032702
REGISTERED OFFICE: 406/A, (W) MANGALWAR PETH, CHATI GALLI
SOLAPUR – 413 002.

DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting their 37th Annual Report on the business and operations of the Company and the accounts for the financial year ended March 31st, 2021.

1. FINANCIAL SUMMARY /PERFORMANCE OF THE COMPANY:

The sale during the year under report was Rs.**101.14 Lacs**, due to sluggish market and cut throat competition. The company has earned suffered profit loss before interest, depreciation, exceptional item & tax against the Loss incurred Profit earned during the previous year. Your Directors are hopeful of Company's revival and working on taking specific measures to overcome situation.

• **Financial Highlights :**

	Current Period 2020-21	Previous Period 2019-20
Sales	101.14	64.88
Other Income	1.29	11.25
Total Income	102.43	76.13
Profit / (Loss) before interest, depreciation, exceptional item & tax	(32.66)	3.41
Less :		
• Financial Cost	0.14	0.94
• Depreciation	12.65	0.88
Profit / (Loss) before exceptional items & taxes	(45.45)	1.59
Less : Exceptional items (Net)	46.73	--
Profit/(Loss) before tax (A)	1,291.28	1.59
Tax Provision	Nil	Nil
Profit / (Loss) after tax	1,291.28	1.59
Profit/(Loss) from discontinuing operations	1,291.28	1.59
Tax expense of discontinuing operations	--	--
Profit/(Loss) from Discontinuing operations (B)	1,291.28	1.59
Net Profit/(Loss) for the period (C) = (A)+(B)	1,291.28	1.59

2. FUTURE OUTLOOK:

There is a weak aggregate demand in the Indian Economy. The demand for our products is also not adequate to utilize the full installed capacity of the unit. However, the Company will

use the resources wisely to produce at an optimum capacity. Your Company is hoping for the greater favorable demand for its products in the near future.

3. DIVIDEND:

In view of the accumulated losses and to for conservation of resources, your Directors decided not to recommend any dividend for the financial year under review.

4. RESERVES:

Your Company did not transfer any amount to the Reserves.

5. BRIEF DISCRPTION OF COMPANY'S WORKING:

Company operates in one segment i.e. Textiles. There is no division of the Company.

- **Industry Structure and Business Overview:**

The textile industry plays a crucial role in the Indian economy. It has a significant weight in the industrial production. The Company enjoys the excellent relationship with its customers, which has been built over the years by strictly adhering to delivery schedules maintaining consistent quality and providing prompt after sales service.

- **Risk Management:**

The Company has laid down procedures to inform the members of the Board about the risk assessment and minimization procedures which is periodically reviewed by the Board.

- **Segment-wise Performance:**

The Company is having only one segment i.e. Textile.

- **Financial Performance:**

The sale during the year under report is Rs. **101.14 Lacs**, The Company has suffered earned profitLoss before interest & depreciation against the Loss Profit of the previous year. DueDue to the cost effectiveness and appropriate allocation of resources your Company has earned the profit after interest, depreciation and tax of Rs. 1.28 Lacs.in the period under report.for the year under report.

- **Human Resources:**

The Company continues to lay emphasis on developing and facilitating optimum human performance.

- **Health & Safety:**

Your Company provides and maintains, so far as practicable equipment, systems and working conditions which are safe and without risk to the health of all employees, visitors, contractors and public. Management has maintained its strong commitment to a safe environment in its operations throughout the year. The Company is well aware of the relation-ship between the textile production and related environment issues.

- **Quality initiatives**

The Company continues to sustain its commitment to the highest levels of quality, superior service management, robust information security practices and mature business continuity management.

- **Cautionary Statement:**

This annual report and accounts contains certain statements with respect to the financial condition, results, operations and businesses. These statements involve risk and uncertainty because they relate to events and depend upon circumstances that may occur in the future.

6. NUMBER OF MEETINGS OF THE BOARD:

During the year, Five (5) Board Meetings were convened and held on 20-07-2020, 13-08-2020, 31-08-2020, 10-11-2020 & 13-02-2021. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and all the Directors had attended all the Meetings.

7. MATERIAL CHANGES & COMMITMENTS, IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

In terms of the information required under Sub-section (3)(l) of Section 134 of the act it is to be noted that no material Changes and commitments affecting the financial position of the company have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

8. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

There are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status and the Company's future operations.

9. DETAILS ABOUT DIRECTORS AND KMPs WHO WERE APPOINTED/RESIGNED DURING THE FINANCIAL YEAR:

During the year under report, there was no change in the Board of Directors of Your Company.

Pursuant to the Provisions of the Companies Act, 2013, Mr. Aditya V. Jaju (DIN:02625781) retires by rotation and being eligible offers himself for re-appointment.

10. INTERNAL CONTROLS SYSTEM AND THE ADEQUACY:

In order to attain the corporate objectives, strict internal controls systems were implemented across the organisation. The Audit Committee reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations on regular basis. The audit function maintains its independence and objectivity while carrying out assignments. It evaluates on a continuous basis, the adequacy and effectiveness of internal control mechanism. The function also proactively recommends improvement in policies and processes, suggests streamlining of controls against various risks. Your Company has laid down set of standards, processes and structure, which enables it

to implement internal financial control across the Company and ensure that the same are adequate and operating effectively.

11. STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS:

Your Company came out of the SICA by making OTS with its Lenders. Now the company is in process of appointing Independent Directors to comply with provisions of Companies Act, 2013 and the SEBI (LODR) Regulations.

12. FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS:

The familiarization program seeks to update the Independent Directors on the roles, responsibilities, rights and duties under the Act and other statutes. The Company is in process of appointment of Independent Directors and also working on the policy on familiarization program for Independent Directors.

13. COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under sub-section (3) of section 178 relating to the remuneration for the Directors, key managerial personnel, and other employees. As required by rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the prescribed details are annexed as "Annexure 1" to this report.

14. INFORMATION IN TERMS OF RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:

During the year under review no employee was employed who was in receipt of aggregate remuneration exceeding Rupees One Crore and two Lakh for the year or exceeding Rupees Eight Lakhs and Fifty Thousand per month for any part of the year.

Other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are forming part of this report and is annexed as "Annexure 2" to this Report.

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

During the year, the Company has not given any loans or guarantees or has made any investments u/s 186 of the Companies Act, 2013

16. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

The details of transaction with Related party in Form AOC-2 is annexed herewith as "Annexure 3".

17. SUBSIDIARY / JOINT VENTURE / ASSOCIATE COMPANY:

The Company does not have any subsidiary/joint venture/associate company.

18. RISK MANAGEMENT POLICY:

The Board of Directors of the Company has not designed any Risk Management Policy. However, the Company has in place mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

19. COMPANY'S POLICY FOR PREVENTION OF SEXUAL HARASSMENT:

The Company has zero tolerance for sexual harassment at workplace and accordingly due care is always taken in respect of prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed there under.

No complaints were received during the year.

Further, necessary steps are being taken by the Board for complying with provisions of the said Act including constitution of Internal Complaints Committee as referred in the said Act.

20. CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES:

The Company has not developed and implemented any Corporate Social Responsibility Policy pursuant to the Provisions of Section 135 of the Companies Act 2013 and relevant Rules framed there under as the said provisions were not applicable to the Company as Company had incurred losses during the relevant period.

21. ANNUAL EVALUATION BY THE BOARD OF ITS OWN PERFORMANCE:

Pursuant to the provisions of the Companies Act, 2013 the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration committee by filling a structured questionnaire.

22. SECRETARIAL AUDIT AND 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. SG and Associates (FCS – 12122, COP-5722) Practicing Company Secretaries, to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report in **Form MR-3** is annexed as “**Annexure 4**” to this Report.

23. EXPLANATION ON REMARKS OR DISCLAIMER MADE BY SECRETARIAL AUDITOR IN HIS REPORT:

The size of the Company and due to continuous losses for past few years, no one was interested in getting appointed as Internal Auditor, CFO, Company Secretary, Independent Director and Women Director in the Company. Hence, due to lack of expertise knowledge

and inadvertence the Company has not complied with certain SEBI (LODR) Regulations as well as Secretarial Standards (SS-1 and SS-2). Further, due to financial crunch all the shares are held in physical mode. During the year, the company is in process of appointing Internal Auditor, CFO, Company Secretary, Independent Directors and Women Director to comply with provisions of SEBI (LODR) Regulations/ Companies Act, 2013 other comments/ observations made by the Secretarial Auditor in his Report are self explanatory and do not require any further clarification.

24. PUBLIC DEPOSITS:

The Company has not raised any deposits from the public.

25. AUDITORS:

The Company's Auditors **M/s. A B N J & Co., Chartered Accountants, Mumbai (FRN: 121677W)**, were appointed as Statutory Auditors at 35th AGM for a period 5 (Five) years i.e. from the conclusion of 35th Annual General Meeting until the conclusion of 40th Annual General Meeting. **M/s. A B N J & Co., Chartered Accountants, Mumbai (FRN: 121677W)** have provided their consent and eligibility pursuant to Section 141 of the Company Act, 2013 to act as Statutory Auditors of the Company for the financial year 2021-22.2020-2021.

26. RESERVATION AND QUALIFICATION ON AUDITOR'S REPORT:

The observations, qualifications/ disclaimers, if any, made by the Statutory Auditors in their report for the Financial Year ended 31st March, 2021 read with the explanatory notes therein are self-explanatory and therefore, do not call for any further explanations or comments from the Board under Section 134(3) of the Companies Act, 2013.

27. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS PURSUANT TO SECTION 143(12) OF THE COMPANIES ACT, 2013:

During the year under review there were no incidences of fraud reported by the Auditors.

28. COMMITTEES:

I. Audit Committee:

The Audit Committee of Company consists of two non-executive Directors apart from Managing Director. It consists of all Directors. During the year under review Four (4) meetings were held of the audit committee on 20-07-2020, 27-08-2020, 10-11-2020 & 12-02-2021 and attended by all.

II. Nomination and Remuneration Committee:

The Nomination and Remuneration Committee of the Company consists of two non-executive Directors apart from Managing Director. It consists of all Directors. During the year under review Four (4) meetings were held of the committee on 20-07-2020, 27-08-2020, 10-11-2020 & 12-02-2021- and attended by all.

III. Stakeholder Relationship Committee:

The Stakeholder Relationship Committee of the Company consists of two non-executive Directors apart from Managing Director. It consists of all Directors. During the year under

review Four (4) meetings were held of the committee on 20-07-2020, 27-08-2020, 10-11-2020 & 12-02-2021 and attended by all.

29. VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Company has adopted the code of conduct for employee and directors for the highest degree of transparency, integrity, accountability and corporate social responsibility. Any actual or potential violation of the Code would be a matter of serious concern for the Company. The Company also has Whistle Blower Policy to deal with instance of fraud and mismanagement, if any.

Employees of the Company are encouraged to use guidance provided in the Policy for reporting all allegations of suspected improper activities.

30. SHARE CAPITAL:

The paid up equity capital as on March 31, 2021 was Rs. 1408.93 Lakhs. During the year under review, the Company has not raised money by any issues. The company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

31. ANNUAL RETURN:

The Company has placed a copy of Annual Return on its website at www.niwasmill.com

32. CONSERVATION OF ENERGY:

(A) Information pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, is as follows:

I) CONSERVATION OF ENERGY FORM-A		Current Year	Previous Year
a) POWER & FUEL CONSUMPTION			
1 ELECTRICITY			
(a)	Purchased : Unit	1,94,,199	62,478
	Total Amount	29,92,761	11,05,796
	Rate / Unit	15.41	Rs.17.69
(b)	OWN GENERATION		
(i)	Through Diesel Generator Units Units Per Ltr. Of Diesel Cost / Unit	Nil	Nil
(ii)	Through Steam Turbine/Generator Units Units Per Ltr. Of Fuel Cost / Unit	Nil	Nil
2	COAL (Specify Quality & where used)	Nil	Nil

	Quantity		
	Total Cost		
	Average Rate		
3 FURNACE OIL		Nil	Nil
	Quantity		
	Total Cost		
	Average Rate		
4 OTHER GENERATORS		Nil	Nil
	Quantity		
	Total Cost		
	Average Rate		
CONSUMPTION PER UNIT OF PRODUCTION STANDARDS			
b) (IF ANY)			
Products (Yarn & Towel)	0.23 Kg	0.03 Kg	
Electricity	1,94,199 Units	62,478 Units	
Furnace Oil	---	--	
Coal	---	--	
Others	---	--	
II) OTHER INFORMATION ABOUT TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO ETC.			
a) Technology Absorption : Technology absorption and R & D efforts are not applicable to the Company.			
b) Foreign Exchange Earnings and Outgo			
1 Foreign Exchange Used			
Value of Direct Import on CIF Basis			
Capital - goods, Store & Spare parts		Rs. Nil	
Travelling Expenses		Rs. Nil	
2 Earning in Foreign Exchange			
i) Direct Export		Rs. Nil	
ii) Indirect Export		Rs. Nil	

33. 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:

- in the preparation of the annual financial statements for the year ended March 31, 2021, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the Profit of the company for that period;
- 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;
- The directors have prepared the annual accounts on a going concern basis; and

- e) The directors, have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

34. CORPORATE GOVERNANCE:

The Report on Corporate Governance and Management's Discussion & Analysis Report, in terms of Regulation 34(3) of the SEBI (Listing Obligations and Disclosure requirement), Regulations, 2015 is annexed as "**Annexure 5**" and forms part of the Annual Report.

35. INSURANCE:

The Company has taken adequate insurance cover for the assets.

36. COMPLIANCE OF SECRETARIAL STANDARDS:

The Company has complied with the applicable Secretarial Standards viz. SS-1 i.e. Secretarial Standard on Board Meetings and SS-2 i.e. Secretarial Standard on General Meeting during the year under review except for the qualifications given in the Secretarial Audit Report in Form MR-3.

37. MAINTENANCE OF COST RECORDS:

During the year under review the Company was not required to maintain the Cost records as specified by the Central Government under Section 148 of the Companies Act, 2013.

38. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The Management Discussion and Analysis Report as required under Companies Act, 2013, Regulation 34 (2) (e) read with Schedule-V of Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR) is given as "**Annexure 6**" to this Report for the year under review.

39. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016:

During the year under review there was no application made or pending proceeding under the Insolvency and Bankruptcy Code, 2016.

40. DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT (OTS) AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS (FI):

During the year under review the Company has not taken any loan from the Bank or FI, hence there was no such valuation done.

3941. ACKNOWLEDGEMENT:

The Directors wish to place on record their sincere appreciation to the Company's employees at all levels for their dedication & hard-work and also to the Bankers/ Institutions who have

actively lent their support to the Company. The Director also expresses their gratitude to the Shareholders for their continued co-operation and support.

For & on behalf of the Board,

PLACE : SOLAPUR

DATED : 01/09/2021

(Vijay R. Jaju)
Managing Director
DIN: 00081475

COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:

APPOINTMENT OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

The Nomination and Remuneration Committee identifies persons who are qualified to become Directors and who may be appointed as Key Managerial Personnel and Senior Management. The Committee ascertains the qualifications, expertise and experience of the persons to be appointed as Directors, Key Managerial Personnel and Senior Management and recommends their appointment to the Board of Directors.

The Committee ascertains the qualifications, expertise and experience of the persons to be appointed as Directors, Key Managerial Personnel and Senior Management and recommends their appointment to the Board of Directors.

The Board then takes the final decision based on the said recommendation.

The Committee evaluates the performance of Directors and Senior Management on a yearly basis and recommends their removal, if required.

REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL, SENIOR MANAGEMENT AND OTHER EMPLOYEES

The remuneration payable to the Managing Director shall be as per the provisions of the Companies Act, 2013 and other relevant provisions.

The remuneration payable to Key Managerial Person, Senior Management shall be approved by the Committee on case to case basis.

The increments to the existing remuneration structure:

1. In relation to Board of Directors shall be based on the evaluation of performance.
2. In relation to Key Managerial Personnel and Senior Management the same shall be approved by the Committee based on the recommendation of the Managing Director.
3. In relation to others the same shall be approved by the Managing Director based on the market conditions, performance of the company and other relevant factors from time to time.

REMUNERATION TO NON-EXECUTIVE AND INDEPENDENT DIRECTORS

The Non-Executive and Independent Directors of the Company shall only be paid sitting fees (as determined by the Board from time to time) for attending Board/ Committee meetings apart from reimbursement of expenses incurred for attending the meetings.

For NIWAS SPINNING MILLS LTD.

(V R. Jaju)
Managing Director
DIN : 00081475

ANNEXURE 2

INFORMATION IN TERMS OF UNDER RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL RULES, 2014)

The information relating to managerial remuneration in terms of Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are detailed as under:

- i. the ratio of the remuneration of each director of the Company to the median remuneration of the employees of the Company for the financial year 2020-21;

Ratio of the remuneration of the director of the company to the median remuneration of the employees of the company are,

Name of the Director	Category	Remuneration Received during the year	Median remuneration of the employees	Ratio of Median Remuneration to Director's Remuneration
Vijay Jaju	Managing Director	250000	---	---

*Excluding perquisites agg. to Rs. 81,020/-

- ii. Percentage increase in remuneration of each whole time director, Chief Financial Officer and the Company Secretary of the Company, during the financial year 2020-21.
- No increase in remuneration of Managing Director
- iii. Percentage increase in the median remuneration of employees of the Company during the financial year;
- There is no increase in the median remuneration of employees of the Company.
- iv. Number of permanent employees on the rolls of the Company; - Approx. 08
- v. average percentile increase already made in the salaries of employees of the company other than its managerial personnel (viz. whole time directors of the Company) during 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;
- Not Applicable
- vi. Key parameters for any variable component of remuneration availed by the directors; - Not Applicable
- vii. Affirmation- the remuneration is as per the remuneration policy of the Company: Yes.

For NIWAS SPINNING MILLS LTD.

(V R. Jaju)
Managing Director
DIN : 00081475

ANNEXURE 3**Form No. AOC-2****(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)**

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

1. Details of contracts or arrangements or transactions not at arm's length basis:

Name(s) of the related party and nature of relationship	N.A.	N.A.	N.A.	N.A.
Nature of contracts/arrangements/transactions	N.A.	N.A.	N.A.	N.A.
Duration of the contracts / arrangements / transactions	N.A.	N.A.	N.A.	N.A.
Salient terms of the contracts or arrangements or transactions including the value, if any	N.A.	N.A.	N.A.	N.A.
Justification for entering into such contracts or arrangements or transactions	N.A.	N.A.	N.A.	N.A.
Date(s) of approval by the Board	N.A.	N.A.	N.A.	N.A.
Amount paid as advances, if any	N.A.	N.A.	N.A.	N.A.
Date on which the special resolution was passed in general meeting as required under first proviso to section 188	N.A.	N.A.	N.A.	N.A.

2. Details of material contracts or arrangement or transactions at arm's length basis:
- Not Applicable.**For NIWAS SPINNING MILLS LTD.**

(V R. Jaju)
Managing Director
DIN : 00081475

Form No. MR-3
SECRETARIAL AUDIT REPORT

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

Secretarial audit report
For the Financial Year ended 31st March, 2021

To,
The Members,
Niwas Spinning Mills Limited,

We have conducted the Secretarial Audit of the Compliance of applicable statutory provisions and the adherence to good corporate practices by m/s Niwas Spinning Mills 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, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2021 has 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. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;- **Not Applicable.**
 - d. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;-**Not Applicable.**
-

e. 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;

f. The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation, 2015.

V. Other laws applicable to the Company as per the representations made by the Company. We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards with respect to Board and General Meetings of The Institute of Company Secretaries of India.

(ii) The Factories Act, 1948.

(iii) The Payment of Wages Act, 1936.

(iv) The Minimum Wages Act, 1948.

(v) The Employees' State Insurance Act, 1948.

(vi) The Employees' Provident Fund and Miscellaneous Provisions Act, 1952.

During the period under review, the Company has complied with the provisions of the above mentioned Acts, Regulations, Guidelines, etc. Subject to the following observations:

1. *The Company has not complied with the provisions of Section 138 of the Companies Act, 2013 in respect of the appointment of Internal Auditor.*
2. *The Board of Directors of the Company is not constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors as per Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015.*
3. *The Company has not complied with the provisions of Section 149 of the Companies Act, 2013 pursuant to the appointment of Independent Directors.*
4. *The Audit Committee and Nomination and Remuneration Committee constituted are not as per the provisions of Section 177 and 178 of the Companies Act, 2013 and not as per SEBI (LODR) Regulations, 2015.*
5. *The Company has not complied with the provisions of Section 203 of the Companies Act, 2013 in respect of the appointment of Chief Financial Officer and Company secretary.*
6. *The Company has not complied with the requirement of Section 149(1) of the Companies Act, 2013 in respect the mandatory requirement for appointment of at least one woman director within one year from one year from the commencement of the Second proviso to Section 149(1) of the Act.*
7. *The Company has not filed its Form INC-22A i.e. Active Form on MCA portal and the status of the Company is "Active Non Complaint" and the status of its Directors are "Director of Active Non-Complaint Company".*
8. *The Share Holding of Promoter and Promoter Group is not held in dematerialized form as on date.*

We further report that

- The Board of Directors of the Company is constituted as follows:

Mr. Vijay Ramniwas Jaju: Managing Director

Mr. Mitesh Ramkisan Daga: Director

Mr. Aditya Vijay Kumar Jaju: Director

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions were carried out unanimously by the members of the Board and Committees and the same were duly recorded in the minutes of the meeting of the Board of Directors and Committees of the Company.

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.

**For SG and Associates,
Practicing Company Secretaries**

**Suhas Ganpule
Proprietor,
Membership No: 12122
C. P No: 5722
UDIN: A012122C000887359**

Date: 03.09.2021

Place: Mumbai

To
The Members,
Niwas Spinning Mills Limited,
Mumbai

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

1. Maintenance of secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on my 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 record. The verification was done on test basis to ensure that the correct facts are reflected in secretarial records. We believe that the practices and processes, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Wherever required, we have obtained Management representation about the compliance of laws, rules, regulations, norms and standards and happening of events.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, norms and standards is the responsibility of Management. Our examination was limited to the verification of procedure 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.
7. In view of the restrictions imposed by the Government of India on movement of people across India to contain the spread of COVID-19 pandemic, which led to the complete lockdown across the nation, we have relied on electronic data verification of certain records as the physical verification was not possible.

For SG and Associates,

Suhas Ganpule,
Proprietor,
Practicing Company Secretaries
Membership No: 12122
C. P. No: 5722

Date: 03.09.2021
Place: Mumbai

Corporate Governance Report

Pursuant to Regulations 34(3) of the SEBI (Listing Obligations and Disclosure requirements) Regulations 2015 a Report on Corporate Governance is given below:

1. Company's Philosophy on Corporate Governance:

The Company is committed to maintain highest level of Corporate Governance with transparency and corporate accountability in its actions and operations and to become a good corporate citizen.

Corporate Governance is the combination of voluntary practices and compliance with laws and regulations leading to effective control and management of the organization. It brings into focus the fiduciary and trusteeship role of the Board to align and direct the activities of the organization keeping in mind the interests of shareholders and the society.

Board of Directors:

- a. As on 31.03.2021, the Board consisted of One Executive Director, Two Non-Executive Directors. Thus, the Board comprises of Executive and Non Executive Directors.
- b. There is no Independent Director and Woman Director in the Board of Director of the Company because of the Company was under SICA. The company is in process of appointing Independent Directors & Woman director to comply with SEBI (LODR) Regulations.

Name	Designation (Executive, Non-Executive, Independent/ Promoter)	No. of outside Directorship and Committee Membership in domestic public companies. #			
		Other Directorships		Committee memberships	
		As a Member	As a Chairman	As a Member	As a Chairman
Shri V. R. Jaju	Managing Director Executive	Nil	Nil	Nil	Nil
Shri A. V. Jaju	Director Non-Executive	Nil	Nil	Nil	Nil
Shri M. R. Daga	Director Non Executive	1	Nil	Nil	Nil

Excludes Directorship and Committee Membership of Private Limited Companies.

NOTES :

- a. Attendance of Directors at Board Meetings and last Annual General Meeting.

The Board of the Company met Six Five (65) times during the year on the following dates viz. 20-07-2020, 13-08-2020, 31-08-2020, 10-11-2020 and 13-02-2021. All Directors were present at all the Meetings

The attendance at the Board Meetings and the Last Annual General Meeting (29/09/2020) were as under:

Name of the Director	Business relationship with the Company	Attendance	
		Board Meeting	AGM
Shri V. R. Jaju	Promoter	5	Yes
Shri A. V. Jaju	Promoter	5	Yes
Shri M. R. Daga	Non Promoter, Non Independent	5	Yes

b. Code of Conduct

The Board has formulated a Code of Conduct for the Board Members and Senior Management of the Company. The Company is in the process to create a proper functional website. All the Members of the Board have affirmed the Compliance with the Code on annual basis.

Inter-se Relations between the Board of Directors:

All the Directors are relatives of each other except Mr. Mitesh R. Daga

COMMITTEES OF THE BOARD

I. Audit Committee:

a. The Audit Committee is consisting of following Directors:

Name	Designation	Non-executive / Independent
Shri. V. R. Jaju	Member	Executive
Shri A. V. Jaju	Member	Non-Executive
Shri M. R. Jaju	Member	Non-Executive

During the year under review, 4 meetings were held on 20-07-2020, 27-08-2020, 10-11-2020 and 12-02-2021 at which all the members of the Committee were present.

Terms of reference of the Audit Committee:

The Role of Audit Committee shall include the following:

1. Oversight of the company's Financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditor for any other services rendered by the statutory auditors.

4. Reviewing, with the management, the annual financial statements before submission to the board for approval. With particular reference to :
 - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in term of Clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
 - b) Changes, if any, in accounting policies and practices and reasons for the same.
 - c) Major accounting entries involving estimates based on the exercise of judgment by management.
 - d) Significant adjustments made in the financial statement arising out of audit findings.
 - e) Compliance with listing and other legal requirements relating to financial statements.
 - f) Disclosure of any related party audit report.
 - g) Qualification in the draft audit report.
 5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
 6. Reviewing with the management, performance of statutory auditors and internal auditors, monitoring Auditors' independence, adequacy of the internal control systems.
 7. To evaluate internal financial controls.
 8. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
 9. Discussion with internal auditors any significant findings and follow up thereon.
 10. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
 11. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
 12. To look into the reasons for substantial defaults in repayment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
 13. To review vigil mechanism as defined under Whistle Blower Policy.
 14. To obtain professional advice from external sources as and when required and to have full access to information contained in the records of the Company.
 15. To review and formulate the scope and functioning of Internal Audit in consultation with the Internal Auditors.
 16. To approve the appointment of CFO (i.e. the whole time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background etc. of the candidate.
 17. To approve or any other subsequent modification of transactions of the Company with related parties.
 18. To scrutinize inter corporate loans and investments.
 19. To consider valuations of assets or undertaking of the Company, wherever it is necessary.
 20. To monitor the end use of funds raised through public offers and related matters.
 21. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee. Any other functions as may be stipulated by the Companies
-

Act, 2013, SEBI, Stock Exchanges or any other regulatory authorities from time to time.

Review of Information by Audit Committee

The Audit Committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and result of operations;
2. Management letters/letters of internal control weakness issued by the statutory auditors;
3. Internal audit reports relating to internal control weakness; and
4. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee.

II. Nomination and Remuneration Committee:

- a. The Nomination and Remuneration Committee is consisting of following Directors:

Name	Designation	Non-executive / Independent
Shri. V. R. Jaju	Member	Executive
Shri. V. R. Jaju	Member	Executive
Shri M. R. Daga	Member	Non-Executive

- b. Remuneration of Directors:

Details of remuneration paid to Directors for the year ended 31st March, 2021 are as follows:

Name of the Directors	Salary & perquisites	Sitting Fees	Commission	Total	No. of Shares held
Vijay Jaju	331020/-	NIL	NIL	331020/-	62425

- c. During the Year under review, the Nomination and Remuneration Committee met 4 (four) times on 20-07-2020, 27-08-2020, 10-11-2020 & 12-02-2021 at which all the members of the Committee were present. The Committee had laid down the criteria for the evaluation of the performance of Directors and formulated the Remuneration Policy.
- d. The terms of reference of Nomination and Remuneration Committee includes the following:
- 1) To identify persons who are qualified to become Directors and/or who may be appointed as Senior Management just below the level of Executive Directors in accordance with the criteria laid down and to recommend to the Board their appointment and removal.
 - 2) To formulate the criteria for evaluation and evaluate the performance of every Director, including the Independent Director.
 - 3) To formulate the criteria for determining qualifications, positive attributes and independence of a Director;
-

- 4) To recommend to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel and other Employees;
- 5) To formulate the criteria for evaluation of the Independent Directors and the Board;
- 6) To devise a policy on Board diversity;
- 7) Any other functions as may be mandated by the Board or stipulated by the Companies Act, 2013, SEBI, Stock Exchanges or any other regulatory authorities from time to time.

III. Stakeholders Relationship Committee:

- a. The Stakeholder Relationship Committee is consisting of following Directors:

Name	Designation	Non-executive/ Independent
Shri. V. R. Jaju	Member	Executive
Shri. A. V. Jaju	Member	Non Executive
Shri M. R. Daga	Member	Non-Executive

- b. During the Year under review, the Stakeholder Relationship Committee met 4 (four) times on 20-07-2020, 27-08-2020, 10-11-2020 & 12-02-2021 at which all the members of the Committee were present.
- c. Mr. V. R. Jaju, of the Company is the Compliance Officer.
- d. No. of Shareholders complaints received – 02
- e. No. of Complaints solved to the satisfaction of shareholders – 02
- f. No. of Complaints not solved to the satisfaction of shareholders – Nil
- g. No. of pending Complaints – NIL

3. General Body Meetings :

Annual General Meeting (AGM)	Date	Time	Venue	Special Resolution Passed
2017-2018	29-09-2018	10.00 a.m.	B-2/2,M.I.D.C., Akkalkot Rd., Solapur	No
2018-2019	30-09-2019	10.00 a.m.	B-2/2,M.I.D.C., Akkalkot Rd., Solapur	No
2019-2020	29-09-2020	12.00 noon	Video Conferencing (VC) / Other Audio Visual Means (OAVM)	Yes

During the year under review, no Resolutions were passed through Postal Ballot.

4. Disclosures:

Related Party Transactions:

No transaction of material nature has been entered into by the Company with Directors or Management and their relatives, etc. that may have a potential conflict with interest of the Company.

Details of non –Compliance by the Company:

There is no Independent Director and Woman Director in the Board of Director of the Company.

Whistle Blower Policy:

The Company has adopted the Whistle Blower Policy. The Company does not deny access to any personnel to approach Audit Committee on any issue.

5. Means of Communication

1. Whether half yearly report sent to Shareholders : No, as the quarterly results of the Company are published in Newspaper. Similarly the same are made available on the portal of the exchange and Company.
2. Newspapers in which Quarterly Results are Published : Daily Vishwa Samachar
3. Website if any at which results are published : www.niwasmill.com
4. The presentation made to Institutional investors or to the Analysts institutional investors or to the analysts : No presentation has been made to

6. General Shareholder Information:

- i. Annual General Meeting : The 37th Annual General Meeting is to be held on 30/09/2021 through Video Conference (VC) / Other Audio Visual Means (OAVM).
 - ii. Financial Year : 1st April, 2020 to 31st March, 2021
 - iii. Book Closure Date : 23/09/2021 to 30/09/2021 (both days inclusive)
 - iv. Dividend Payment Date : Not Applicable
 - v. Listing on Stock Exchange : BSE Ltd.
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai-400 001.
 - vi. Stock Code : BSE Ltd – 521009
 - vii. Payment of Listing Fees : BSE – Paid upto Financial Year 2013-14.
 - viii. ISIN : INE163E01010
 - ix. Market Price Data
High, Low during each month in last Financial Year:
-

Hence Market
Financial Year

The Company is suspended due to penal reasons and
Price Data: High, Low during each month in last
cannot be obtained.

x. Registrar & Transfer agents : M/s. Purva Sharegistry (India) Pvt. Ltd.
Unit no. 9, Shiv Shakti Industrial Estate,
J .R. Boricha marg, Opp. Kasturba Hospital Lane,
Lower Parel (E), Mumbai-400011.

xi. Share Transfer System : Share transfer in physical form can be lodged with
M/s. Purva Sharegistry (India) Pvt. Ltd. at the
above-mentioned address.

xii) Distribution of Shareholding as on 31st March, 2021

Category	No. of Shareholders	No. of Shares	% of total Shares
Upto 5000	9293	24272460	17.23
5001 to 10000	831	6398440	4.54
10001 to 20000	319	4681700	3.32
20001 to 30000	135	3273230	2.32
30001 to 40000	41	1480950	1.05
40001 to 50000	39	179700	1.28
50001 to 100000	45	3333350	2.37
100001 & above	64	95656800	67.89
TOTAL	10765	14089393	100.00

Categories of Shareholders as on 31st March, 2021.

Categories	Number of Shares	Amount (in Rs.)	%
Promoters, Directors, Relatives & Associates	6999086	69990860	49.68
Clearing Member	--	--	--
Other Bodies Corporate	1299885	12998850	09.23
Nationalised Banks/Mutual Fund	549450	5494500	03.90
Foreign Holdings (NRI)	6000	60000	00.04
Public	5234972	52349720	37.16
Total	14089393	140893930	100.00

xiii. Dematerialisation of Shares and Liquidity: NIL

xiv. Outstanding GDRs/ADRs/Warrants: There are no outstanding convertible warrants or instruments or any convertible instruments

xv. Plant locations B-2/2, MIDC, Akkalkot Road
Solapur – 413 006

Address for Correspondence : **Registered Office:**
406/A, West Mangalwar Peth, Chati Galli,
Solapur- 413002

RTA's Address:

M/s. Purva Sharegistry (India) Pvt. Ltd.
Unit no. 9, Shiv Shakti Industrial Estate,
J .R. Boricha marg, Opp. Kasturba Hospital Lane,
Lower Parel (E), Mumbai-400011.

7. Particulars of Directors seeking re-appointment:

Name of Director	Shri Adiya V. Jaju
Name of Company in which already director	--
Designation / Membership of Board / Committee	--

As per requirements of SEBI (Listing obligations and Disclosure Requirements) Regulations 2015 details are furnished below:

Name	Shri Adiya V. Jaju
Age	32 years
Date of Appointment	25/08/2009
Experience	08 Years
Qualification	B.Com.
Membership/Chairman of Committees of the other Companies	Nil

CERTIFICATION BY CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) OF THE COMPANY

The CEO Certification of the Financial Statements and Cash Flow Statement for the year are obtained.

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT:**DECLARATION**

I, V. R. Jaju, Managing Director of Niwas Spinning Mills Limited, hereby declare that all the members of the Board of Directors and the Senior Managerial personnel have affirmed Compliance with the Code of Conduct, applicable to them as laid down by the Board of Directors in terms of Clause 49 of the Listing Agreement entered into with the Stock Exchange and SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015, for the year ended 31.03.2021.

**For NIWAS SPINNING MILLS LIMITED,
For & on behalf of the Board**

**Place : Solapur
Date : 01/09/2021**

**V. R. Jaju
Managing Director
DIN : 00081475**

INDEPENDENT AUDITORS CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE

**To,
The Member's of Niwas Spinning Mills Ltd.
406-A, West Mangalwar Peth
Solapur – 413 002
Maharashtra, India.**

1. The Corporate Governance Report prepared by Niwas Spinning Mills Limited (“the Company”), contains details as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“the Listing Regulations”) (applicable criteria) with respect to Corporate Governance for the year ended March 31, 2021. This Certificate is required by the Company for annual submission to the Stock Exchange and to be sent to the Shareholders of the Company.

Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.

3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditor's responsibility

4. Our responsibility is to provide a reasonable assurance that the Company has complied with the conditions of Corporate Governance, as stipulated in the Listing Regulations.

5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special purposes and the Guidance Note on Certification on Corporate Governance, both issued by the Institute of Chartered Accountants of India (“ICAI”). The Guidance Note on Reports or Certificates for Special Purposes required that we comply with the ethical requirements of the Code of Ethics issued by ICAI.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control of Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

7. The procedures selected depends on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. The procedure includes, but not limited to, verification of secretarial records and financial information of the Company and obtain necessary representation and declarations from Director's and Independent Directors of the Company.

8. The procedures also include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve

us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Opinion

9. Based on the procedures performed by us as referred in paragraph 7 and 8 above and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended March 31, 2021, referred to in paragraph 1 above.

Other Matters and Restriction on Use

10. This certificate is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

11. This certificate is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care of for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this Certificate for events and circumstances occurring after the date of this Certificate.

ABNJ & Co.
Chartered Accountants
FRN 121677W

Sd/-
Nilesh Mundada
Partner
Membership No. 131013

Place : Mumbai
Dated : 23/07/2021

CERTIFICATION OF NON-DISQUALIFICATION OF DIRECTORS
(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members,
Niwas Spinning Mills Limited

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of NIWAS SPINNING MILLS LIMITED having CIN: L17110PN1984PLC032702 and having registered office at 406/A, West Mangalwar Peth, Chati Galli, Solapur - 413006 (hereinafter referred to as 'the Company'), provided to us by the Company in digital/electronic form for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the following Directors on the Board of the Company (as detailed herein below) for the Financial Year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment in Company
1.	VIJAY RAMNIWAS JAJU	00081475	19/04/1984
2.	MITESH RAMKISAN DAGA	00082175	01/09/2017
3.	ADITYA VIJAYKUMAR JAJU	02625781	25/08/2009

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For SG and Associates,
Practicing Company Secretaries

Sd/-
Suhas Ganpule
Proprietor
Membership No: 12122
C. P No: 5722

Date: 03/09/2021
Place: Mumbai

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

(a) Industry Structure and Developments:

The Indian Textile industry adds 14% to the industrial production and 8% to the GDP of India. It provides employment to 38 million people and thus, is the second largest employment provider after agriculture. The Indian Apparel & Textile Industry is one of the largest sources of foreign exchange flow into the country with the apparel exports accounting for almost 21% of the total exports of the country.

(b) Opportunities and Threats:

(i) Opportunities: World textile trade would continue to grow at a rate of 3-4%. Hence there's a door open for exports. The trade is growing between regional trade blocs due to bilateral agreements between participating countries. 'Supply Chain Management' and 'Information Technology' has a crucial role in apparel manufacturing. India has the opportunity to increase its UVR's (Unit Value Realization) through moving up the value chain by producing value added products and by producing more and more technologically superior products.

(ii) Threats: There has been an increase in seasons per year which has resulted in shortening of the fashion cycle. Formation of trading blocs has resulted in a change in the world trade scenario. Existence of bilateral agreements would result in significant disadvantage for Indian exports.

(c) Segment-wise or product wise Performance:

The company has business activity within a single primary business segment.

(d) Outlook:

The Company is hopeful to get orders from the existing customers and the new customers going to emerge from the infrastructure growth of the country. The infrastructure development is the engine of the economic growth of the Indian economy.

(e) Risk and Concerns:

The company is not having any credit facility from banks & financial institutions. The risk management for the repayment obligations is a minimum.

(f) Internal Control Systems and their adequacy:

The Standard Operating Policy, Procedures and Guidelines are issued from time to time to achieve best Practices for adequate control in regard to operations of the Company.

(g) Discussion on financial performance with respect to operational performance:

The company is still performing at below breakeven point although there is little improvement from the previous year. The demand for the products of the company is inadequate to

operationalize the production to the level of installed capacity. The impact of Covid-19 for the year 2020-2021 is also regressive.

(h) Material developments in Human Resources / Industrial Relations front, including number of people employed. :

The industrial relations continued to be harmonious and cordial providing an atmosphere conducive to sustenance the present trajectory of the production. Adequate safety measures have been taken at all the Places of Businesses. Highest standard of hygiene is maintained. Our permanent employees as on 1st April, 2020, were 08 and as on 31st March, 2021 were 08.

(i) Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios:

There were no significant changes in key financial ratios

(j) Details of any change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation thereof:

The company has been under losses due to below breakeven production due to sluggish demand.

(k) Cautionary Statement:

Some of the statements contained within this report may be forward looking in nature and may involve risks and uncertainties. Actual Result and Outcomes in future may vary materially from those discussed herein. Factors that may cause such variances include, but are not limited to management of growth, market acceptance of Company's product and services, risk associated with new product version, dependence on third party relationship and the activities of competitors.



ABNJ & CO.

Chartered Accountants

CA Ashish D. Kanodia

CA Brij G. Kalla

CA Nilesh S. Mundada

CA Jay J. Dedhia

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NIWAS SPINNING MILLS LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **NIWAS SPINNING MILLS LIMITED** (the "Company"), which comprise the Balance Sheet as at March 31, 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 significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 standalone financial statements under the provisions of the Act and the Rules made 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 standalone 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 standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.



Sr. No.	Key Audit Matter	Auditor's Response
1	<i>Adoption of IND AS 115</i> <i>Revenue from contracts with customers</i> Refer Notes 16 to the Standalone financial statements.	As described in Note 16 to the financial statement, the company has adopted IND AS 115, Revenue from Contracts with Customers ('Ind AS 115') which is the new revenue accounting standard. The application and transaction to this accounting standard is complex and is an area of focus in the audit. The revenue standard establishes a comprehensive framework for determining whether, how much and when revenue is recognised. This involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of identified performance obligation, the appropriateness of the basis used to measure revenue recognized over a period additionally standard mandates robust disclosures in respect of revenue and period over which the remaining performance obligation will be satisfied subsequent to the balance sheet date. The adopted Ind AS 115 and applied the available exemption provided therein, to restate the comparative periods. There were no other key matters found during the audit period.



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 Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our 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.



Management's Responsibilities for the Standalone Financial Statements

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

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless 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 Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes 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 standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for 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 the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone 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 standalone 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 standalone 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 Section 143(3) of the Act, based on our audit 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, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 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 Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.



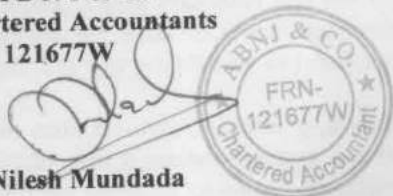
- g) With respect to the other matters to be included in the Auditor 's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and 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) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

1. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - m. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its subsidiary companies incorporated in India.
2. 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 B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For A B N J & Co
Chartered Accountants
FRN 121677W



CA Nilesh Mundada
Partner
M No 131013

Place: Mumbai
Date: 23.07.2021

UDIN-21131013AAAAGR1069

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of NIWAS SPINNING MILLS Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 **NIWAS SPINNING MILLS LIMITED** (the "Company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company 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 (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company 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") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 judgement, 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 unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

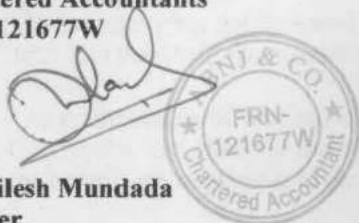
Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, 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 March 31, 2021, based on the internal financial 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 ICAI.

For A B N J & Co
Chartered Accountants
FRN 121677W



CA Nilesh Mundada
Partner
M No 131013

Place: Mumbai
Date: 23.07.2021

UDIN-21131013AAAAGR1069

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of NIWAS SPINNING MILLS Limited of even date)

i. In respect of the Company's fixed assets:

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the standalone financial statements, the lease agreements are in the name of the Company.

ii. According to the information and explanation give to us, physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed on such verifications.

iii. According to the information and explanations given to us, the Company has not granted unsecured and secured loans to four bodies corporate, covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the this clause in not applicable to the company.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

v. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2021 and therefore, the provisions of this clause is not applicable to the Company.

vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.

vii. According to the information and explanations given to us, in respect of statutory dues:

- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund , Employees' State Insurance , Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
- (b) There were no undisputed amounts payable in respect of Provident Fund , Employees' State Insurance , Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.
- (c) Details of dues of Income Tax, Sales Tax, Service Tax, Excise Duty and Value Added Tax which have not been deposited as at March 31, 2021 on account of dispute are given below:



Nature of the statute	Nature of dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount
The central excise act, 1944	Excise duty	CE and ST Appellate tribunal	1995-96	11,82,000/-
The Income Tax Act, 1961	Income Tax	Income tax authority	1995-96	Rs. 1,48,732/-

- viii. The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause 3 (viii) of the Order is not applicable to the Company.
- ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For A B N J & Co
Chartered Accountants
FRN 121677W

CA Nilesh Mundada
Partner
M No 131013



Place: Mumbai
Date: 23.07.2021
UDIN-21131013AAAAGR1069



ABNJ & CO.

Chartered Accountants

CA Ashish D. Kanodia

CA Brij G. Kalla

CA Nilesh S. Mundada

CA Jay J. Dedhia

Independent Auditor's Certificate on Compliance with the Conditions of Corporate Governance

To,

The Member's of Niwas Spinning Mills Limited,

406/A, West Mangalwar Peth,

Chatti Galli, Solapur,

Maharashtra, India.

1. The Corporate Governance Report prepared by Niwas Spinning Mills Limited ("the company"), contains details as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('applicable criteria') with respect to Corporate Governance for the year ended March 31, 2021. This Certificate is required by the Company for annual submission to the Stock Exchange and to be sent to the Shareholders of the Company.

Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditor's responsibility

4. Our responsibility is to provide a reasonable assurance that the Company has complied with the conditions of Corporate Governance, as stipulated in the Listing Regulations.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification on Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. The procedure includes, but not limited to, verification of secretarial records and



financial information of the Company and obtains necessary representation and declarations from Director's and Independent Directors of the Company.

8. The procedures also include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

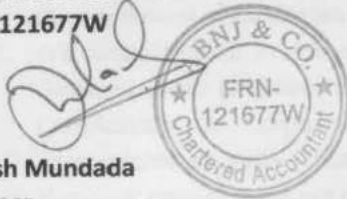
Opinion

9. Based on the procedures performed by us as referred in paragraph 7 and 8 above and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended March 31, 2021, referred to in paragraph 1 above.

Other Matters and Restriction on Use

10. This Certificate is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.
11. This Certificate is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this Certificate for events and circumstances occurring after the date of this Certificate.

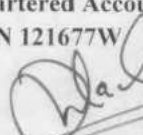
A B N J & Co
Chartered Accountants
FRN 121677W



Nilesh Mundada
Partner
Membership No: 131013

Place: Mumbai
Dated: 23/07/2021

Balance Sheet as at 31st March, 2021

Particulars	Note No.	As at 31 March 2021	As at 31 March 2020
(1) ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	1	7,739,488	8,753,660
(b) Financial Assets			
(i) Investments	2	10,500	10,500
(ii) Other financial assets	3	6,771,561	3,303,042
(2) Current assets			
(a) Inventories	4	2,368,533	673,669
(b) Financial Assets			
(i) Trade receivables	5	662,076	581,076
(ii) Cash and cash equivalents	6	59,875	57,801
(iii) Other financial assets	7	3,514,174	4,101,146
Total Assets		21,126,207	17,480,894
EQUITY AND LIABILITIES			
Equity	8		
(a) Equity Share capital		140,893,930	140,893,930
(b) Other Equity		(195,596,501)	(195,724,531)
LIABILITIES			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings		-	-
(b) Provisions	9	1,028,926	1,001,205
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	10	13,833,638	9,838,385
(ii) Trade payables	11	-	-
(A) total outstanding dues of micro enterprises and small enterprises		-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		56,183,597	57,576,225
(iii) Other financial liabilities		-	-
(b) Other current liabilities	12	4,782,616	3,895,679
(c) Provisions	13	-	-
Total Equity and Liabilities		21,126,207	17,480,894
Contingent liabilities	14		
Commitments	15		
Notes to Accounts	1 to 38		
Significant accounting policies	39		
As per our report of even date			
For ABNJ & Co			
Chartered Accountants			
FRN 121677W			
 			
Nilesch Mundada			
Partner			
Membership No. 131013			
Place : Mumbai			
Date :			
			
For & on behalf of the board of directors			
Niwas Spinning Mills Ltd			
 			
Managing Director Director			
DIN 00081475 DIN 02625781			
Place : Solapur			
Date :			

NIWAS SPINNING MILLS LTD
Statement of Profit and Loss for the year ended 31st March, 2021

	Particulars	Note No.	For the year ended 31 March 2021	For the year ended 31 March 2020
I	Revenue from operations	16	10,114,782	6,488,351
II	Other income	17	128,789	1,125,038
III	Total Revenue (I+II)		10,243,571	7,613,389
IV	Expenses			
	Cost of Materials consumed	18	5,937,867	4,100,190
	Purchases of Stock-in-Trade		5,167,500	43,067
	Changes in inventories of finished goods, stock in trade &	19	-	-
	Employee benefits expense	20	797,974	691,454
	Finance costs	21	14,159	94,311
	Depreciation and amortization expense	22	1,265,417	88,456
	Other Expenses	23	1,606,143	2,437,623
	Total expenses		14,789,060	7,455,101
V	Profit/(loss) before exceptional items and tax (III-IV)		(4,545,489)	158,288
VI	Exceptional items	24	(4,673,519)	-
VII	Profit/(loss) before tax (V-VI)		128,030	158,288
VIII	Tax expense:			
	(1) Current tax		-	-
	(2) Excess Provision for tax in earlier year written off		-	-
	(3) Deferred tax		-	-
IX	Profit (Loss) for the period from continuing operations (VII-VIII)		128,030	158,288
X	Profit/(loss) from discontinued operations	25	-	-
XI	Tax expense of discontinued operations (refer note 25.2)		-	-
XII	Profit/(loss) from discontinued operations(after tax) (X-XI)		-	-
XIII	Profit/(loss) for the period (IX+XII)		128,030	158,288
XIV	Other Comprehensive Income		-	-
XV	Total Comprehensive Income for the period (XIII+XIV)		128,030	158,288
XV	(Comprising profit (loss) and other Comprehensive Income for the period)		128,030	158,288
XVI	Earnings per equity share (for continuing operation):	30.1		
	(1) Basic		0.01	0.01
	(2) Diluted		0.01	0.01
XVIII	Earnings per equity share (for discontinued operation):	30.2		
	(1) Basic		-	-
	(2) Diluted		-	-
XVIII	Earnings per equity share(for discontinued & continuing	30.3		
	(1) Basic		0.01	0.01
	(2) Diluted		0.01	0.01
	Notes to Accounts	1 to 38		
	Significant accounting policies	39		

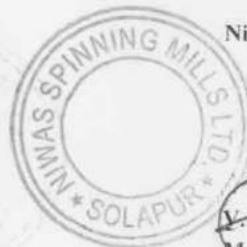
As per our report of even date

For & on behalf of the board of directors

For ABNJ & Co
Chartered Accountants
FRN 121677W
Nilesh Mundada
Partner
Membership No. 131013

Place : Mumbai

Date :

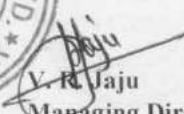
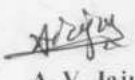

Niwas Spinning Mills Ltd

V. R. Jaju
Managing Director
DIN 00081475

Place : Solapur

Date :

A. V. Jaju
Director
DIN 02625781

NIWAS SPINNING MILLS LTD.
Cash Flow Statement for the year ended 31 March, 2021

Particulars	In Rupees	
	For the year ended 31 March 2021	For the year ended 31 March 2020
Cash Flow from Operating Activities		
Net Profit/(Loss) before Tax	128,030	158,288
Adjustment for		
Depreciation on Property, Plant & Equipment	1,265,416	88,456
Interest Expense	14,159	94,311
Interest Income	(4,545)	(8,132)
Dividends	-	(750)
Sundry Balances Written Back	-	-
Loss/(gain) on Sale of Property, Plant & Equipment	(124,244)	(1,116,156)
Provision for Bad Debts	-	-
Exceptional Items	(4,671,097)	-
Operating Profit before Working capital changes	(3,392,281)	(783,983)
Adjustments for		
(Increase)/Decrease in Other Financial Assets(Non Current)	(3,468,519)	(1,208,132)
(Increase)/Decrease in Inventories	(1,694,864)	743,859
(Increase)/Decrease in Trade Receivables	(81,000)	(75,000)
(Increase)/Decrease in Other Financial Assets(Current)	586,972	774,895
Increase/(Decrease) in Provisions	27,721	17,170
Increase/(Decrease) in Trade Payables	(1,392,628)	(8,801,130)
Increase/(Decrease) in Other Current Liabilities	886,937	(1,660,573)
Net Cash Inflow/(Out Flow) from Operation (A)	(8,527,662)	(10,992,894)
Cash Flow from Investing Activities:		
Purchase of Property, Plant & Equipment	(912,000)	(4,096,119)
Sale of Property, Plant & Equipment	785,000	5,830,210
Decrease in Investments	-	7,500
Book value of non-current assets held for sale - Discontinued operations	-	-
Interest Income	4,545	8,132
Dividends	-	750
Net Cash Inflow/(Outflow) from investing Activities (B)	(122,455)	1,750,473
Cash Flow from Financing Activities:		
Repayment of Borrowings(Non Current)	-	-
Repayment of Borrowings(Current)	3,995,253	8,780,385
Interest Paid	(14,159)	(94,311)
Exceptional Items	4,671,097	-
Net Cash Inflow/(Out Flow) from Financing Activities (C)	8,652,191	8,686,074
Net Increase/Decrease in cash & Cash equivalents (A+B+C)	2,074	(556,347)
Opening Cash & Cash Equivalents	57,801	614,148
Closing Cash & Cash Equivalents	59,875	57,801
Reconciliation of Cash & Cash Equivalents:		
Balance as per Cash Flow Statement	59,875	57,801
Cash & Cash Equivalents (as per note 6 to Accounts)	59,875	57,801
Note: 1. Statement of cash flows has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows" as specified in the Companies (Indian Accounting Standards) Rules, 2015		
2. Previous year's figures have been regrouped/reclassified wherever applicable.		
As per our report of even date		
For ABNJ & Co		
Chartered Accountants		
FRN 121677W		
 		
Nileshe Mundada		
Partner		
Membership No. 131013		
Place : Mumbai		
Date :		
		
For & on behalf of the board of directors		
Niwas Spinning Mills Ltd		
 		
V. R. Jaju		A. V. Jaju
Managing Director		Director
DIN 00081475		DIN 02625781
Place : Solapur		
Date :		

Statement of Changes in Equity for the year ended 31st March, 2021

(a) Equity					
Particulars	Equity Shares				
	As at 31 March 2021		As at 31 March 2020		
	Number	Rs.	Number	Rs.	
Issued, subscribed and fully paid up Equity Shares outstanding at the beginning of the year	14,089,393	140,893,930	14,089,393	140,893,930	
Shares Issued during the year	-	-	-	-	
Shares bought back during the year	-	-	-	-	
Issued, subscribed and fully paid up Equity Shares outstanding at the end of the year	14,089,393	140,893,930	14,089,393	140,893,930	
(b) Other Equity					
Particulars	Reserves and Surplus				Total
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings (Surplus as per Profit & Loss)	
As at 1st April 2020					
Balance at the beginning of the reporting period	26,222,030	231,718,150	8,278,946	(462,101,945)	(195,882,819)
Additions /(deductions) during the year	-	-	-	128,030	128,030
Balance at the end of the reporting period	26,222,030	231,718,150	8,278,946	(461,973,915)	(195,754,789)
As at 31 March 2021					
Balance at the beginning of the reporting period	26,222,030	231,718,150	8,278,946	(462,101,945)	(195,882,819)
Additions /(deductions) during the year	-	-	-	128,030	128,030
Balance at the end of the reporting period	26,222,030	231,718,150	8,278,946	(461,973,915)	(195,754,789)
Description and purpose of reserves:					
(a) Capital Reserve:					
During amalgamation, the excess of net assets taken, over the cost of consideration paid is treated as capital reserve.					
(b) Securities Premium Reserve:					
The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve.					
(c) General Reserve:					
The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act 1956. Mandatory transfer to general reserve is not required under the Companies Act 2013.					
(d) Retained Earnings:					
Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.					
For ABNJ & Co Chartered Accountants FRN 121677W Nilesh Mundada Partner Membership No. 131013 Place : Mumbai Date :			Niwas Spinning Mills Ltd V. R. Jaju Managing Director DIN 00081475 Place : Solapur Date : A. V. Jaju Director DIN 02625781		

Note No.		In Rupees								
1	Property, Plant and Equipment	Gross Block				Depreciation			Book Value	
		As at 1 April 2020	Additions	Deductions	As at 31 March 2021	As at 31 March 2020	For the year	Deductions	Up to 31 March 2021	As at 31 March 2021
	Particulars									As at 31 March 2020
i	Land (leasehold Land)	73,139	-	-	73,139	26,232	739	-	26,971	46,168
ii	Building									
	(a) Factory Buildings	7,846,571	-	-	7,846,571	7,450,807	39,576	-	7,490,383	356,188
	(b) Admin. Office Bldg	3,726,342	-	-	3,726,342	3,060,497	33,292	-	3,093,789	665,845
iii	Plant & Equipment	139,404,541	912,000	900,000	139,416,541	131,803,881	1,184,650	239,244	132,749,287	6,667,254
iv	Furniture & Fixtures	1,316,123	-	-	1,316,123	1,309,540	1,192	-	1,310,732	5,391
v	Vehicles	-	-	-	-	-	-	-	-	-
vi	Office Equipments	604,676	-	-	604,676	567,907	5,515	-	573,422	31,254
vii	Computer & Fax	726,340	-	-	726,340	725,208	452	-	725,660	680
	Total	153,697,732	912,000	900,000	153,709,732	144,944,072	1,265,416	239,244	145,970,244	7,739,488

		Gross Block				Depreciation			Book Value	
	Particulars	As at 1 April 2019	Additions	Deductions	As at 31 March 2020	As at 31 March 2019	For the year	Deductions	Up to 31 March 2020	As at 31 March 2020
i	Land (leasehold Land)	73,139	-	-	73,139	25,493	739	-	26,232	46,907
ii	Building									
	(a) Factory Buildings	7,846,571	-	-	7,846,571	7,406,833	43,974	-	7,450,807	395,764
	(b) Admin. Office Bldg	3,726,342	-	-	3,726,342	3,025,452	35,045	-	3,060,497	665,845
iii	Plant & Equipment	140,898,022	4,096,119	5,589,600	139,404,541	132,679,427	-	875,546	131,803,881	7,600,660
iv	Furniture & Fixtures	1,316,123	-	-	1,316,123	1,308,085	1,455	-	1,309,540	6,583
v	Vehicles	-	-	-	-	-	-	-	-	-
vi	Office Equipments	604,676	-	-	604,676	561,418	6,489	-	567,907	36,769
vii	Computer & Fax	726,340	-	-	726,340	724,454	754	-	725,208	1,132
	Total	155,191,213	4,096,119	5,589,600	153,697,732	145,731,162	88,456	875,546	144,944,072	8,753,660

- 1.1 Leasehold land acquired from MIDC under a finance lease is amortised over the useful life of the lease period.
1.2 Estimated useful life of the following assets is in line with useful life prescribed in schedule II of The Companies Act, 2013:

Asset Class	Useful life (in years)
1. Buildings	30
2. Plant and Equipment	15
3. Furniture and Fixture	10
4. Vehicles	8 to 10
5. Office Equipments	5
6. Computers	3 to 6

- 1.3 None of the assets are secured against any loans.



NIWAS SPINNING MILLS LTD.

Notes forming part of accounts

Note No.	Particulars	In Rupees	
		As at 31 March 2021	As at 31 March 2020
2	Non Current Investments		
	Investments in Equity Instruments - Non Trade Investments at Cost		
i	Shares of Lahoti Overseas Ltd. (2500 Equity Shares of Rs. 2 each fully paid up)	5,000	5,000
	Unquoted, At Cost		
ii	Shares of Vikas Sahakari Bank Ltd. (20 Equity Shares of Rs. 25/- each fully paid up)	500	500
iii	Shares of Nilkanth Co-op Bank (200 Equity Shares of Rs. 25/- each fully paid up)	5,000	5,000
	Total	10,500	10,500
	Agreegated value of quoted investments	5,000	5,000
	Agreegated market value of quoted investments	34,125	26,000
	Agreegated value of unquoted investments	5,500	5,500
	Agreegated amount of Impairment in value of investments	-	-
3	Other financial assets		
	Others		
	<u>Other than Capital Advances</u>		
i	Security Deposits	98,042	98,042
ii	Deposit with Court - (Refer Note 24.1.1.(c)) / Others	2,000,000	3,200,000
iii	Exceptional Item / MVAT Deposit	4,673,519	5,000
	Total	6,771,561	3,303,042
4	Inventories		
i	Raw Materials	2,368,533	673,669
ii	Stock-in-Trade	-	-
	Total	2,368,533	673,669
5	Trade receivables		
	Unsecured - considered good	662,076	581,076
	Total	662,076	581,076
6	Cash & Cash Equivalent		
i	Balance with Bank in Current Accounts in Time Deposit	22,270	29,314
ii	Cash on Hand	37,605	28,487
	Total	59,875	57,801



NIWAS SPINNING MILLS LTD.

Notes forming part of accounts

Note No.	Particulars	In Rupees	
		As at 31 March 2021	As at 31 March 2020
7	Other Financial Assets		
i	Interest Receivable	4,545	-
ii	Advance for Purchase of Machineries / Other Advance	-	612,000
iii	Other Advances		-
	To Related Party	-	-
	Less:- Provision for bad debts	-	-
	Others	-	-
	Less:- Provision for bad debts	-	-
iv	Balance with Tax Authorities	3,509,629	3,489,146
v	Non current Assets held for Sale		
	Land	-	-
	Factory & Building	-	-
	Total	3,514,174	4,101,146



Note No.	Particulars	As at 31 March 2021	As at 31 March 2020			
8	Equity					
(a)	(i) Equity Share Capital					
	Balance at the beginning of the reporting period	140,893,930	140,893,930			
	Changes in equity share capital during the year	-	-			
	Balance at the end of the reporting period	140,893,930	140,893,930			
	Details of authorised, issued and subscribed share capital					
	Authorised Capital:					
	2,50,00,000 (PY 2,50,00,000) Equity Shares of Rs. 10/- each	250,000,000	250,000,000			
		250,000,000	250,000,000			
	Issued Capital, Subscribed and Paid up					
	1,40,89,393 (PY 1,40,89,393) Equity Shares of Rs. 10/- Each fully paid up	#####	140,893,930			
	Total	140,893,930	140,893,930			
	ii Terms & Conditions					
	The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders					
	iii Shareholders holding more than 5 % Equity Shares	As at 31 March 2021	As at 31 March 2020			
	Name of the Shareholders	(in Nos)	% Held	(in Nos)	% Held	
	i. Shri N.V.Jaju	5,275,145	37.44%	5,275,145	37.44%	
	ii Shri I.Thakral	1,452,500	10.31%	1,452,500	10.31%	
	iv Reconciliation of number of shares					
	Particulars	(in Nos)	Rs.	(in Nos)	Rs.	
	Shares outstanding at the beginning of the year	14,089,393	140,893,930	14,089,393	140,893,930	
	Shares Issued during the year	-	-	-	-	
	Shares bought back during the year	-	-	-	-	
	Shares outstanding at the end of the year	14,089,393	140,893,930	14,089,393	140,893,930	
(b)	Other Equity					
		Reserves and Surplus				
	Particulars	Capital Reserve	Securities Premium	General Reserve	Retained Earnings (Surplus as per Profit & Loss)	Total
		Rs.	Rs.	Rs.	Rs.	Rs.
	Balance as at 1st April 2019	26,222,030	231,718,150	8,278,946	(462,101,945)	(195,882,819)
	Additions /(deductions) during the year	-	-	-	158,288	158,288
	Balance as at 31st March 2020	26,222,030	231,718,150	8,278,946	(461,943,657)	(195,724,531)
	Balance as at 1st April 2020	26,222,030	231,718,150	8,278,946	(461,943,657)	(195,724,531)
	Additions /(deductions) during the year	-	-	-	128,030	128,030
	Balance as at 31st March 2021	26,222,030	231,718,150	8,278,946	(461,815,627)	(195,596,501)
	For nature and purpose of reserves, please refer notes below Statement of Changes in Equity					



Notes forming part of accounts

Note No.	Particulars	As at 31 March 2021	As at 31 March 2020
9	Provisions		
	Provision for Employee Benefits	1,028,926	1,001,205
	Total	1,028,926	1,001,205
9.1	The above is based on estimated basis for the year ended 31st March 2019 and actuarial valuation has not been made		
10	Borrowings		
	Unsecured		
A	Loans repayable on demand		200,000
i	from Others		
B	Loans from related Parties	13,833,638	9,638,388
i	from Promoters / Directors		
	Total	13,833,638	9,838,388
11	Trade Payable		
i	Due to SME (Refer Note 11.1 and 11.2)	-	-
ii	Due to Others	56,183,597	57,576,222
	Total	56,183,597	57,576,222
11.1	Micro, Small and Medium (SME) business enterprises :		
	There are no Micro, Small and Medium Enterprises, to whom the company owns dues, which are outstanding for more than, 45 days as at 31st March 2019. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been indentified on the basis of information available with the company and has been relied upon by the auditors.		
11.2	The information as required under the general instruction for preparation of the balance sheet under the heading "FA. Trade Payables" is Nil or not applicable.		
12	Other Current Liabilities		
i	Provision for Expenses / Other Payables	4,453,385	3,591,772
ii	Statutory Dues Payable	329,231	303,990
	Total	4,782,616	3,895,762
13	Provisions		
	Provision for income tax	-	-
	Total	-	-
14	Contingent liabilities		
14.1	Claims against the company not acknowledged as debts:		
14.1.1	Disputed liabilities in respect of:		
	(a) Excise Duty	1,182,000	1,182,000
	(b) Income Tax	148,732	148,732
	(c) Legal matters pending in the courts for claims made against, and disputed by the company. (Deposit made with the courts Rs. 20,00,000/- (Previous Year Rs. 10,00,000/-)	4,360,000	4,360,000
	Both Excise & I.T. Liabilities are disputed and matter is sub-judiced under Appellate Tribunal and High Court respectively.		
	It is not practicable to estimate the timing of cash outflow, if any, in respect of matters at (a) & (b) above pending resolution of the legal proceedings. Further, the liability mentioned in (a) & (b) above excludes interest and penalty in cases where the company has determined that the possibility of such levy is remote.		
14.2	Bank Guarantees to E.P.C.G. excluding financial guarantees		
	The Company does not expect any reimbursements in respect of the above contingent liabilities.		
	In respect Bank Guarantees, the cash outflows, if any, could generally occur up to three years, being the period over which the validity of the guarantees extends.		
15	Commitments		
	Estimated amounts of contracts remaining to be executed on capital account	-	612,000



In Rupees

As at
March 2020

NIWAS SPINNING MILLS LIMITED

Notes forming part of accounts

1,001,205
1,001,205

200,000

9,638,385

9,838,385

57,576,225

57,576,225

3,591,725

303,954

3,895,679

1,182,000

148,732

4,360,000

612,000

		In Rupees	
Note No.	Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
16	Revenue from operations		
	Sale of Products		
	- Finished Goods	4,947,282	6,434,503
	- Traded Goods	5,167,500	53,848
	Total	10,114,782	6,488,351
17	Other income		
	Interest income	4,545	8,132
	Dividends	-	750
	Net gain on sale of Property, plant and equipment	124,244	1,116,156
	Total	128,789	1,125,038
18	Cost of Materials consumed		
	a) Raw Material		
	Opening Stock of Raw Material	673,669	1,417,528
	Add : Purchases	4,556,090	2,217,679
	Traded goods used for manufacturing	-	-
	b) Other Direct Expenses		
	Light Bill	2,992,761	1,105,796
	Packing Material Consumed	78,780	30,658
	Transportation Exp	5,100	-
	Processing Charges	-	2,198
		8,306,400	4,773,859
	Less : Closing Stock	2,368,533	673,669
	Total	5,937,867	4,100,190
19	Change in inventory of finished goods, stock in trade & WIP		
	Stock-in-Trade		
	Opening Stock:	0.00	-
	Less : Closing Stock	-	-
	Less: Transferred to Materials consumed	0.00	0.00
	Total	-	-
20	Employee benefits expense		
	Salaries & Wages	726,132	609,736
	Contribution to Provident & Other Funds	71,842	81,718
	Total	797,974	691,454
21	Finance Costs		
	Interest Expenses	14,159	94,311
	Total	14,159	94,311
22	Depreciation and amortization expense		
	Depreciation and amortization expense	1,265,417	88,456
	Total	1,265,417	88,456



23	Other Expenses		
	Power and fuel	26,410	39,940
	Rent	2,600	-
	Directors remuneration & allowances	331,020	965,650
	Repairs to Building	149,988	3,776
	Repairs to Machinery	314,746	139,882
	Legal & professional fees	72,140	181,817
	Travelling expenses	25,176	121,340
	Vehicle expenses	75,944	108,469
	Forwarding & octroi	70,108	48,656
	General expenses	141,641	168,488
	Telephone & Internet expenses	77,748	64,863
	Water charges	99,350	2,050
	Postage expenses	5,965	24,407
	Insurance charges	19,450	11,218
	Rates & taxes	700	62,438
	Commission, brokerage & discount	22,050	70,828
	Payment to Auditors - Statutory Audit fees	25,000	25,000
	Other Audit	36,000	-
	- Out of pocket expenses	-	8,764
	Printing & stationery expenses	4,127	21,693
	Bank charges	1,882	243,966
	Advertisement & business promotion	20,870	5,500
	Filing fees	25,900	37,900
	CDSL E Voting fees	55,000	70,000
	MVAT / Income Tax appeal filing fees / assessed dues	1,896	3,000
	Labour welfare fund	432	478
	Sundry Balances Written-off	-	7,500
	Total	1,606,143	2,437,623
24	Exceptional Itmes		
		4,671,097	-
	Total	4,671,097	-



25	Profit (loss) from discontinuing operations		
25.1	(i) Sale consideration on sale of unit no. 2	-	100,000,000.00
	(ii) Less: Carrying cost of the non current assets held for sale		
	(a) Land		
	Balance b/d	-	1,116,630
	Non Current assets classified as held for sale during the year	-	-
	Total (a)	-	1,116,630
	(b) Factory Building		
	Balance b/d	-	3,910,552
	Non Current assets classified as held for sale during the year	-	-
	Total (b)	-	3,910,552
	(iii) Total carrying cost of the non current assets held for sale (a+b)	-	5,027,182
	(iii) Profit/ (loss) on sale of non current assets held for sale = (i-iii)	-	94,972,818
	(iv) Tax on above (refer Note 25.2)	-	-
	Total	-	94,972,818
25.2	In the opinion of management, the profit from discontinued operations are not subject to tax under Minimum Alternative Tax (MAT). The auditors have relied on this and no tax provision is made accordingly.		



14	Contingent liabilities		
14.1	Claims against the company not acknowledged as debts:		
14.1.1	Disputed liabilities in respect of:		
	(a) Excise Duty	1,182,000	1,182
	(b) Income Tax	148,732	148
	(c) Legal matters pending in the courts for claims made against, and disputed by the company. (Deposit made with the courts Rs. 20,00,000/- (Previous Year Rs. 10,00,000/-)		4,360,0
	Both Excise & I.T. Liabilities are disputed and matter is sub-judiced under Appellate Tribunal and High Court respectively.		
	It is not practicable to estimate the timing of cash outflow, if any, in respect of matters at (a) & (b) above pending resolution of the legal proceedings. Further, the liability mentioned in (a) & (b) above excludes interest and penalty in cases where the company has determined that the possibility of such levy is remote.		
15	Commitments		
	Estimated amounts of contracts remaining to be executed on capital account	-	612,000



NIVAS SPINNING MILLS LIMITED

Notes forming part of accounts

Note No.	Particulars	In Rupees	
		For the year ended 31 March 2021	For the year ended 31 March 2020
26	The Company has complied with mandatory requirements of "De-materialisation" of its securities with CDSL obtained ISIN - INE163E01010.		
27	Provision for taxation		
27.1	In view of tax losses, no provision for taxation is considered necessary. In the opinion of the management, tax under MAT is also not applicable on the book profits. Also Refer note 25.2.		
28	Deferred Tax Assets:		
28.1	In accordance with the accounting policy, the deferred tax assets are generally recognised for all taxable temporary differences, losses and tax credit to the extent that it is probable that taxable profits will be available against which those deductible temporary differences, losses and tax credits can be utilised.		
28.2	In absence of convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized, the company has not recognised the deferred tax assets in view of continuous losses as the management estimates that the company will not be able to recover these losses in near future, as under:		
28.2.1	On account of unused tax losses		
	Unabsorbed depreciation	20,830,052	45,389,284
	Unabsorbed losses	13,755,262	13,529,866
	On account of temporary disallowance	7,712	10,636
		34,593,026	58,929,786
28.3	The above deferred tax assets will be recognized if and when there is sufficient convincing evidence based on the estimated profits to recover the same by adjustments to taxable profits in future.		
28.4	Since no deferred tax assets are recognized in accordance with the IND AS 12, no reconciliation is required.		
29	Employee Benefits:		
	The company is not covered under the provision of Payment of Gratuity Act 1972. Accordingly there is no liability due in respect of gratuity.		
30	Earnings per Share :		
30.1	For continuing operations		
	(a) Net Profit/(loss) after tax for the year (used as numerator)	(4,545,489)	158,288
	(b) Weighted average No. of equity shares outstanding used as denominator	14,089,393	14,089,393



	(c) Basic earning per equity share of face value of Rs. 10 each = (a/b)	(0.32)	0.01
	(d) Diluted earning per share of face value of Rs. 10 each = (a/b)	(0.32)	0.01
30.2	For discontinued operations		
	(a) Net Profit/(loss) after tax for the year (used as numerator)	-	-
	(b) Weighted average No. of equity shares outstanding used as denominator	14,089,393	14,089,393
	(c) Basic earning per equity share of face value of Rs. 10 each = (a/b)	-	-
	(d) Diluted earning per share of face value of Rs. 10 each = (a/b)	-	-
30.3	From continuing and discontinued operations		
	(a) Net Profit/(loss) after tax for the year (used as numerator)	(1)	(3)
	(b) Weighted average No. of equity shares outstanding used as denominator	14,089,393	14,089,393
	(c) Basic earning per equity share of face value of Rs. 10 each = (a/b)	(0.00)	(0.00)
	(d) Diluted earning per share of face value of Rs. 10 each = (a/b)	(0.00)	(0.00)
31	Segment Reporting:		
31.1	The Company operates only in one segment, i.e Textiles		
31.2	Basis of identifying operating segments:		
	Operating segments are identified as those components of the Company:		
	(a) that engage in business activities to earn revenues and incur expenses (including transactions with any of the Company's other components;		
	(b) whose operating results are regularly reviewed by the Company's Board of Directors to make decisions about resource allocation and performance assessment and (c) for which discrete financial information is available		
	(c) for which discrete financial information is available		
31.3	Reportable segments:		
	An operating segment is classified as reportable segment if reported revenue (including inter-segment revenue) or absolute amount of result or assets exceed 10% or more of the combined total of all the operating segments. Since neither revenue nor results or assets have more than 10% of the combined results, the Company has only one reportable segments based on the nature of its products and service		
31.4	The geographical information in respect of revenues from external customers		
	(a) attributed to the company's country of domicile and:	10,114,782	6,488,351
	(b) attributed to all foreign countries in total from which the company derives revenues.	-	-
31.5	There are no revenues from external customers attributed to an individual foreign country which are Material. There are no non current assets attributed to any foreign country.		
31.6	The Company does not have major customers having revenues from transactions with a single external customer amounting to 10 per cent or more of its total revenues.		
			6,241,989
32	Managerial Remuneration:		
32.1	Remuneration to Managing Director		
	The computation of net profits for the purpose of calculations of director remuneration under section 197 of the Companies Act 2013 is not provided as no commission is paid / payable to the whole time Director. The details of remuneration paid to the Directors are as under:		



0.01
0.01

99,393

(3)

99,393

(0.00)

(0.00)

51

9

32.2	Managing Director's Remuneration* * including perquisites/allowances.	331,020	965,650
33	Confirmation of balances		
	Balances of Trade receivables, Trade Payables, Loans and Advances given & Unsecured loans are taken as per confirmation by the management.		
34	Excise Duty:		
34.1	The Company is entitled to duty exemption as per Notification No. 30/2004 dated 09-07-2004. Accordingly, there is no excise duty applicable to the company. Therefore, the Turnover for the year ended 31st March 2019 does not include any excise duty, nor any expenditure towards excise duty up to the period 30th June 2017 i.e. until the period The Central Excise Act, 1944 was applicable.		
34.2	Since the company was not liable to excise duty due to exemption, the turnover for the previous year also does not include excise duty in the turnover, for the period the Central Excise Act 1944 was applicable during the part of the previous year upto 30th June 2017.		
35	Related party Disclosures		
35.1	Related Companies / Firms		
	(a) Necta Textiles - A proprietary concern of relative of a director.		
35.2	Key Management Personal		
	Mr V R Jaju - Managing Director		
	Mr A V Jaju - Director		
35.3	Related party transactions:		
	(a) Raw Materials Sales / Purchases made		
	Necta Textiles - A proprietary concern of relative of a director. (Net)	1,906,773	779,100
	(b) Advances (against supplies given)		
	Necta Textiles - A proprietary concern of relative of a director.	-	4,162,100
	(c) Payments against supplies		
	Necta Textiles - A proprietary concern of relative of a director.	-	4,510,900
	(d) Borrowings received		
	Loans from related parties - Director		
	A V Jaju	-	98,000
	Loans repaid to related parties - Director		
	A V Jaju	-	545,100
	Loans from related parties - Director		
	V R Jaju	269,000	8,563,585
	Loans repaid to related parties - Director		
	V R Jaju	466,428	664,000
	(e) Directors' Remuneration and allowances		
	V R Jaju	331,020	965,650



35.4	Balances at the year end		
	(a) Borrowings received		
	Loans from related parties - Director	610,900	610,900
	A V Jaju	4,123,673	1,127,900
	Neeta Textiles	8,914,891	7,899,585
	V R Jaju		
	(b) Directors' remuneration payable	299,961	159,961
	V R Jaju		
35.5	The sales and purchases, services rendered to/from related parties and loans taken, are made on terms equivalent to those that prevail in an arms length transaction. Outstanding balances at the year end are unsecured and settlement occurs in cash.		
35.5	The Company has not recorded any impairment of receivables relating to amount owed by related parties except the the provision for bad debts.	-	-
35.6	This assessment is undertaken each financial year through examining the financial position of the related parties and the market in which the related parties operate.		
35.7	Details of financial guarantee provided to/ received from related party	-	-
36	Amounts to be credited to Investor education fund		
	There are no amounts due and outstanding to be credited to Investor Education & Protection Fund as at March 31, 2021		



NWAS SPINNING MILLS LIMITED

Notes forming part of accounts

In Rupees

Note No.									
37	Financial Instruments classification by								
	(a) The carrying value and fair value of financial instruments at the end of 31 March 2021 is as under:								
	Particulars	(Refer Note No. to the financial statements)	At cost	At amortised Cost	At fair value through Profit or Loss	At fair value through Other Comprehensive Income (OCI)	Total Carrying Value 31 March 2021	Total Fair Value	As at 31 March 2020
	(A) ASSETS								
	Non-current financial assets								
	(i) Investments	2	-	-	-	-	18,000	39,625	18,000
	(ii) Other financial assets	3	-	6,771,561	-	-	6,771,561	6,771,561	3,303,042
	Current financial assets								
	(i) Trade receivables	5	-	662,076	-	-	662,076	662,076	581,076
	(ii) Cash and cash equivalents	6	-	59,875	-	-	59,875	59,875	57,801
	(iii) Other financial assets	7	-	4,876,041	-	-	4,876,041	4,876,041	4,876,041
	Total financial Assets		-	12,369,553	-	-	12,387,553	12,409,178	8,835,960
	(B) LIABILITIES								
	Non-current financial liabilities								
	(i) Borrowings	9	-	-	-	-	-	-	-
	Current financial liabilities								
	(i) Borrowings	11	-	13,833,638	-	-	13,833,638	13,833,638	1,058,000
	(ii) Trade payables	12	-	56,183,597	-	-	56,183,597	56,183,597	66,377,355
	Total financial liabilities		-	70,017,235	-	-	70,017,235	70,017,235	67,435,355
	The carrying amounts of trade receivables, trade payables, capital creditors and cash and cash equivalents and other bank balances are considered to be the same as their fair values, due to their short-term nature.								
	The fair values for security deposits were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit.								
	The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own								
	For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.								
	The Carrying value of investments and other Financial assets is not revalued at fair value since the amount is not								



NIWAS SPINNING MILLS LTD.
NOTES FORMING PART OF ACCOUNTS

In Rupee

in Rupee

Note No.																																									
37(ii)	Fair Value Measurement																																								
(i)	Fair Value hierarchy Level 1 - Quoted Prices (Unadjusted) in active markets for identical assets or liabilities Level 2 - Inputs other than quoted prices included within Level 1 that are aobservable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from price) Level 3 - Inputs for the assets or liabilities that are not based on observable market data																																								
(ii)	The following table presents fair value hierarchy of assets and liabilities measured at fair value : As at 31 March 2021 (in Rupees) <table><tr><th>Particulars</th><th>Fair value</th><th colspan="3">Fair Value measurement using</th></tr><tr><td></td><td></td><th>Level 1</th><th>Level 2</th><th>Level 3</th></tr><tr><td>Non Current Investments</td><td></td><td></td><td></td><td></td></tr><tr><td>Fair value through OCI (Equity instruments designated upon initial recognition)</td><td>10,500</td><td></td><td></td><td>10,500</td></tr></table> As at 31 March 2020 (in Rupees) <table><tr><th>Particulars</th><th>Fair value</th><th colspan="3">Fair value/measurement using</th></tr><tr><td></td><td></td><th>Level 1</th><th>Level 2</th><th>Level 3</th></tr><tr><td>Non Current Investments</td><td></td><td></td><td></td><td></td></tr><tr><td>Fair value through OCI (Equity instruments designated upon initial recognition)</td><td>10,500</td><td></td><td></td><td>10,500</td></tr></table> Note: In absence of fair availability of fair value , the carrying cost of the investments is considered as fair value	Particulars	Fair value	Fair Value measurement using					Level 1	Level 2	Level 3	Non Current Investments					Fair value through OCI (Equity instruments designated upon initial recognition)	10,500			10,500	Particulars	Fair value	Fair value/measurement using					Level 1	Level 2	Level 3	Non Current Investments					Fair value through OCI (Equity instruments designated upon initial recognition)	10,500			10,500
Particulars	Fair value	Fair Value measurement using																																							
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Fair value through OCI (Equity instruments designated upon initial recognition)	10,500			10,500																																					



NIWAS SPINNING MILLS LTD.
NOTES FORMING PART OF ACCOUNTS



Note No.	Particulars	As at 31 March 2021	As at 31 March 2020	In Rupees
38	Financial risk management			
	The Company has exposure to the following risks arising from financial instruments: - credit risk; - liquidity risk; and - market risk			
	i. Risk management framework The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the process to ensure that executive management controls risks through the mechanism of properly defined framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed by the board annually to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The Company's Audit Committee oversees compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.			
	ii. Credit risk Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in debt securities. The carrying amount of financial assets represents the maximum credit exposure. The Company monitor credit risk very closely both in domestic and export market. The Management impact analysis shows credit risk and impact assessment as low.			
	Trade and other receivables The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate. The Company Management has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes market check, industry feedback, past financials and external ratings, if they are available, and in some cases bank references. The Company establishes an allowance for impairment that represents its expected credit losses in respect of trade and other receivables. The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables.			

In Rupees

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

The gross carrying amount of trade receivables

During the period, the Company has made no write-offs of trade receivables, as it does not expect to receive future cash flows or recoveries from collection of cash flows previously written off. The Company management also pursue all legal option for recovery of dues wherever necessary based on its internal assessment. A default on a financial asset is when counterparty fails to make payments within 60 days when they fall due.

Reconciliation of loss allowance provision – Trade receivables

Opening balance			
Add/(Less): Changes in loss allowance			
Closing balance			

iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are fallen due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected future cash flows. This is generally carried out and monitored through the management of the Company in accordance with practice and limits set by the Company. These limits vary by location to take into account requirement, future cash flow and the liquidity in which the entity operates. In addition, the Company's liquidity management strategy involves projecting cash flows considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Financing arrangements

The company does not have any financial arrangements at the year end with any financiers/bankers

Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and exclude contractual interest payments and the impact of netting agreements.

	Carrying Amounts 31 March 2021	Contractual cash flows Total	2 months or less	2–12 months	1–5 years	More than 5 years
Non-derivative financial liabilities						
Short term borrowings	13,833,638	13,833,638	-	13,833,638	-	-
Trade payables	56,183,597	56,183,597	-	56,183,597	-	-
Total non-derivative liabilities	70,017,235	70,017,235	-	70,017,235	-	-



Derivatives (net settled)					
Foreign exchange forward contracts					
Total derivative liabilities					
	Carrying Amounts 31 March 2021	Contractual cash flows Total	3 months or less	2-12 months	1-5 years More than 5 years
Non-derivative financial liabilities					
Short term borrowings	9,838,385.00	9,838,385.00	-	9,838,385.00	-
Trade payables	57,576,225	57,576,225	-	57,576,225	-
Total non-derivative liabilities	67,414,610	67,414,610	-	67,414,610	-
Derivatives (net settled)					
Foreign exchange forward contracts	-	-	-	-	-
Total derivative liabilities	-	-	-	-	-
The inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to derivative financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity.					
iv. Market risk					
Market risk is the risk that changes in market prices – such as foreign exchange rates and interest rates – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.					
The Company uses derivatives like forward contracts to manage market risk on account of foreign exchange. All such transactions are carried out within the guidelines set by the Risk Management Committee.					
v. Currency risk					
The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD and small exposure in EUR and JPY. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (Rs.). The risk is measured through a forecast of highly probable foreign currency cash flows. The objective of the hedges is to minimise the volatility of the Rs. cash flows of highly probable forecast transactions by hedging the foreign exchange inflows on regular basis.					
Currency risks related to the principal amounts of the Company's foreign currency payables have not been hedged using forward contracts.					
In respect of other monetary assets and liabilities denominated in foreign currencies, the Company's policy is to ensure that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances.					
vi. Exposure to currency risk					



There is no exposure to currency risk as at the year end

vii. Sensitivity analysis

In absence of any foreign exchange exposure, there is no effect on the company's financials as a result of foreign exchange fluctuations.

viii. Interest rate risk

The Company's main interest rate risk arises from borrowings with variable rates, which expose the Company to cash flow interest rate risk. There was no interest risk as the borrowing from the related parties has been interest free

In absence of any interest liability, currently the Company's borrowings are within acceptable risk levels, as determined by the management

ix. Exposure to interest rate risk

The company does not have any exposure to interest rate risk

x. Fair value sensitivity analysis for fixed-rate instruments

The company does not have any fixed rate instruments, therefore no sensitivity analysis is required.



	Working for deferred tax assets (liabilities)	As at 31 March 2021	As at 31 March 2020
(i)	Unabsorbed depreciation		
	Balance b/d	74,353,014	163,153,429
	Depreciation for the current year	521,365	-
		74,874,379	163,153,429
	Less: Demed Short temr gain ~~adjusted~~	-	(88,800,415)
		74,874,379	74,353,014
	Tax rate for the above (in %)	27.82%	27.82%
	Deferred tax assets on unabsorbed depreciation (i)	20,830,052	45,389,284
(ii)	Unabsorbed business losses		
	Balance b/d	48,633,596	48,633,596
	Add: Loss for the year	810,191	-
	Loss beyond 8 years not allowable for set off	0	-
		49,443,787	48,633,596
	Taxation rate applicable	27.82%	27.82%
	Deferred tax assets/(liabilities) on depreciation for the year	13,755,262	13,529,866
(iii)	Timing difference for allowance on payment basis		
	Gratuity under section 40A	27,721	19,304
	Add: For previous year, not considered in computation	-	18,928
		27,721	38,232
	Taxation rate applicable	27.82%	27.82%
	Deferred tax assets/(liabilities) on depreciation for the year	7,712	10,636
	Total deferred tax asset/(Liability) to be recognised (i+ii+iii)	34,593,026	58,929,786
	To be disclosed in notes:		
	On account of unused tax losses		
	Unabsorbed depreciation	20,830,052	45,389,284
	Unabsorbed losses	13,755,262	13,529,866
	On account of temporary disallowance	7,712	10,636
		34,593,026	58,929,786

