145th
Annual Report
2019-2020

The New Great Eastern Spinning & Weaving Company Limited

THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

CIN : U17110MH1873PLC000015
ISIN : INE067V01017

BOARD OF DIRECTORS

SMT. VINEETA KANORIA	Whole Time Director	DIN 00775298
DR. ANURAG KANORIA	Whole Time Director	DIN 00200630
SHRI VINOD JIWANRAM LOHIA	Whole Time Director & CFO & General Manager Works)	DIN 01509730
SHRI RAJ KUMAR JHUNJHUNWALA	Independent Director	DIN 01527573
SHRI BIMAL KUMAR KANODIA	Independent Director	DIN 00819671

KEY MANAGERIAL PERSONNEL

SHOBHA SHARMA Company Secretary

BANKERS

CANARA BANK
HDFC BANK LTD.
KOTAK BANK LTD.

AUDITORS

M/S. BANSI S. MEHTA & CO.

LEGAL ADVISERS

KANGA & COMPANY

REGISTERED OFFICE

25-29, DR. AMBEDKAR ROAD
MUMBAI 400 027
TEL: +91 22 22003231
Email: nge@newgreat.in

REGISTRAR AND TRANSFER AGENT

M/S PURVA SHAREGISTRY (INDIA) PVT. LTD
UNIT NO. 9, SHIV SHAKTI INDUSTRIAL ESTATE,
J. R. BORICHA MARG, LOWER PAREL (E), MUMBAI - 400 011.

NOTICE OF MEETING

NOTICE is hereby given that the 145th Annual General Meeting of the members of **THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED** will be held on Tuesday, 29th December, 2020 at 12 Noon (IST) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business.

ORDINARY BUSINESS

1. To consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2020, the Reports of the Board of Directors and Auditors thereon and the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2020 and Auditors Report thereon.

2. To appoint a Director in place of Shri Anurag Kanoria (DIN 00200630) who retires by rotation and being eligible, offers himself for reappointment.

SPECIAL BUSINESS

3. **Reappointment of Smt Vineeta Kanoria as a Whole Time Director**

In this regard, to consider and if thought fit, to pass the following Resolution as a Special Resolution

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and subject to such other approvals and/or sanctions as may be necessary, consent and/or approval of the Company be and is hereby accorded to the reappointment of Smt. Vineeta Kanoria (DIN 00775298) whose office is liable to retire by rotation, as a Whole Time Director of the Company for a further term of three (3) consecutive years, commencing from 1st April, 2021 till 31st March, 2024, on terms and conditions including remuneration by way of salary, commission, perquisites and/ or allowances as recommended by the Nomination and Remuneration Committee and approved by Board of Directors vide their meeting dated 12th November 2020 and 12th November 2020 and as contained in the draft agreement to be entered into between the Company and Smt. Vineeta Kanoria, which agreement is hereby specifically approved and sanctioned with liberty to the Board of Directors to alter, vary and modify the terms, conditions and stipulations of the said reappointment provided, however, that the remuneration payable to Smt. Vineeta Kanoria, shall be by way of consolidated salary and perquisites in the manner laid down under Schedule II of Schedule V of the Companies Act 2013 as amended and in force or any statutory amendments or relaxations in force."

"RESOLVED FURTHER THAT pursuant to provisions of Section 196 and other applicable provisions, if any, of the Companies Act 2013 and rules made thereunder, approval of the Members be and is hereby accorded to the continuation of Smt. Vineeta Kanoria (DIN 00775298) as Whole Time Director."

"RESOLVED FURTHER THAT where in any financial year, during her term of office, the Company has no profits or its profits are inadequate, the Company shall pay remuneration by way of consolidated salary and perquisites in the manner laid down under Schedule II of Schedule V of the Companies Act 2013 as amended and in force or any statutory amendments or relaxations in force."

"RESOLVED FURTHER THAT any Director and/or the Company Secretary of the Company be and is hereby authorised to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto."

4. **Reappointment of Dr. Anurag Kanoria as a Whole Time Director**

In this regard, to consider and if thought fit, to pass the following Resolution as a Special Resolution

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and subject to such other approvals and/or sanctions as may be necessary, consent and/or approval of the Company be and is hereby accorded to the re-appointment of Dr. Anurag Kanoria (DIN 00200630) whose office is liable to retire by rotation, as a Whole Time Director of the Company for a further term of three (3) consecutive years, commencing from 1st August 2020 till 31st July 2023, on terms and conditions including remuneration by way of salary, commission, perquisites and/ or allowances as recommended by the Nomination and Remuneration Committee and approved by Board of Directors vide their meeting dated 12th November 2020 and 12th November 2020 and as contained in the draft agreement to be entered into between the Company and Dr. Anurag Kanoria, which agreement is hereby specifically approved and sanctioned with liberty to the Board of Directors to alter, vary and modify the terms, conditions and stipulations of the said reappointment provided, however, that the remuneration payable to Dr. Anurag Kanoria, shall be by way of consolidated salary and perquisites in the manner laid down under Schedule II of Schedule V of the Companies Act 2013 as amended and in force or any statutory amendments or relaxations in force."

"RESOLVED FURTHER THAT pursuant to provisions of Section 196 and other applicable provisions, if any, of the Companies Act 2013 and rules made thereunder, approval of the Members be and is hereby accorded to the continuation of Dr. Anurag Kanoria (DIN 00200630) as Whole Time Director."

"RESOLVED FURTHER THAT where in any financial year, during his term of office, the Company has no profits or its profits are inadequate, the Company shall pay remuneration by way of consolidated salary and perquisites in the manner laid down under Schedule II of Schedule V of the Companies Act 2013 as amended and in force or any statutory amendments or relaxations in force."

"RESOLVED FURTHER THAT any Director and/or the Company Secretary of the Company be and are hereby authorised to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto."

5. Reappointment of Shri Vinod Jiwanram Lohia as a Whole Time Director & CFO & General Manager (Works)

In this regard, to consider and if thought fit, to pass the following Resolution as a Special Resolution

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and subject to such other approvals and/or sanctions as may be necessary, consent and/or approval of the Company be and is hereby accorded to the reappointment of Shri Vinod Jiwanram Lohia (DIN 01509730) whose office is liable to retire by rotation, as a Whole Time Director & CFO & General Manager (Works) of the Company for a further term of three (3) consecutive years, commencing from 1st August 2020 till 31st July 2023, on terms and conditions including remuneration by way of salary, commission, perquisites and/or allowances as recommended by the Nomination and Remuneration Committee and approved by Board of Directors vide their meeting dated 12th November 2020 and 12th November 2020 and as contained in the draft agreement to be entered into between the Company and Shri Vinod Jiwanram Lohia, which agreement is hereby specifically approved and sanctioned with liberty to the Board of Directors to alter, vary and modify the terms, conditions and stipulations of the said re-appointment provided, however, that the remuneration payable to Shri Vinod Jiwanram Lohia, shall be by way of consolidated salary and perquisites in the manner laid down under Schedule II of Schedule V of the Companies Act 2013 as amended and in force or any statutory amendments or relaxations in force"

"RESOLVED FURTHER THAT pursuant to provisions of Section 196 and other applicable provisions, if any, of the Companies Act 2013 and rules made thereunder, approval of the Members be and is hereby accorded to the continuation of Shri Vinod Jiwanram Lohia (DIN 01509730) as a Whole Time Director & CFO & General Manager (Works) even after he attains the age of 70 years."

"RESOLVED FURTHER THAT where in any financial year, during his term of office, the Company has no profits or its profits are inadequate, the Company shall pay remuneration by way of consolidated salary and perquisites in the manner laid down under Schedule II of Schedule V of the Companies Act 2013 as amended and in force or any statutory amendments or relaxations in force."

"RESOLVED FURTHER THAT any Director and/or the Company Secretary of the Company be and is hereby authorised to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto."

6. **Sales, Purchase or Supply of any Goods or Materials and availing of any services in connection with the Purchase or Sale of Goods or Material including storage thereof with related parties.**

In this regard, to consider and if thought fit, to pass, the following Resolution as an Ordinary Resolution

"**RESOLVED THAT** pursuant to section 188 and other applicable provisions of the Companies Act, 2013 ("Act") and other applicable provisions and the rules made thereunder including any modification or amendments or clarifications thereon, if any, as per the recommendation and approval of the Nomination and Remuneration Committee and Audit Committee, consent of the Board of Directors be and is hereby accorded to sell, purchase or supply goods or materials and avail any services in connection with the purchase or sale of goods or material including storage thereof, or availing or rendering of any services with New India Exports Private Limited related party within the meaning of the aforesaid law upto a maximum aggregate value of ₹ 1000 lakhs from the financial year 2020-2021 and onward and also with MG New India Furniture Café LLP, related party within the meaning of the aforesaid law upto a maximum amount of ₹ 500 lakhs from the financial year 2020-2021 and onward.

"**RESOLVED FURTHER THAT** any Director and/or the Company Secretary of the Company be and are hereby authorised to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto."

By order of the Board of Directors

Mumbai, November 12, 2020 **For The New Great Eastern Spinning And Weaving Company Limited**

Registered Office:
25-29, Dr. Ambedkar Road,
Mumbai - 400 027.
CIN: U17110MH1873PLC000015
Tel: 91 22 22003231 /4325
Email: nge@newgreat.in

Vinod Jiwanram Lohia
Whole Time Director and CFO
and General Manager (Works)
DIN : 01509730

Dr. Anurag Kanoria
Whole Time Director
DIN: 00200630

NOTES

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts on special business under **Sl. Nos. 3 to 6** is annexed hereto.

2. In view of the current circumstances due to pandemic caused by COVID-19 prevailing in the country, requiring social distancing, and pursuant to General Circulars Nos. 14/2020, 17/2020 and 20/2020 dated 8th April 2020, 13th April 2020 and 5th May 2020 respectively issued by Ministry of Corporate Affairs ("MCA Circulars"), the **145th** Annual General Meeting ("AGM") of the Company is being conducted through VC/ OAVM, which does not require the physical presence of members at a common venue. The deemed venue for the AGM shall be the Registered Office of the Company.

3. Pursuant to MCA Circulars, since the AGM is conducted through VC/OAVM, where physical presence of members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies under Section 105 of the Act is not available for this AGM. However, in pursuance of Section 112 and 113 of the Act, representatives of the Bodies Corporate/ Members may be appointed for the purpose of voting through remote e-voting and for participation and voting in the AGM through VC/OAVM. Since the AGM will be held through VC in accordance with the Circulars, proxy form and attendance slip are not attached to this Notice

4. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

5. **M/s. Bansi S. Mehta, Chartered Accountants, Firm Registration No. 100991W, were appointed as Statutory Auditors of the Company from the conclusion of 143rd Annual General Meeting (FY 2017-18) till the conclusion of 147th Annual General Meeting (FY 2021-22) of the Company, subject to ratification at every Annual General Meeting of the Company at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors. The Ministry of Corporate Affairs (MCA) vide its circular dated 7 May 2018 notified various sections of The Companies (Amendment) Act, 2017, thereby**

modifying Section 139 of Companies Act, 2013. Accordingly, the requirement for ratification of appointment of Statutory Auditors by the shareholders at every Annual General Meeting has been omitted, hence no such resolution is proposed at this Annual General Meeting.

6. A copy of the financial statements of the Company for the financial year ended 31st March 2020 together with the Auditors' and Directors' Report thereon are enclosed.

7. The Register of Members and the Share Transfer Books of the Company will remain closed from **21st December, 2020 to 29th December, 2020** (both days inclusive).

8. Members holding shares in physical form, if any, and desirous of making a nomination or cancellation /variation in nomination already made in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013, are requested to submit the prescribed Form No.SH.13 to the Registrar and Share Transfer Agent of the Company for nomination and Form No. SH.14 for cancellation/variation as the case may be. Shareholders holding shares in demat form are also advised to avail nomination facility by submitting the prescribed form to their respective Depository Participants (DPs).

9. As a part of Green Initiative, Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with the RTA in case the shares are held by them in physical form, if any.

10. In compliance with the MCA Circulars and Notice of the AGM along with the Annual Report for the FY 2019-20 are being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report for the FY 2019-20 are also available on the Groups website www.newgreat.in, and on the website of CDSL i.e. www.evotingindia.com.

11. As required under the Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the relevant information in respect of Directors seeking appointment / re-appointment at the Annual General Meeting is provided herein below and forms a part of this Notice.

12. For shareholders holding shares in physical form, if any, please send all correspondence including requests for change of address etc. to Registrar and Share Transfer Agent of the Company.

13. Since the AGM will be held through VC/OAVM Facility, the Route Map is not annexed in this Notice.

14. The Company has designated an exclusive e-mail ID "nge@newgreat.in" for redressal of shareholders' complaints/grievances. If you have any query please write to us at nge@newgreat.in.

15. Electronic copy of all the documents as required under the Act and referred to in the accompanying Notice of the AGM and the Explanatory Statement shall be available for inspection in the Investor Section of the website of the Company at www. newgreat.in

16. Institutional Investors who are Members of the Company, are encouraged to attend and vote in the AGM through VC/OAVM Facility.

17. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to all the members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

18. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorised 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.

THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER

(i) The voting period begins at **9:00 a.m. (1ST) on Saturday, 26th December, 2020** and ends at **5:00 p.m. (1ST) on Monday, 28th December, 2020.** During this period, Members of the Company, holding shares either in physical form, if any, or in dematerialised form, as on the cut-off date of **22nd December, 2020** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently or cast vote again.

Any person, who acquires equity shares of the Company and becomes a member of the Company after dispatch of the Notice and holding shares as on the cut-off date, may cast their votes by sending request for remote e-voting.

(ii) The Members who have cast their vote by remote e-voting prior to the AGM may also participate in the AGM through VC/ OAVM Facility but shall not be entitled to cast their vote again.

(iii) The shareholders should log on to the e-voting website www.evotingindia.com.

(iv) Click on “Shareholders” module.

(v) 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, if any, should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL’s **EASI/EASIEST** e-services, you can log-in at https://www.cdslindia.com from Login - Myeasi using your login credentials. Once you successfully log-in to CDSL’s **EASI/EASIEST** e-services, click on **e-Voting** option and proceed directly to cast your vote electronically.

(vi) Next enter the Image Verification as displayed and Click on Login.

(vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

(viii) If you are a first time user follow the steps given below

	For Members holding shares in Demat Form and Physical Form
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/ folio number in the PAN field. • In case the folio number is less than 8 digits enter the applicable number of 0’s before the number after the first two characters of the name in CAPITAL letters. For example, if your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter member id / folio number in the Dividend Bank details field as mentioned in instruction (iii).

(ix) After entering these details appropriately, click on “SUBMIT” tab.

(x) Members holding shares in physical form will then reach directly to the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(xi) For Members holding shares in physical form if any, the details can be used only for e-voting on the resolutions contained in this Notice.

(xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(xiii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/ NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

(xv) 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.

(xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

(xvii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.

(xviii) If demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.

(xix) Members can also vote cast their vote using CDSL’s mobile app “m-Voting”. The m-Voting app can be downloaded from respective store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE COMPANY/ DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE

1. For physical shareholders - Please visit link http://www.purvashare.com/email-and-phone-updation and follow the registration process as guided thereafter. Post successful registration of the email address, the Member would get soft copy of the Annual Report along with Notice of the AGM and the procedure for remote e-voting along with the User ID and the password to enable e-voting for this AGM. In case of any queries, the Member may write to Registrar and Share Transfer Agent of the Company at support@purvashare.com

2. For demat shareholders - Members shall register their email addresses in respect of electronic holdings with their concerned Depository Participants by following due procedure as advised by them.

INSTRUCTIONS FOR MEMBERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER

1. Member will be provided with a facility to attend the AGM through VC/OAVM facility through the CDSL e-Voting system. Members may access the same at https://www.evotingindia.com under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/ members login where the EVSN of Company will be displayed.

2. Shareholders are encouraged to join the meeting through laptops / ipads for better experience.

3. Further shareholders will be required to allow camera and use internet with a good speed to avoid any disturbance during the meeting.

4. 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.

5. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at nge@newgreat.in by 19 December 2020. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM. The members are also requested to send their queries, if any, by 19 December 2020.

INSTRUCTIONS FOR MEMBERS FOR E-VOTING DURING THE AGM ARE AS UNDER

1. The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members, who are present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the AGM.

3. If any Votes are cast by the members through the e-voting available during the AGM and if the same Members has not participated in the meeting through VC/OAVM facility, then the votes cast by such Members shall be considered invalid as the facility of e-voting during the meeting is available only to the Members attending the meeting.

4. Members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

Note for Non - Individual Members and Custodians

1. Non – Individual members (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.

2. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk. evoting@cdslindia.com.

3. 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.

4. The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

5. 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.

6. Alternatively, Non Individual members are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorised signatory who are authorised to vote, to the Scrutinizer and to the Company at the email address viz; nge@newgreat.in, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia. com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022- 23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, Central Depository Services (India) Limited (CDSL), A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the meeting i.e. 29 December 2020.

By order of the Board of Directors

Mumbai, November 12, 2020

For The New Great Eastern Spinning And Weaving Company Limited

Registered Office:
25-29, Dr. Ambedkar Road,
Mumbai - 400 027.
CIN: U17110MH1873PLC000015
Tel: 91 22 22003231 /4325
Email: nge@newgreat.in

Vinod Jiwanram Lohia
Whole Time Director and CFO
and General Manager (Works)
DIN : 01509730

Dr. Anurag Kanoria
Whole Time Director
DIN: 00200630

ANNEXURE TO THE NOTICE

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

Item No. 3

Reappointment of Smt. Vineeta Kanoria as a Whole Time Director

The present term of Smt. Vineeta Kanoria as Whole Time Director of the Company will expire by efflux of time on 31st March 2021. The Board of Directors at their meeting held on 30th June, 2020, have recommended to re-appoint Smt. Vineeta Kanoria as Whole Time Director of the Company for a further period of three (3) consecutive years, commencing from 1st April, 2021 and upto 31st March, 2024 on the remuneration as recommended by the Nomination and Remuneration Committee. Her appointment and remuneration fixed by the Board are in accordance with Schedule V to the Companies Act, 2013 ("the Act") and are subject to the approval of the shareholders by way of Special Resolution, for which purpose relevant Special resolution as set out under item No. 3 of the accompanying Notice is proposed.

Smt. Vineeta Kanoria is not disqualified from being appointed as a director in terms of section 164 of the Companies Act, 2013.

Smt. Vineeta Kanoria is interested in the resolution set out at Item No. 3 of the Notice with regard to her re-appointment. The relatives of Smt. Vineeta Kanoria may be deemed to be interested in the resolution, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are in any way, concerned or interested, financially or otherwise, in the resolution.

The Board of Directors have recommended the following remuneration as recommended by the Nomination and Remuneration Committee payable to Smt. Vineeta Kanoria with the power to the Board to make variation or increase therein as may be though fit from time to time, during the tenure of her re-appointment but within the ceiling laid down in Schedule V to the Companies Act, 2013 or any statutory amendment or relaxations thereof. The abstract of terms and conditions of the re-appointment and remuneration payable to Smt. Vineeta Kanoria, as embodied in the draft Agreement to be entered into by Smt. Vineeta Kanoria with the Company for her re-appointment and remuneration payable to her, are as follows:

1. **Period of Appointment**

   Three (3) years commencing from 1st April, 2021 to 31st March, 2024.

2. **Remuneration**

   a) SALARY : Rs. 10,00,000 (Rupees Ten Lakhs Only) per month.

   b) PERQUISITES : Smt. Vineeta Kanoria will be entitled to the following perquisites in addition to hersalary restricted to an amount equal to the annual salary of Smt Vineeta Kanoria.

   Unless the context otherwise requires, perquisites are classified into three categories A, B and C as follows

CATEGORY - A

This will comprise of house rent allowance, leave travel concession, bonus, medical reimbursement, fees of clubs, personal accident insurance and such other benefits, facilities and allowances as may be available and allowed to Smt. Vineeta Kanoria as per the rules of the Company. These may be provided for as under

Housing Rent Allowance

Free furnished accommodation or House Rent Allowance of Rs. 4,00,000/- per month in lieu thereof.

Medical Reimbursement

All medical expenses incurred for self and her family including hospitalisation, nursing home and surgical charges in India and/or abroad subject to a ceiling of one month salary in a year.

Leave Travel Concession

For self and family once in a year to any destination in India or abroad.

Bonus

As per rules of the Company.

Club Fees

Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fees.

Personal Accident Insurance

Of an amount the annual premium of which does not exceed Rs. 10,000/- per annum for Smt. Vineeta Kanoria.

Education Benefits

For self and family in India and / or abroad

Other Benefits and Allowances

Any other benefits, facilities and allowances as may be available and allowed as per rules of the Company.

The value of the perquisites for the purpose of calculating the above annual ceiling shall be evaluated as per Income Tax Rules wherever applicable, otherwise at actual.

CATEGORY - B

i) Contributions to Provident Fund will not be included in the computation of the ceiling on perquisites to the extent it is not taxable under the Income Tax Act, 1961.

ii) Gratuity payable shall be half a month salary for each completed year of service.

iii) Encashment of Leave at the end of the tenure, as per rules of the Company will be permitted and will not be included in the computation of the ceiling on perquisites.

CATEGORY - C

Provision of car for use of the Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to Smt. Vineeta Kanoria. She shall also be provided with a mobile, laptop and internet connection for the purpose of the business of the Company which will also not form part of perquisites.

Minimum Remuneration

In the event of loss or inadequacy of profits in any financial year during the currency of tenure of office of Smt. Vineeta Kanoria, the Company shall pay remuneration by way of consolidated salary and perquisites in the manner laid down under Section II or Part II of Schedule V to the Companies Act, 2013 as amended and in force or any statutory amendments or relaxation in force.

Sitting Fee

Smt. Vineeta Kanoria shall not, so long as she acts as the Whole Time Director of the Company, be paid any sitting fee for attending any meeting of the Board or any Committee thereof.

Other Terms

Smt. Vineeta Kanoria shall not, during the continuance of her employment hereunder or at any time thereafter, divulge or disclose to any person or make use whatever for her own or for any other purpose any confidential information or knowledge acquired by her during her employment under the Company as to the business or affairs of the Company or as to any trade secret or secrets, processes of the Company and shall, during the continuance of her employment hereunder, use her best endeavors to prevent any other person from doing so.

Smt. Vineeta Kanoria hereby undertakes that so long as she functions as a Whole Time Director of the Company, she shall not become interested or otherwise concerned directly or indirectly in any selling agency of the Company in future without the prior approval of the Board of Directors of the Company.

The Board of Directors may in their discretion, revise or modify any of the terms of appointment and remuneration from time to time within the limits laid down in Schedule V to the Act or any statutory amendment or relaxations thereof.

Termination

Notwithstanding anything contained in this Agreement, either party shall be entitled to terminate this Agreement by giving six (6) months notice in writing in that behalf to the other party and on the expiry of the period of such notice, this Agreement shall stand terminated. The Company shall also be entitled to terminate the Agreement on giving to Smt. Vineeta Kanoria six (6) months' salary in lieu of six months notice.

Service of Notice

Any notice to be given hereunder shall be sufficiently given or served in case of Smt. Vineeta Kanoria by being delivered either personally to her or left for her at her address last known to the Company or sent by registered post addressed to her at such address and in the case of the Company by being delivered at or sent by registered post addressed to its registered office, any such notice if so posted shall be deemed served on the day following that on which it was posted.

In pursuance of Section II of Part II of Schedule V of the Act, following further information is given:

I. General information

1. Nature of Industry : The New Great Eastern Spinning & Weaving Company Limited was incorporated in the year 1873. The Company is into Manufacturing of yarn, trading of home décor items, cloth and textiles and other business as per Memorandum of Association of the Company.

2. Date or expected date of commencement of commercial production : The Company is carrying its business since more than 100 years.

3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus : Existing Company, not applicable.

4. Financial performance (Standalone), based on given indicators:

(₹ in Lakhs)

Sl.	Particulars	F.Y 2019-20	F.Y 2018-19
1.	Revenue from Operations	2,611.66	2,813.63
2.	Other Income	144.50	184.05
3.	Profit before Depreciation and Tax	280.01	115.31
4.	Provision for Depreciation	119.42	127.93
5.	Profit / (Loss) before Tax	160.59	(12.62)
6.	Current Tax/MAT	-	560.00
7.	Earlier Period Taxation	(0.14)	-
8.	Deferred Tax	1829.79	(731.55)
9.	Profit / (Loss) for the Year	(1,669.06)	158.93
10.	Total Other Comprehensive Income/(Loss) for the Year	(6,891.48)	1,158.62
11.	Total Comprehensive Income/(Loss) for the Year	(8,560.54)	1,317.55

5. Foreign investments or collaborations, if any : Not Applicable

II. Information about the Appointee

1.	Background Details	:	Smt. Vineeta Kanoria, aged about 58 years, is an able administrator with an experience of several years in the field of administration and commercial matters. Her Director Identification Number is 00775298.
2.	Past Remuneration	:	Rs.6,00,000/- per month plus perquisites including retirement benefits and House Rent Allowance of Rs. 2,40,000/- per month. Total Remuneration for the year 2019-2020 was Rs. 1,00,80,000/- excluding Provident Fund and Bonus.
3.	Recognition or Awards	:	NIL
4.	Job Profile and Suitability	:	She is a Whole Time Director of the Company and devotes attention to the management of the affairs of the Company and exercises powers under the supervision and superintendence of the Board of the Company.
5.	Remuneration Proposed	:	Salary: Rs. 10,00,000/- per month plus perquisites and House Rent Allowance of Rs. 4,00,000/- per month.
6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.e.f. the country of origin)	:	The remuneration structure proposed is competitive to what is prevailing for a position of a Whole Time Director in the textile & home décor business relative to the size and capacity of the Company.
7.	Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any	:	Smt. Vineeta Kanoria is a Director holding 73,151 shares of the paid-up and subscribed capital of the Company. Apart from receiving remuneration as stated above and dividend as a member of the Company, she is not entitled to remuneration from the Company under any other head save what is set out in the Resolution. Dr. Anurag Kanoria, a Whole Time Director of the Company is the brother-in-law of Smt. Vineeta Kanoria.

In view of the above, and also in view of the high esteem in which she is held in the corporate world for her commercial knowledge and business acumen, the Board considers it fit and suitable to the remuneration as proposed herein.

III. Other information

1. Reasons of Loss or Inadequate Profits

Due to economic slowdown and consequent adverse market conditions prevailing in the organised Textile Industry in Mumbai.

The Company seeks the permission of its shareholders for approval for re-appointment of Smt. Vineeta Kanoria for the period 1st April, 2021 to 31st March, 2024 as per resolution as set out at Item No. 3 notwithstanding the fact that the Company may not generate a profit or inadequate profit in any such financial year.

This Explanatory Statement and the resolution at Item No. 3 which outlines the terms and conditions may also be read and treated as disclosure in compliance with the requirement of Section 190 of the Companies Act, 2013.

The Board of Directors recommends the passing of Special Resolution as set out at Item No. 3 of the accompanying Notice relating to re-appointment of Smt. Vineeta Kanoria as Whole Time Director of the Company, by way of Special Resolution for the approval of the members. In compliance with the Ministry of Corporate Affairs General Circular No. 20/2020 dated May 5, 2020, this item is considered unavoidable and forms part of this Notice.

2. Steps taken or proposed to be taken for improvement

The management of the Company has taken various steps primarily in the following areas for a sustained business operation.

- Streaming of textile production capacity at Mumbai & at Silvassa.
- Towards reduction in the cost of production at the above two units.
- For improvement in the quality of the finished product.

3. Expected improvement in Productivity and Profits in measurable terms

The Company is conscious about improvement in productivity and undertakes constant measures to improve it. It is difficult, however in the present scenario to predict profit from business operations in measurable terms.

The Board of Directors is of the view that it is in the interest of the Company to continue to avail the services of Smt. Vineeta Kanoria as a Whole Time Director of the Company.

Approval of members is sought for re-appointment of Smt. Vineeta Kanoria as a Whole Time Director and for payment of remuneration including minimum remuneration.

The Board recommends the Resolution under item No. 3 of the accompanying notice for approval of the shareholders of the Company by way of Special Resolution.

The Explanatory Statement and the resolution at Item No. 3 which outlines the terms and conditions may also be read and treated as disclosure in compliance with the requirement of Section 190 of the Companies Act, 2013.

Item No. 4

Reappointment of Dr. Anurag Kanoria as a Whole Time Director

The present term of Dr. Anurag Kanoria as Whole Time Director of the Company will expire by efflux of time on 31st July, 2020. The Board of Directors at their meeting held on 30th June, 2020, have recommended to re-appoint Dr. Anurag Kanoria as Whole Time Director of the Company for a further period of three (3) consecutive years, commencing from 1st August, 2020 and upto 31st July, 2023 on the remuneration as recommended by the Nomination and Remuneration Committee. His appointment and remuneration fixed by the Board are in accordance with Schedule V to the Companies Act, 2013 ("the Act") and are subject to the approval of the shareholders by way of Special Resolution, for which purpose relevant Special Resolution as set out under item No. 4 of the accompanying Notice is proposed.

Dr. Anurag Kanoria is not disqualified from being appointed as a director in terms of section 164 of the Companies Act, 2013.

Dr. Anurag Kanoria is interested in the resolution set out at Item No. 4 of the Notice with regard to his re-appointment. The relatives of Dr. Anurag Kanoria may be deemed to be interested in the resolution, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are in any way, concerned or interested, financially or otherwise, in the resolution.

The Board of Directors have recommended the following remuneration as recommended by the Nomination and Remuneration Committee payable to Dr. Anurag Kanoria with the power to the Board to make variation or increase therein as may be though fit from time to time, during the tenure of his re-appointment but within the ceiling laid down in Schedule V to the Companies Act, 2013 or any statutory amendment or relaxations thereof. The abstract of terms and conditions of the re-appointment and remuneration payable to Dr. Anurag Kanoria, as embodied in the draft Agreement to be entered into by Dr. Anurag Kanoria with the Company for his re-appointment and remuneration payable to him, are as follows:

1. Period of Appointment

Three (3) years commencing from 1st August, 2020 to 31st July, 2023.

2. Remuneration

a) SALARY : Rs. 1,40,000 (Rupees One Lakh Forty Thousand Only) per month.

b) PERQUISITES : Dr. Anurag Kanoria will be entitled to the following perquisites in addition to his salary restricted to an amount equal to the annual salary of Dr. Anurag Kanoria.

Unless the context otherwise requires, perquisites are classified into three categories A, B and C as follows

CATEGORY - A

This will comprise of house rent allowance, leave travel concession, bonus, medical reimbursement, fees of clubs, personal accident insurance and such other benefits, facilities and allowances as may be available and allowed to Dr. Anurag Kanoria as per the rules of the Company. These may be provided for as under

Housing Rent Allowance

Free furnished accommodation or House Rent Allowance of Rs. 60,000/- per month in lieu thereof.

Medical Reimbursement

All medical expenses incurred for self and his family including hospitalisation, nursing home and surgical charges in India and/or abroad subject to a ceiling of one month salary in a year.

Leave Travel Concession

For self and family once in a year to any destination in India or abroad.

Bonus

As per rules of the Company.

Club Fees

Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fees.

Personal Accident Insurance

Of an amount the annual premium of which does not exceed Rs. 10,000/- per annum for Dr. Anurag Kanoria

Education Benefits

For self and family in India and / or abroad

Other Benefits and Allowances

Any other benefits, facilities and allowances as may be available and allowed as per rules of the Company.

The value of the perquisites for the purpose of calculating the above annual ceiling shall be evaluated as per Income Tax Rules wherever applicable, otherwise at actual.

CATEGORY - B

i) Contributions to Provident Fund will not be included in the computation of the ceiling on perquisites to the extent it is not taxable under the Income Tax Act, 1961.

ii) Gratuity payable shall be half a month salary for each completed year of service.

iii) Encashment of Leave at the end of the tenure, as per rules of the Company will be permitted and will not be included in the computation of the ceiling on perquisites.

CATEGORY - C

Provision of car for use of the Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to Dr. Anurag Kanoria. He shall also be provided with a mobile, laptop and internet connection for the purpose of the business of the Company which will also not form part of perquisites.

Minimum Remuneration

In the event of loss or inadequacy of profits in any financial year during the currency of tenure of office of Shri Anurag Kanoria, the Company shall pay remuneration by way of consolidated salary and perquisites in the manner laid down under Section II or Part II of Schedule V to the Companies Act, 2013 as amended and in force or any statutory amendments or relaxation in force.

Sitting Fee

Dr. Anurag Kanoria shall not, so long as he acts as the Whole Time Director of the Company, be paid any sitting fee for attending any meeting of the Board or any Committee thereof.

Other Terms

Dr. Anurag Kanoria shall not, during the continuance of his employment hereunder or at any time thereafter, divulge or disclose to any person or make use whatever for his own or for any other purpose any confidential information or knowledge acquired by her during his employment under the Company as to the business or affairs of the Company or as to any trade secret or secrets, processes of the Company and shall, during the continuance of his employment hereunder, use his best endeavors to prevent any other person from doing so.

Dr. Anurag Kanoria hereby undertakes that so long as he functions as a Whole Time Director of the Company, he shall not become interested or otherwise concerned directly or indirectly in any selling agency of the Company in future without the prior approval of the Board of Directors of the Company.

The Board of Directors may in their discretion, revise or modify any of the terms of appointment and remuneration from time to time within the limits laid down in Schedule V to the Act.

Termination

Notwithstanding anything contained in this Agreement, either party shall be entitled to terminate this Agreement by giving six (6) months notice in writing in that behalf to the other party and on the expiry of the period of such notice, this Agreement shall stand terminated. The Company shall also be entitled to terminate the Agreement on giving to Dr. Anurag Kanoria six (6) months' salary in lieu of six months notice.

Service of Notice

Any notice to be given hereunder shall be sufficiently given or served in case of Dr. Anurag Kanoria by being delivered either personally to him or left for him at his address last known to the Company or sent by registered post addressed to him at such address and in the case of the Company by being delivered at or sent by registered post addressed to its registered office, any such notice if so posted shall be deemed served on the day following that on which it was posted.

In pursuance of Section II of Part II of Schedule V of the Act, following further information is given:

II. General information

1.	Nature of Industry	:	The New Great Eastern Spinning & Weaving Company Limited was incorporated in the year 1873. The Company is into Manufacturing of yarn, trading of home décor items, cloth and textiles and other business as per Memorandum of Association of the Company.
2.	Date or expected date of commencement of commercial production	:	The Company is carrying its business since more than 100 years.

3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus : Existing Company, not applicable.

4. Financial performance (Standalone), based on given indicators:

(₹ in Lakhs)

Sl.	Particulars	F.Y 2019-20	F.Y 2018-19
1.	Revenue from Operations	2,611.66	2,813.63
2.	Other Income	144.50	184.05
3.	Profit before Depreciation and Tax	280.01	115.31
4.	Provision for Depreciation	119.42	127.93
5.	Profit / (Loss) before Tax	160.59	(12.62)
6.	Current Tax/MAT	-	560.00
7.	Earlier Period Taxation	(0.14)	-
8.	Deferred Tax	1829.79	(731.55)
9.	Profit / (Loss) for the Year	(1,669.06)	158.93
10.	Total Other Comprehensive Income/(Loss) for the Year	(6,891.48)	1,158.62
11.	Total Comprehensive Income/(Loss) for the Year	(8,560.54)	1,317.55

5. Foreign investments or collaborations, if any : Not Applicable

II. Information about the Appointee

1. Background Details : Dr. Anurag Kanoria, aged about 52 years, is an able administrator with an experience of several years in the field of administration and commercial matters. His Director Identification Number is 00200630.

2. Past Remuneration : Rs. 1,40,000/- per month plus perquisites including retirement benefits and House Rent Allowance of Rs. 60,000/- per month. Total Remuneration for the year 2019-2020 was Rs. 24,00,000/- excluding Provident Fund and Bonus.

3. Recognition or Awards : NIL

4. Job Profile and Suitability : He is a Whole Time Director of the Company and devotes attention to the management of the affairs of the Company and exercises powers under the supervision and superintendence of the Board of the Company.

5. Remuneration Proposed : Salary: Rs. 1,40,000/- per month plus perquisites and House Rent Allowance of Rs. 60,000/- per month.

6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.e.f. the country of origin) : The remuneration structure proposed is competitive to what is prevailing for a position of a Whole Time Director in the textile & home décor business relative to the size and capacity of the Company.

7. Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any	:	Dr. Anurag Kanoria is a Director holding 23,763 shares of the paid-up and subscribed capital of the Company. Apart from receiving remuneration as stated above and dividend as a member of the Company, he is not entitled to remuneration from the Company under any other head save what is set out in the Resolution. Smt. Vineeta Kanoria, a Whole Time Director of the Company is brother's wife of Dr. Anurag Kanoria.

In view of the above, and also in view of the high esteem in which he is held in the corporate world for his commercial knowledge and business acumen, the Board considers it fit and suitable to the remuneration as proposed herein.

III. Other information

1. Reasons of Loss or Inadequate Profits

Due to economic slowdown and consequent adverse market conditions prevailing in the organized Textile Industry in Mumbai.

The Company seeks the permission of its shareholders for approval for re-appointment of Dr. Anurag Kanoria for the period 1st August, 2020 to 31st July, 2023 as per resolution as set out at Item No. 4 notwithstanding the fact that the Company may not generate a profit or inadequate profit in any such financial year.

This Explanatory Statement and the resolution at Item No. 4 which outlines the terms and conditions may also be read and treated as disclosure in compliance with the requirement of Section 190 of the Companies Act, 2013.

The Board of Directors recommends the passing of Special Resolution as set out at Item No. 4 of the accompanying Notice relating to re-appointment of Dr. Anurag Kanoria as Whole Time Director of the Company, by way of Special Resolution for the approval of the members. In compliance with the Ministry of Corporate Affairs General Circular No. 20/2020 dated May 5, 2020, this item is considered unavoidable and forms part of this Notice.

2. Steps taken or proposed to be taken for improvement

The management of the Company has taken various steps primarily in the following areas for a sustained business operation.

- Streaming of textile production capacity at Mumbai & at Silvassa.
- Towards reduction in the cost of production at the above two units.
- For improvement in the quality of the finished product.

3. Expected improvement in Productivity and Profits in measurable terms

The Company is conscious about improvement in productivity and undertakes constant measures to improve it. It is difficult, however in the present scenario to predict profit from business operations in measurable terms.

The Board of Directors is of the view that it is in the interest of the Company to continue to avail the services of Dr. Anurag Kanoria as a Whole Time Director of the Company.

Approval of members is sought for re-appointment of Dr. Anurag Kanoria as a Whole Time Director and for payment of remuneration including minimum remuneration.

The Board recommends the Resolution under item No. 4 of the accompanying notice for approval of the shareholders of the Company by way of Special Resolution.

The Explanatory Statement and the resolution at Item No. 4 which outlines the terms and conditions may also be read and treated as disclosure in compliance with the requirement of Section 190 of the Companies Act, 2013.

Item No. 5

Reappointment of Shri Vinod Jiwanram Lohia as a Whole Time Director and CFO and General Manager (Works)

The present term of Shri Vinod Jiwanram Lohia as Whole Time Director and CFO and General Manager (Works) of the Company will expire by efflux of time on 31st July, 2020. The Board of Directors at their meeting held on 30th June, 2020, have recommended to re-appoint Shri Vinod Jiwanram Lohia as Whole Time Director and CFO and General Manager (Works) of the Company for a further period of three (3) consecutive years, commencing from 1st August, 2020 and upto 31st July, 2023 on the remuneration as recommended by the Nomination and Remuneration Committee. His appointment and remuneration fixed by the Board are in accordance with Schedule V to the Companies Act, 2013 ("the Act") and are subject to the approval of the shareholders by way of Special Resolution, for which purpose relevant special resolution as set out under item No. 4 of the accompanying Notice is proposed.

Shri Vinod Jiwanram Lohia is not disqualified from being appointed as a director in terms of section 164 of the Companies Act, 2013.

Shri Vinod Jiwanram Lohia is interested in the resolution set out at Item No. 5 of the Notice with regard to his re-appointment. The relatives of Shri Vinod Jiwanram Lohia may be deemed to be interested in the resolution, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are in any way, concerned or interested, financially or otherwise, in the resolution.

The Board of Directors have recommended the following remuneration as recommended by the Nomination and Remuneration Committee payable to Shri Vinod Jiwanram Lohia with the power to the Board to make variation or increase therein as may be though fit from time to time, during the tenure of his re-appointment but within the ceiling laid down in Schedule V to the Companies Act, 2013 or any statutory amendment or relaxations thereof. The abstract of terms and conditions of the re-appointment and remuneration payable to Shri Vinod Jiwanram Lohia, as embodied in the draft Agreement to be entered into by Shri Vinod Jiwanram Lohia with the Company for his re-appointment and remuneration payable to him, are as follows:

a) Period of Appointment

Three (3) years commencing from 1st August, 2020 to 31st July, 2023.

b) Remuneration

a) SALARY : Rs. 1,30,000 (Rupees One Lakh Thirty Thousand Only) per month.

b) PERQUISITES : Shri Vinod Jiwanram Lohia will be entitled to the following perquisites in addition to his salary restricted to an amount equal to the annual salary of Shri Vinod Jiwanram Lohia.

Unless the context otherwise requires, perquisites are classified into three categories A, B and C as follows

CATEGORY - A

This will comprise of bonus and such other benefits, facilities and allowances as may be available and allowed to Shri Vinod Jiwanram Lohia as per the rules of the Company. These may be provided for as under

Bonus

As per rules of the Company.

Other Benefits and Allowances

Any other benefits, facilities and allowances as may be available and allowed as per rules of the Company.

The value of the perquisites for the purpose of calculating the above annual ceiling shall be evaluated as per Income Tax Rules wherever applicable, otherwise at actual.

CATEGORY - B

i) Contributions to Provident Fund will not be included in the computation of the ceiling on perquisites to the extent it is not taxable under the Income Tax Act, 1961.

ii) Gratuity payable shall be half a month salary for each completed year of service.

iii) Encashment of Leave at the end of the tenure, as per rules of the Company will be permitted and will not be included in the computation of the ceiling on perquisites.

CATEGORY - C

Provision of car for use of the Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to Shri Vinod Jiwanram Lohia. He shall also be provided with a mobile, laptop and internet connection for the purpose of the business of the Company which will also not form part of perquisites.

Minimum Remuneration

In the event of loss or inadequacy of profits in any financial year during the currency of tenure of office of Shri Vinod Jiwanram Lohia, the Company shall pay remuneration by way of consolidated salary and perquisites in the manner laid down under Section II or Part II of Schedule V to the Companies Act, 2013 as amended and in force or any statutory amendments or relaxation in force.

Sitting Fee

Shri Vinod Jiwanram Lohia shall not, so long as he acts as the Whole Time Director and CFO and General Manager (Works) of the Company, be paid any sitting fee for attending any meeting of the Board or any Committee thereof.

Other Terms

Shri Vinod Jiwanram Lohia shall not, during the continuance of his employment hereunder or at any time thereafter, divulge or disclose to any person or make use whatever for his own or for any other purpose any confidential information or knowledge acquired by him during his employment under the Company as to the business or affairs of the Company or as to any trade secret or secrets, processes of the Company and shall, during the continuance of his employment hereunder, use his best endeavors to prevent any other person from doing so.

Shri Vinod Jiwanram Lohia hereby undertakes that so long as he functions as a Whole Time Director and CFO and General Manager (Works) of the Company, he shall not become interested or otherwise concerned directly or indirectly in any selling agency of the Company in future without the prior approval of the Board of Directors of the Company.

The Board of Directors may in their discretion, revise or modify any of the terms of appointment and remuneration from time to time within the limits laid down in Schedule V to the Act.

Termination

Notwithstanding anything contained in this Agreement, either party shall be entitled to terminate this Agreement by giving six (6) months notice in writing in that behalf to the other party and on the expiry of the period of such notice, this Agreement shall stand terminated. The Company shall also be entitled to terminate the Agreement on giving to Shri Vinod Jiwanram Lohia six (6) months' salary in lieu of six months notice.

Service of Notice

Any notice to be given hereunder shall be sufficiently given or served in case of Shri Vinod Jiwanram Lohia by being delivered either personally to him or left for him at his address last known to the Company or sent by registered post addressed to him at such address and in the case of the Company by being delivered at or sent by registered post addressed to its registered office, any such notice if so posted shall be deemed served on the day following that on which it was posted.

In pursuance of Section II of Part II of Schedule V of the Act, following further information is given:

I. General information

1. Nature of Industry	:	The New Great Eastern Spinning & Weaving Company Limited was incorporated in the year 1873. The Company is into Manufacturing of yarn, trading of home décor items, cloth and textiles and other business as per Memorandum of Association of the Company.

2. Date or expected date of commencement of commercial production : The Company is carrying its business since more than 100 years.

3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus : Existing Company, not applicable.

4. Financial performance (Standalone), based on given indicators:

(₹ in Lakhs)

Sl.	Particulars	F.Y 2019-20	F.Y 2018-19
1.	Revenue from Operations	2,611.66	2,813.63
2.	Other Income	144.50	184.05
3.	Profit before Depreciation and Tax	280.01	115.31
4.	Provision for Depreciation	119.42	127.93
5.	Profit / (Loss) before Tax	160.59	(12.62)
6.	Current Tax/MAT	-	560.00
7.	Earlier Period Taxation	(0.14)	-
8.	Deferred Tax	1829.79	(731.55)
9.	Profit / (Loss) for the Year	(1,669.06)	158.93
10.	Total Other Comprehensive Income/(Loss) for the Year	(6,891.48)	1,158.62
11.	Total Comprehensive Income/(Loss) for the Year	(8,560.54)	1,317.55

5. Foreign investments or collaborations, if any : Not Applicable

II. Information about the Appointee

1. Background Details : Shri Vinod Jiwanram Lohia, aged about 69 years, holding B.Com, LLB & DBM degrees and is an able administrator with an experience of over 45 years in the corporate world. He has been a Director of the Company since 1st August, 2011. His Director Identification Number is 01509730.

2. Past Remuneration : Rs. 1,30,000/- per month plus perquisites including retirement benefits. Total Remuneration for the year 2019-2020 was Rs. 15,60,000/- excluding Provident Fund and Bonus.

3. Recognition or Awards : NIL

4. Job Profile and Suitability : He is a Whole Time Director of the Company and devotes attention to the management of the affairs of the Company and exercises powers under the supervision and superintendence of the Board of the Company.

5. Remuneration Proposed : Salary: Rs. 1,30,000/- per month plus perquisites.

6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.e.f. the country of origin)	:	The remuneration structure proposed is competitive to what is prevailing for a position of a Whole Time Director in the textile &home décor business relative to the size and capacity of the Company.
7.	Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any	:	Shri Vinod Jiwanram Lohia is a Director holding 5 equity shares of the paid-up and subscribed capital of the Company. Apart from receiving remuneration as stated above, he is not entitled to remuneration from the Company under any other head save what is set out in the Resolution.

In view of the above, and also in view of the high esteem in which he is held in the corporate world for his commercial knowledge and business acumen, the Board considers it fit and suitable to the remuneration as proposed herein.

III. Other information

1. Reasons of Loss or Inadequate Profits

Due to economic slowdown and consequent adverse market conditions prevailing in the organized Textile Industry in Mumbai.

The Company seeks the permission of its shareholders for approval for re-appointment of Shri Vinod Jiwanram Lohia for the period 1st August, 2020 to 31st July, 2023 as per resolution as set out at Item No. 5 notwithstanding the fact that the Company may not generate a profit or inadequate profit in any such financial year.

This Explanatory Statement and the resolution at Item No. 5 which outlines the terms and conditions may also be read and treated as disclosure in compliance with the requirement of Section 190 of the Companies Act, 2013.

The Board of Directors recommends the passing of Special Resolution as set out at Item No. 5 of the accompanying Notice relating to re-appointment of Shri Vinod Jiwanram Lohia as Whole Time Director and CFO and General Manager (Works) of the Company, and to continue the directorship of Shri Vinod Jiwanram Lohia as the Whole Time Director and CFO and General Manager (Works) as he will be attaining the age of 70 years in his proposed tenure of 3 years, by way of Special Resolution for the approval of the members. In compliance with the Ministry of Corporate Affairs General Circular No. 20/2020 dated May 5, 2020, this item is considered unavoidable and forms part of this Notice.

2. Steps taken or proposed to be taken for improvement

The management of the Company has taken various steps primarily in the following areas for a sustained business operation.

- Streaming of textile production capacity at Mumbai & at Silvassa.
- Towards reduction in the cost of production at the above two units.
- For improvement in the quality of the finished product.

3. Expected improvement in Productivity and Profits in measurable terms

The Company is conscious about improvement in productivity and undertakes constant measures to improve it. It is difficult, however in the present scenario to predict profit from business operations in measurable terms.

The Board of Directors is of the view that it is in the interest of the Company to continue to avail the services of Shri Vinod Jiwanram Lohia as a Whole Time Director and CFO and General Manager (Works) of the Company.

Approval of members is sought for re-appointment of Shri Vinod Jiwanram Lohia as a Whole Time Director and CFO and General Manager (Works) and for payment of remuneration including minimum remuneration.

The Board recommends the Resolution under item No. 5 of the accompanying notice for approval of the shareholders of the Company by way of Special Resolution.

The Explanatory Statement and the resolution at Item No. 5 which outlines the terms and conditions may also be read and treated as disclosure in compliance with the requirement of Section 190 of the Companies Act, 2013.

Item No. 6

Sales, Purchase or Supply of any Goods or Materials and availing of any services in connection with the Purchase or Sale of Goods or Material including storage thereof with related parties.

The Companies Act, 2013 aims to ensure transparency in the transactions and dealing with the related parties of the Company. The provisions of Section 188(1) of the Companies Act, 2013 govern the Related Party Transactions for entering into any contract, transactions or arrangement with the related party(ies). The Board recommend the approval of Shareholders by way of a Resolution as prescribed in rule 15 of the Companies (Meeting of Board and its Power) Rules, 2014 including any modification or amendments or classifications thereon, if any, to sale, purchase or supply goods or materials or availing or rendering of any services with New India Exports Private Limited related party within the meaning of the aforesaid law upto a maximum amount of Rs. 1000 lakhs from the financial year 2020-2021 and onward and also with MG New India Furniture Café LLP, related party within the meaning of the aforesaid law upto a maximum amount of Rs. 500 lakhs from the financial year 2020-2021 and onward. The contract is at arm’s length basis and in the ordinary course of business.

After recommendation of the Audit Committee the Board is of the opinion that the aforesaid related party transaction is in the best interests of the Company. The Board recommend passing of this resolution by way of an Ordinary Resolution.

New India Exports Pvt. Ltd is a Holding Company and MG New India Furniture Café LLP is a LLP in which New India Exports Private Ltd is a designated partner.

Except Dr. Anurag Kanoria and Smt. Vineeta Kanoria and their relatives of the Director or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in this proposed resolution.

By order of the Board of Directors

Mumbai, November 12, 2020 **For The New Great Eastern Spinning And Weaving Company Limited**

Registered Office:
25-29, Dr. Ambedkar Road,
Mumbai - 400 027.
CIN: U17110MH1873PLC000015
Tel: 91 22 22003231 /4325
Email: nge@newgreat.in

Vinod Jiwanram Lohia
Whole Time Director and CFO
and General Manager (Works)
DIN : 01509730

Dr. Anurag Kanoria
Whole Time Director
DIN: 00200630

As per the requirement of Clause 1.2.5 of the Secretarial Standard 2 as issued by the Institute of Company Secretaries of India, a statement containing the requisite details of the concerned Directors are given below

Name of Director	Smt. Vineeta Kanoria	Dr. Anurag Kanoria	Shri Vinod Jiwanram Lohia
Date of Birth	27th May, 1962	19th September, 1968	26th January, 1951
Date of Appointment	25th March, 2015	1st August, 2011	1st August, 2011 as a Whole Time Director 27th March, 2019 as a Whole Time Director and CFO and General Manager (Works)
Qualification	Master of Arts from Bombay University	M.A-Literature (North Eastern University), PHD (University of Bombay)	B.Com, LLB, DBM
Nature of expertise in specific functional areas	Has experience and expertise in general administration and procurement/ marketing of home décor items.	General Administration and Procurement/ Marketing of Home Décor Items.	Vast experience in Industry for over 45 years in the firld of Technical, Commercial, Finance and Legal areas.
Last Remuneration drawn	Salary Rs. 6,00,000/- per month plus perquisites including retirement benefits and House Rent Allowance of Rs. 2,40,000/- per month	Salary Rs. 1,40,000/- per month plus perquisites including retirement benefits and House Rent Allowance of Rs. 60,000/- per month	Salary Rs. 1,30,000/- per month plus perquisites including retirement benefits
Proposed Remuneration	Salary Rs. 10,00,000/- per month plus perquisites including retirement benefits and House Rent Allowance of Rs. 4,00,000/- per month	Salary: Rs. 1,40,000/- per month plus perquisites and House Rent Allowance of Rs. 60,000/- per month	Salary Rs. 1,30,000/- per month plus perquisites including retirement benefits
Directorship in other Indian Companies	1. Bombay Wire Ropes Limited 2. New India Exports Private Limited 3. Sound Investment Company Pvt. Ltd. 4. Kanvai Investment Company Pvt. Ltd. 5. Kaabil Traders Private Limited	1. Bombay Wire Ropes Limited 2. New India Exports Private Limited 3. Horizon Investment Company Pvt. Ltd. 4. Sparkk Organics Private Limited 5. Sound Investment Company Pvt. Ltd. 6. Kaabil Traders Private Limited	1. Bombay Wire Ropes Limited
Number of meetings of the Board attended during the Financial Year 2019-20	Four (4)	Four (4)	Five (5)
Relationship inter-se with other directors/ key managerial personnel	Dr.Anurag Kanoria, a Whole Time Director of the Company is the brother-in-law of Smt. Vineeta Kanoria	Smt. Vineeta Kanoria, a Whole Time Director of the Company is brother's wife of Shri Anurag Kanoria	NIL
Chairman/ Member of any committee of the board of directors	Audit Committee and Nomination and Remuneration Committee - Member	Audit Committee and Nomination and Remuneration Committee Member	Audit Committee and Nomination and Remuneration Committee - Member
Shareholding, if any in the Company	73,151 equity shares of the paid-up and subscribed capital of the Company	23,763 equity shares of the paid-up and subscribed capital of the Company	5 equity shares of the paid-up and subscribed capital of the Company

By order of the Board of Directors
For The New Great Eastern Spinning And Weaving Company Limited

Vinod Jiwanram Lohia
Whole Time Director and CFO
and General Manager (Works)
DIN : 01509730

Dr. Anurag Kanoria
Whole Time Director
DIN: 00200630

Place : Mumbai,
Date : November 12, 2020

DIRECTORS' REPORT

TO THE MEMBERS

The Directors of the Company are pleased to present the One Hundred Forty Fifth Annual Report of the Company along with the Audited Financial Statements for the Financial Year ended 31st March, 2020.

FINANCIAL RESULTS

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

Sl.	Particulars	F.Y 2019-20 Standalone	F.Y 2018-19 Standalone	F.Y 2019-20 Consolidated	F.Y 2018-19 Consolidated
1.	Revenue from Operations	2,611.66	2,813.63	2,624.73	2,814.77
2.	Other Income	144.50	184.05	146.10	184.05
3.	Profit before depreciation and tax	280.01	115.31	294.22	116.02
4.	Provision for depreciation	119.42	127.93	119.42	127.93
5.	Profit / (Loss) before Tax	160.59	(12.62)	174.80	(11.91)
6.	Current Tax/ MAT	-	560.00	-	560.00
7.	Earlier Period Taxation	(0.14)	-	(0.14)	-
8.	Deferred Tax	1829.79	(731.55)	1,829.79	(731.55)
9.	Profit / (Loss) for the year	(1,669.06)	158.93	(1,654.85)	159.64
10.	Total Other comprehensive income/ (loss) for the year	(6,891.48)	1,158.62	(6,891.48)	1,158.62
11.	Total comprehensive income/ (loss) for the year	(8,560.54)	1,317.55	(8,546.33)	1,318.26

MANAGEMENT DISCUSSION AND ANALYSIS

During the year under review, the consolidated profit before depreciation and tax is Rs. 294.22 lakhs against a consolidated profit of Rs. 116.02 lakhs in the previous year.

The organised textile sector has continued to remain under pressure during the period under review. The manufacturing operations at the Byculla unit continue to remain unviable. The home decor division has also been under pressure during the year due to a challenging business environment on account of a slowdown in demand from end users. The Company has, however, registered improved revenues from operations at its textile unit at Silvassa. The quality of the product has been established and is well received in the market.

In compliance with the new Indian Accounting Standards, a fair value of investments has been done as on the date of the Balance Sheet as a result of which there is an unrealized profit of 300.05 lakhs on investments made by the Company in debt mutual funds and an unrealized loss of 7417.59 lakhs on investments made by the Company in the equity share market. It may be mentioned that on account of the spread of COVID-19 there has been a steep fall in equity prices over February and March, 2020. Simultaneously, a sharp correction in the debt markets has also taken place consequent to which Franklin Templeton has wound up its Ultra Short Bond Fund Scheme in which the Company has invested Rs. 344.12 Lakhs. As per expert advice received by the management, it is expected that the Company should be able to recover the entire aforesaid amount of 344.12 lakhs in due course though the time for the same remains unpredictable as on date.

INDIAN ACCOUNTINGS STANDARD

The Ministry of Corporate Affairs (MCA), notified that the Indian Accounting Standards (Ind AS) are applicable to certain classes of companies from 1st April, 2019 with a transition date of 1st April, 2018. Thus Ind As is applicable to this Company from 1st April, 2019. The reconciliations and descriptions of the effect of the transition from the previous GAAP to the Ind AS have been set out in Note 47 in the notes to accounts in the financial statement.

CORPORATE SOCIAL RESPONSIBILITY

The provisions of Section 135 of the Companies Act, 2013 read with the applicable rules made thereunder relating to Corporate Social Responsibility do not apply to the Company.

DETAILS OF BOARD / COMMITTEE AND ITS MEETING

Five (5) Board Meetings were convened and held during the year. There has not been any instance during the year where a recommendation of the Audit Committee was not accepted by the Board. The interval between two meetings has been well within the maximum period mentioned under section 173 of the Companies Act, 2013. The aforesaid details is given in **"Annexure A"** annexed herewith.

DIVIDEND

To conserve the resources, the Board of Directors do not recommend declaration of any dividend.

TRANSFER TO RESERVES

In view of losses no amount is transferred to Reserves.

SHARE CAPITAL

The paid-up equity share capital as on 31st March, 2020 is Rs. 18.09 crores. During the year under review, the Company has not issued any shares including shares with differential voting rights or employee stock options or sweat equity shares nor does it have any scheme to fund its employees to purchase the shares of the Company. As on 31st March, 2020, none of the Directors of the Company hold instruments which are convertible into equity shares of the Company.

SUBSIDIARY COMPANIES AND CONSOLIDATED FINANCIAL STATEMENTS

During the year, the Board of Directors reviewed the affairs of the subsidiary of the Company.

In accordance with Section 129(3) of the Companies Act 2013, consolidated financial statements of the Company and of its subsidiary have been prepared which form part of this Annual Report.

During the year under review, no company has ceased to be a subsidiary or an associate company of the Company.

A statement containing the salient features of the financial statement of the subsidiary and other necessary details in the prescribed format AOC-1 is at **"Annexure B"** and forms part of the consolidated financial statements.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Particulars of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 forms a part of the Notes to the Financial Statements.

DEPOSITS

During the financial year 2019-20 the Company has not accepted any deposit within the meaning of Section 73 and 76 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014 as amended, from the public and there are no outstanding deposits in terms of the Companies (Acceptance of Deposits) Rules, 2014.

INSURANCE

The properties of the Company have been adequately insured.

CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All related party transactions are in accordance with the approvals being granted by the Audit Committee, Board of Directors and the Members at the Annual General Meeting (as applicable).

The particulars of every contract or arrangement entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, **"Annexure C"** in Form No. AOC-2.

MATERIAL CHANGES AND COMMITMENTS

There were no material changes and commitments occurred between the end of the financial year and the date of the Report affecting the financial position of the Company.

RISK MANAGEMENT

Business risk evaluation and management is an ongoing and continuous process within the Company and an assessment of the same is periodically carried out by the Board.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an effective internal control and risk-mitigation system which are constantly assessed and strengthened with new/revised standard operating procedures. The internal control system of the Company is commensurate with its size, scale and complexities of its operations. The main thrust of the internal audit is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the industry.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same. The Company has a robust Management Information System which is an integral part of the control mechanism.

The Audit Committee of the Board of Directors, Statutory Auditors and the Business Heads are periodically apprised of the audit findings and corrective actions taken. Audit plays a key role in providing assurance to the Board of Directors. Significant audit observations and corrective actions taken by the management are presented to the Audit Committee of the Board.

HUMAN RESOURCES

The Company treats its human resources as an important asset and believes in its contribution to the all-round growth of the Company. The Company takes adequate steps, to upgrade and enhance the quality of this asset and strives to maintain it in an agile and responsive form. The Company is an equal opportunity employer and practices fair employment policies. The Company is confident that its human capital will effectively contribute to the long-term value enhancement of the organization.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS

There is no significant and material order passed by Regulators / Courts which would impact the going concern status of the Company and its future operations.

INDUSTRIAL RELATIONS

Industrial relations with staff and workmen during the year under review remained cordial.

DIRECTORS AND KEY MANAGEMENT PERSONAL

Appointment of Directors

Dr. Anurag Kanoria (DIN 00200630) Director, retires by rotation and being eligible, offers himself for reappointment. A brief resume of Dr. Anurag Kanoria, who is proposed to be reappointed, is provided in the Notice of the 145th Annual General Meeting of the Company.

Smt. Vineeta Kanoria (DIN 00775298) was appointed as Whole Time Director and whose period of office expires on 31st March, 2021. A brief resume of Smt. Vineeta Kanoria, who is proposed to be reappointed, is provided in the Notice of the 145th Annual General Meeting of the Company.

Dr. Anurag Kanoria (DIN 00200630) was appointed as Whole Time Director and whose period of office expires on 31st July, 2020. A brief resume of Dr. Anurag Kanoria, who is proposed to be reappointed, is provided in the Notice of the 145th Annual General Meeting of the Company.

Shri Vinod Jiwanram Lohia (DIN 01509730) was appointed as Whole Time Director & CFO & General Manager (Works) and whose period of office expires on 31st July, 2020. A brief resume of Shri Vinod Jiwanram Lohia, who is proposed to be reappointed, is provided in the Notice of the 145th Annual General Meeting of the Company.

Policy on appointment and remuneration of Directors

Criteria for appointment of Independent Directors

The Board on the recommendation of the Nomination and Remuneration Committee appoints independent directors who are of high integrity and with relevant expertise and experience so as to have a diverse Board.

Criteria for appointment of Whole Time Directors

The Nomination and Remuneration Committee identifies persons of integrity who possess relevant expertise and experience as well as leadership qualities for such positions and takes into consideration recommendations, if any, received from any member of the Board in this regard.

Declaration from Independent Directors

Each independent director has given a declaration that he/she meets the criteria of independence as laid down under section 149(6) of the Companies Act, 2013.

Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013, the Nomination and Remuneration Committee has laid down the criteria for evaluation of the performance of individual directors and the Board as a whole. Based on the said criteria, the exercise of evaluation is carried out through a structured process covering various aspects of the functioning of the Board such as the composition of the Board and Committees, experience & expertise, performance of specific duties & obligations, governance & compliance issues, attendance, contribution at meetings etc. The performance evaluation of non-independent directors was carried out by an independent director at a separately convened meeting in which the performance of the Board as a whole was also evaluated. The performance of the independent directors has been carried out by the entire Board (excluding the director being evaluated).

DIRECTORS' RESPONSIBILITY STATEMENT

As stipulated under Section 134(3)(c) of the Companies Act, 2013, your Directors confirm as under

i) that the applicable accounting standards have been followed along with proper explanation relating to material departures in the preparation of the accounts for the financial year ended 31st March 2019,

ii) that 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 under review and of the profit and loss of the Company for that period;

iii) that the directors have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv) that the directors have prepared the accounts for the financial year on a going concern basis.

v) that the directors have laid down internal financial controls which are adequate and are operating effectively.

vi) that the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information pursuant to Section 134(3)(m) of the Companies Act, 2013 read with rule 8 of The Companies (Accounts) Rules, 2014, is given in "**Annexure D**" of this Report.

EXTRACT OF ANNUAL RETURN

In accordance with Section 134(3)(a) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the extract of the Annual Return in Form MGT-9 is enclosed as "**Annexure E**" to this Report.

PARTICULARS OF EMPLOYEES

The particulars of employees as required under section 197(12) of the Companies Act, 2013 read with Rule 5(1), 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in "**Annexure F**" to this Report.

AUDITORS

Statutory Auditors and their Audit Report

M/s. Bansi S. Mehta, Chartered Accountants, Firm Registration No. 100991W, were appointed as Statutory Auditors of the Company from the conclusion of 143rd Annual General Meeting (FY 2017-18) till the conclusion of 147th Annual General Meeting (FY 2021-22) of the Company, subject to ratification at every Annual General Meeting of the Company at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors. The Ministry of Corporate Affairs (MCA) vide its circular dated 7 May 2018 notified various sections of The Companies (Amendment) Act, 2017, thereby modifying Section 139 of Companies Act, 2013. Accordingly, the requirement for ratification of appointment of Statutory Auditors by the shareholders at every Annual General Meeting has been omitted, hence no such resolution is proposed at this Annual General Meeting.

Further, the reports given by the Auditors, M/s. Bansi S. Mehta & Company, Chartered Accountants, on the standalone and consolidated financial statements of the Company for the year ended 31st March, 2020 form part of this Annual Report and there is no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Reports.

The Auditors of the Company have not reported any fraud in terms of the second proviso to Section 143(12) of the Act.

Cost Auditors

Cost Audit is not applicable to the Company for the financial year 2020-21 as per the provisions of section 148 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules 2014 framed thereunder as well as the Cost Audit Orders issued from time to time.

Compliance of Secretarial Standards

The Board hereby confirms that during the year under review, the Company has complied with the Secretarial Standards as prescribed by Institute of Company Secretaries of India.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013, read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, Secretarial Audit is not applicable since the paid up share capital of the Company is below Rs. 50 crores and its turnover is below 250 crores and its outstanding loans/borrowings from banks / public financial institutions is below 100 crores.

POLICY ON PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company has, in place a Prevention of Sexual Harassment policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. During the year 2019-2020, no complaints were received by the Company related to sexual harassment.

ACKNOWLEDGEMENT

Your Directors would like to express their appreciation for the assistance and co-operation received from all its employees and members during the year under review.

By order of the Board of Directors

Mumbai, November 12, 2020

For The New Great Eastern Spinning And Weaving Company Limited

Registered Office:
25-29, Dr. Ambedkar Road,
Mumbai - 400 027.
CIN: U17110MH1873PLC000015
Tel: 91 22 22003231 /4325
Email: nge@newgreat.in

Vinod Jiwanram Lohia
Whole Time Director and CFO
and General Manager (Works)
DIN : 01509730

Dr. Anurag Kanoria
Whole Time Director
DIN: 00200630

Annexure "A"

REPORT ON CORPORATE GOVERNANCE

1. Board of Directors

The Board of Directors comprised of Five (5) Directors as on 31st March, 2020 including 2 Independent Directors, which is in compliance with the Companies Act, 2013.

The day to day management is conducted by Shri. Vinod Jiwanram Lohia, Shri Anurag Kanoria and Vineeta Kanoria Directors of the Company, subject to superintendence, control and direction of the Board of Directors.

None of the Director on the Company's Board is holding office of Director in more than twenty Companies and Independent Director in more than seven listed companies.

The composition of the Board and other relevant details relating to Directors are given below:

Name of the Director	DIN	Category	No. of other Directorships*	No. of Shares held	No. of Board Meeting attended
Vineeta Arvindkumar Kanoria	00775298	Director	5	73151	4
Anurag Kantikumar Kanoria	00200630	Director	7	23763	4
Vinod Jiwanram Lohia	01509730	Director	1	5	5
Raj Kumar Gulzarilal Jhunjhunwala	01527573	Director	5	5	5
Bimal Kumar Kanodia	00819671	Director	1	NIL	5

** Excludes Directorship in Foreign Companies and Government Bodies.*

2. Skill/Expertise/ Competencies of the Board of Directors

The requisite skills, expertise and Competence required for running the business of the Company and as identified by Board of Director are available with Board of Directors.

3. Committees of the Board

The Board has constituted Committees of Directors as to effectively focus in activities falling within their terms of reference. The minutes of the meeting of all the Committees of the Board are placed before the Board for discussion/noting. The Board Committees can request special invitees to join the meeting, as appropriate.

The Board has currently established the following Committees:

A. Audit Committee

I. Composition

Pursuant to Section 177 of the Companies Act, 2013, the Audit Committee comprising of three (3) Directors, who have considerable expertise in accounting and financial management. The necessary quorum was present for all the meetings.

During the year the Committee met five times on 28th May, 2019, 26th August, 2019, 22th November, 2019, 20th February, 2020, 6th March, 2020. The necessary quorum was present for all the meetings.

The attendance of each member of the Committee is given below:

Name of the Member	Designation	Nature of Directorship	No. of Meetings Attended
Vinod Jiwanram Lohia	Member	Director	5
Raj Kumar Gulzarilal Jhunjhunwala	Chairperson	Independent Director	5
Bimal Kumar Kanodia	Member	Independent Director	5

Brief Description of term of reference:

The terms of reference of Audit Committee are broadly as under:

➢ Oversight of financial reporting process of the Company and the disclosure of its financial information so as to ensure that the financial statement is correct, sufficient and credible;

➢ Recommending to the Board, the appointment, reappointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;

➢ Review and monitor the auditors independence and performance, and effectiveness of audit process;

➢ Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

➢ Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to, but not restricted to:

- Matters required to be included in the 'Director's Responsibility Statement' under sub Section 5 of Section 134, which is further required to be included in our Board's report in terms of clause (c) of sub Section 3 of Section 134 of the Companies Act, 2013;
- Changes, if any, in accounting policies and practices and reasons for the same;
- Major accounting entries involving estimates based on the exercise of judgment by management;
- Significant adjustments made in the financial statements arising out of audit findings;
- Compliance with legal requirements relating to financial statements;
- Disclosure of any related party transactions; and
- Qualifications in the draft audit report.

➢ Approval or any subsequent modification of transactions of our Company with related parties;

➢ Scrutiny of inter-corporate loans and investments, valuation of undertakings or assets of our Company, wherever it is necessary;

➢ To review, along with the management, the periodical financial statements before submission to the Board for approval;

➢ To review, along with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

➢ To review, along with the management, performance of statutory auditors, adequacy of the internal control systems;

➢ To review 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; discussion with internal auditors of any significant findings and follow-up thereon;

➢ To review 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;

➢ 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;

➢ To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

➢ To review the functioning of the 'vigil' mechanism, in case the same is existing;

➢ Approval of appointment of CFO, or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background of the candidate, etc.;

➢ Carrying out any other function as is mentioned in the terms of reference of the Audit Committee and to carry out any other function statutorily required to be carried out by the Audit Committee as per applicable laws;

➢ Mandatorily review the following information:

- Management discussion and analysis of financial information and results of operations;
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management;
- Management letters/letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee.

II. The audit committee invites executives, as it considers appropriate and representatives of the statutory auditors.

B. Nomination and Remuneration Committee

I. Composition

Nomination and Remuneration Committee has been constituted as per the provisions of Section 178(1) of the Companies Act, 2013 to review and to recommend the remuneration payable to the Executive Directors and Senior Management of the Company based on their performance and defined assessment criteria.

The Committee comprises of three (3) members as mentioned herein below.

The Committee members are as follows:

Name of the Member	Designation	Nature of Directorship	No. of Meetings Attended
Vinod Jiwanram Lohia	Member	Director	5
Raj Kumar Gulzarilal Jhunjhunwala	Chairperson	Independent Director	5
Bimal Kumar Kanodia	Member	Independent Director	5

II. Brief Description of term of reference:

The following is the terms of reference of Nomination and Remuneration Committee,

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the level and composition of remuneration of the directors, key managerial personnel and other employees;

2. Formulation of criteria for evaluation of independent directors and the Board;
3. To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
4. Devising a policy on Board diversity; and
5. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their

III. Nomination and Remuneration Policy:

The Nomination and Remuneration Policy is in place, which determines criteria inter-alia qualification, positive attributes and independence of Directors for their appointment on the Board of the Company and payment of remuneration to Directors, Key Managerial Personnel and other Employees.

The Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director.

(i) Qualification, expertise and experience of the Directors in their respective fields;

(ii) Personal, Professional or business standing;

(iii) Diversity of the Board.

In case of re-appointment of Non-Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

C. Stakeholder's Relationship Committee

I. Composition

Pursuant to Section 178 of the Companies Act, 2013, the Company has constituted a Stakeholders Relationship Committee comprising of Three (3) Directors as mentioned below to redress complaints of the shareholders.

The attendance of each member of the Committee is given below:

Name of the Member	Designation	Nature of Directorship	No. of Meetings Attended
Vinod Jiwanram Lohia	Member	Director	5
Raj Kumar Gulzarilal Jhunjhunwala	Chairperson	Independent Director	5
Bimal Kumar Kanodia	Member	Independent Director	5

II. Term of reference:

The following is term of reference of Stakeholder's Relationship Committee

i. Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares and debentures

ii. Redressal of shareholder's/investor's complaints efficient transfer of shares; including review cases for refusal of transfer / transmission of any other securities;

iii. Reviewing on a periodic basis the approval/refusal of transfer or transmission of shares or any other securities,

iv. Issue of duplicate certificates and new certificates on split/consolidation/renewal;

v. Allotment of shares;

vi. Reference to statutory and regulatory authorities regarding investor grievances; and

vii. To otherwise ensure proper and timely attendance and redressal of investor queries and grievances and

viii. Any other power specifically assigned by the Board of Directors of the Company.

III. Number of shareholders' complaints:

No complaints received during the year under review.

By order of the Board of Directors

Mumbai, November 12, 2020 **For The New Great Eastern Spinning And Weaving Company Limited**

Registered Office:
25-29, Dr. Ambedkar Road,
Mumbai - 400 027.
CIN: U17110MH1873PLC000015
Tel: 91 22 22003231 /4325
Email: nge@newgreat.in

Vinod Jiwanram Lohia
Whole Time Director and CFO
and General Manager (Works)
DIN : 01509730

Dr. Anurag Kanoria
Whole Time Director
DIN: 00200630

ANNEXURE “B” TO THE DIRECTORS’ REPORT

FORM AOC.1

Statement containing salient features of the financial statement of subsidiary/associate companies/ joint ventures [Pursuant to the first proviso to sub-section (3) of Section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014]

Part “A”: Subsidiaries

(in Rupees Lakhs)

Name of Subsidiary	Kanoria Udyog Limited
Date since when subsidiary was acquired	01.04.1981
Share Capital	5,000 equity shares of par value Rs. 100/- each fully paid-up.
Other Equity	(245.23)
Total Assets	9210.77
Total Liabilities	9451.00
Investments	Nil
Turnover	Nil
Income	731.83
Expense	717.64
Profit/ (Loss) before Tax	14.19
Provision for Tax	Nil
Profit/(Loss) after Tax	14.19
Proposed Dividend	Nil
% of Shareholding	100%

Notes:

1. Reporting period and reporting currency of the above subsidiary is the same as that of the Company.
2. Part B of the Annexure is not applicable as there are no associate companies/joint ventures of the Company as on 31st March, 2020.

By order of the Board of Directors

Mumbai, November 12, 2020 **For The New Great Eastern Spinning And Weaving Company Limited**

Registered Office:
25-29, Dr. Ambedkar Road,
Mumbai - 400 027.
CIN: U17110MH1873PLC000015
Tel: 91 22 22003231 /4325
Email: nge@newgreat.in

Vinod Jiwanram Lohia
Whole Time Director and CFO
and General Manager (Works)
DIN : 01509730

Dr. Anurag Kanoria
Whole Time Director
DIN: 00200630

ANNEXURE "C" TO THE DIRECTORS REPORT

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 of 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 transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis - Not Applicable

2. Details of contracts or arrangements or transactions at Arm's length basis.

Sl. No.	Particulars	Details	
a)	Name(s) of the related party & nature of relationship	Temple Garment Mfg. Company Pvt. Ltd.	Shri Arvind Kanoria
b)	Nature of contracts/ arrangemnets/transaction	Purchases of Home Décor Items	Advisory Services
c)	Duration of the contracts/ arrangements/transaction	from the financial year 2019-20 and onward	Shall continue with effect from 1-4-2015 until either party gives the other party a written notice of not less than 30 days towards termination of the assignment.
d)	Value of transaction in FY 2019-20	Rs. 2,60,000	Rs. 1,80,00,000
e)	Date of approval by the Board/Members	27th March, 2019	30th September, 2019
f)	Amount paid as advances, if any	—	—

By order of the Board of Directors

Mumbai, November 12, 2020 **For The New Great Eastern Spinning And Weaving Company Limited**

Registered Office:
25-29, Dr. Ambedkar Road,
Mumbai - 400 027.
CIN: U17110MH1873PLC000015
Tel: 91 22 22003231 /4325
Email: nge@newgreat.in

Vinod Jiwanram Lohia
Whole Time Director and CFO
and General Manager (Works)
DIN : 01509730

Dr. Anurag Kanoria
Whole Time Director
DIN: 00200630

ANNEXURE "D" TO THE DIRECTORS` REPORT

[Pursuant to Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014]

A) CONSERVATION OF ENERGY

a) Energy conservation measures taken by the Company

(i) Electrical Energy

Reducing the maximum demand by evenly distributing the loads throughout the day and increasing efficiency of plant and equipment's.

(ii) Fuel Oil Consumption: NIL

b) Additional Investments and proposals, if any, being implemented for reduction of consumption of energy: NIL

c) Impact of the measures (a) and (b) above for reduction of energy consumption and consequent impact on cost of production of goods: Rationalisation in power consumption.

d) Total energy consumption per unit of production: As per Form "A".

FORM "A"

	Particulars	**FY 2019-2020**	FY 2018-2019
	Particulars with respect to Conservation of Energy		
A.	**Power & Fuel Consumption**		
	1. Electricity		
	a) Purchased Units (KWH)	**22,29,384**	21,82,290
	Total Amount (Rs.)	**1,53,28,234**	1,45,02,329
	Rate / Unit Rs.	**6.88**	6.65
	b) Own Generation		
	From Diesel Generators (units)		
	Diesel oil consumption (Ltrs.)		
	Units per Litre of Diesel Oil		
	Cost per Unit (Rs.)		
	2. Coal / Per Coke		
	3. Furnace Oil Quantity in K. Ltr.		
	Total Cost (Rs.)		
	Average rate / Ltr (Rs.)		
	4. Other / Internal Generation		
	5. Consumption per Unit of Production		
	In view of composite nature of the textile unit, it is not possible to express the consumption of power & fuel per unit of production.		

B. TECHNOLOGY ABSORPTION

Efforts made in technology absorption as per Form "B"

I Research and Development (R& D):

1. Specific Areas in which R & D carried out by the Company: NIL
2. Benefits derived as a result of the above R & D: NIL
3. Future plan of Action: Development of new varieties and product mix : NIL
4. Expenditure on R & D: NIL

II Technology absorption, adoption and innovation:- NIL

C. FOREIGN EXCHANGE EARNINGS & OUTGO

	Financial Year 2019-2020	Financial Year 2018-2019
Earnings : Export of Goods (Rs.)	**1,14,618**	5,73,049
Outgo: Import of materials & other expenses (Rs.)	**30,88,352**	1,02,82,146

By order of the Board of Directors

Mumbai, November 12, 2020

For The New Great Eastern Spinning And Weaving Company Limited

Registered Office:
25-29, Dr. Ambedkar Road,
Mumbai - 400 027.
CIN: U17110MH1873PLC000015
Tel: 91 22 22003231 /4325
Email: nge@newgreat.in

Vinod Jiwanram Lohia
Whole Time Director and CFO
and General Manager (Works)
DIN : 01509730

Dr. Anurag Kanoria
Whole Time Director
DIN: 00200630

ANNEXURE "E" TO THE DIRECTORS' REPORT

FORM MGT - 9

EXTRACT OF ANNUAL RETURN

as on the financial year ended March 31, 2020

Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014

I REGISTRATION AND OTHER DETAILS:

i	CIN	U17110MH1873PLC000015
ii	Registration Date	15/12/1873
iii	Name of the Company	The New Great Eastern Spinning & Weaving Company Limited
iv	Category/Sub-category of the Company	Company Limited By Shares/Indian Non-Government Company
v	Address of the Registered office & Contact details	25-29, Dr Ambedkar Road, Byculla, Mumbai - 400 027. Phone : 022-2200 3231
vi	Whether Listed Company	No
vii	Name, Address & Contact details of the Registrar & Transfer Agent, if any.	Purva Sharegistry (India) Private Limited, 9 Shiv Shakti Industrial Estate, J.R. Boricha Marg, Lower Parel (East), Mumbai-400 011. Phone : +91 22 23018261

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

Sl. No.	Name and Description of main products/services	NIC Code of the Product/Service	% to total turnover of the Company
1	Yarn, Cloth	551120 / 551341	82
2	Home Decor Items	52333	18

III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1	NEW INDIA EXPORTS PVT LTD 401- 405, Jolly Bhavan No. 1, 10, New Marine Lines, Mumbai - 400 020.	U51900MH1972PTC015770	HOLDING COMPANY	83.59	SECTION 2(46)
2	KANORIA UDYOG LTD 25-29, Dr. Ambedkar Road, Byculla, Mumbai - 400027.	U18492MH1961PLC018492	SUBSIDIARY COMPANY	100	SECTION 2(87)

IV SHAREHOLDING PATTERN (Equity Share Capital Break up as % to Total Equity)

i) Category-wise Share Holders

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01-04-2019)				No. of Shares held at the end of the year (As on 31-03-2020)				% Change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
A. Promoters										
(1) Indian										
a) Individual/HUF	-	1,09,330	1,09,330	6.04	-	1,09,330	109,330	6.04	-	-
b) Central Govt										
c) State Govt(s)										
d) Bodies Corporates	-	16,00,582	16,00,582	88.50	-	16,00,582	16,00,582	88.50	-	-
e) Bank/FI										
f) Any Other										
Sub-total : (A) (1)	-	17,09,912	17,09,912	94.54	-	17,09,912	17,09,912	94.54	-	-
(2) Foreign										
a) NRIs-Individuals										
b) Other Individuals										
c) Bodies Corporates										
d) Banks/FI										
e) Any Other										
Sub-total : (A) (2)	-	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	-	17,09,912	17,09,912	94.54	-	17,09,912	17,09,912	94.54	-	-
B. Public Shareholding										
(1) Institutions										
a) Mutual Funds										
b) Banks/FI	-	1,667	1,667	0.09	-	1,667	1,667	0.09	-	-
c) Central Govt										
d) State Govt(s)										
e) Venture Capital Fund										
f) Insurance Companies	8,360	-	8,360	0.46	8,360	-	8,360	0.46	-	-
g) FIIs										
h) Foreign Venture Capital Funds										
i) Others (specify)										
Sub-total : (B) (1)	8,360	1,667	10,027	0.55	8,360	1,667	10,027	0.55	-	-
(2) Non Institutions										
a) Bodies Corporate										
i) Indian	2	174	176	0.01	2	174	176	0.01	-	-
ii) Overseas										
b) Individuals										
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	1,527	30,482	32,009	1.77	2,448	29,561	32,009	1.77	0.01	
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakh	45,509	8,118	53,627	2.97	45,509	8,118	53,627	2.97		
c) Others (specify)										
i) Non Resident Indian	-	-	-	-	-	-	-	0.00	-	-
ii) H.U.F	393	2,460	2,853	0.16	393	2,460	2,853	0.16	-	-
Sub-total : (B) (2)	47,431	41,234	88,665	4.90	48,352	40,313	88,665	4.90	-	-
Total Public Shareholding (B)= (B)(1)+(B)(2)	55,791	42,901	98,692	5.46	56,712	41,980	98,692	5.46	-	-
C. Shares held by Custodian for GDRs & ADRs										
Grand Total (A+B+C)	55,791	17,52,813	18,08,604	100.00	56,712	17,51,892	18,08,604	100.00	-	-

ii) Share Holding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01-04-2019)			Shareholding at the end of the year (As on 31-3-2020)			% Change share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	
1	Sound Investment Co Pvt Ltd	9,432	0.52	-	-	-	-	-
2	Temple Garment Mfg Co Pvt Ltd	74,417	4.11	-	-	-	-	-
3	New India Exports Pvt Ltd	15,11,725	83.59	-	15,95,574	88.22	-	-
4	Kanvai Investment Co Pvt Ltd	5,008	0.28	-	5,008	0.28	-	-
5	Smt. Aruna Kanoria	916	0.05	-	916	0.05	-	-
6	Smt. Vineeta Kanoria	73,151	4.04	-	73,151	4.04	-	-
7	Shri Anurag Kanoria	23,763	1.31	-	23,763	1.31	-	-
8	Shri Paritosh Kanoria	11,500	0.64	-	11,500	0.64	-	-
	Total	**1,70,9912**	**94.54**		**17,09,912**	**94.54**		

iii) Change in Promoters' Shareholding (please specify if there is no change)

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of the total shares of the Company	No. of Shares	% of the total shares of the Company
1	At the beginning of the year	17,09,912	94.54	17,09,912	94.54
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	–	–	–	–
	At the end of the year	17,09,912	94.54	17,09,912	94.54

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mahendra Girdharilal Wadhwani	45,509	2.52	45,509	2.52
2	General Insurance Corporation of India	4,040	0.22	4,040	0.22
3	Life Insurance Corporation of India	3,080	0.17	3,080	0.17
4	Purushottam G Ruia	2,544	0.14	2,544	0.14
5	Anil Agarwal HUF	2,303	0.13	2,303	0.13
6	Suresh Bhoorchand Shah	1,566	0.09	1,566	0.09
7	Draupati Banwarilal	1,415	0.08	1,415	0.08
8	Purshottam Gopiram Ruia	1,393	0.08	1,393	0.08
9	United India Insurance Company Ltd	1,240	0.07	1,240	0.07
10	Bindu N.Seth	1,200	0.07	1,200	0.07

v) Shareholding of Directors & Key Managerial Personnel (KMP)

Sl. No.	For each of the Directors & KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of the total shares of the Company	No. of Shares	% of the total shares of the Company
1	Smt. Vineeta Kanoria	73,151	4.04	73,151	4.04
2	Shri Anurag Kanoria	23,763	1.31	23,763	1.31
3	Shri Vinod Jiwanram Lohia	5	-	5	-

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year				
i) Principal Amount	-	22,10,045	4,13,00,000	4,35,10,045
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	22,10,045	4,13,00,000	4,35,10,045
Change in Indebtedness during the financial year				
Additions	-	-	22,10,045	22,10,045
Reduction	-	-	38,00,000	38,00,000
Net Change	-	-	(15,89,955)	(15,89,955)
Indebtedness at the end of the financial year				
i) Principal Amount	-	22,10,045	3,97,10,045	4,19,20,090
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	22,10,045	3,97,10,045	4,19,20,090

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole Time Director and/or Manager

S.No.	Particulars of Remuneration	Name of the MD/WTD/Manager			Total Amount
1	**Gross Salary**	Dr. Anurag Kanoria	Shri Vinod Jiwanram Lohia	Smt. Vineeta Kanoria	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	Rs.24,07,000/-	Rs.15,67,000/-	Rs.1,02,27,480/-	Rs.1,42,01,480/-
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Stock Options	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	as % of profit	-	-	-	-
5	Others (specify)	-	-	-	-
	Total (A)	**Rs.24,07,000/-**	**Rs.15,67,000/-**	**Rs.1,02,27,480/-**	**Rs.1,42,01,480/-**

B. Remuneration to other Directors:

S. No.	Particulars of Remuneration	Name of the Directors		Total Amount
		Rajkumar Jhunjhunwala	Bimal Kumar Kanodia	
1	Independent Directors	–	–	–
	(a) Fee for attending Board Committee Meetings	–	–	–
	(b) Commission	–	–	–
	(c) Others, please specify	–	–	–
	Total (1)	–	–	–
2	Other Non Executive Directors	–	–	–
	(a) Fee for attending Board Committee Meetings	–	–	–
	(b) Commission	–	–	–
	(c) Others, please specify	–	–	–
	Total (2)	–	–	–
	Total (B)=(1+2)	–	–	–
	Total Managerial Remuneration (A+B)	–	–	**Rs.1,42,01,480/-**
	Overall Ceiling as per the Act.	As per limit in Schedule V of the Companies Act, 2013 or any amendment thereto		

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total
1	**Gross Salary**	**CEO**	**Company Secretary Ms. Shobha Sharma**	**CFO**	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	–	Rs. 2,20,000	–	Rs. 2,20,000
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	–	–	–	–
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	–	–	–	–
2	Stock Options	–	–	–	–
3	Sweat Equity	–	–	–	–
4	Commission	–	–	–	–
	as % of profit	–	–	–	–
	others, specify	–	–	–	–
5	Others, please specify	–	–	–	–
	Total	**–**	**Rs. 2,20,000**	**–**	**Rs. 2,20,000**

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/NCLT/ Court)	Appeal made, if any
A. COMPANY	–	–	–	–	–
Penalty	–	–	–	–	–
Punishment	–	–	–	–	–
Compounding	–	–	–	–	–
B. DIRECTORS	–	–	–	–	–
Penalty	–	–	–	–	–
Punishment	–	–	–	–	–
Compounding	–	–	–	–	–
C. OTHER OFFICERS IN DEFAULT	–	–	–	–	–
Penalty	–	–	–	–	–
Punishment	–	–	–	–	–
Compounding	–	–	–	–	–

By order of the Board of Directors

Mumbai, November 12, 2020

For The New Great Eastern Spinning And Weaving Company Limited

Registered Office:
25-29, Dr. Ambedkar Road,
Mumbai - 400 027.
CIN: U17110MH1873PLC000015
Tel: 91 22 22003231 /4325
Email: nge@newgreat.in

Vinod Jiwanram Lohia
Whole Time Director and CFO
and General Manager (Works)
DIN : 01509730

Dr. Anurag Kanoria
Whole Time Director
DIN: 00200630

ANNEXURE "F" TO THE DIRECTORS' REPORT

DISCLOSURE UNDER RULE 5(2) AND 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2020

A. List of top 10 Employees

Sl. No.	Name of Employee	Designation, Nature of Duties	Remuneration *	Nature of Employment	Qualification and Experience (years)	Date of Appointment	DOB	Age (years)	Last employment held before joining the Company	Name of the Director of the Company who is relative
1	Vineeta Kanoria	Whole Time Director	1,02,27,480	Contractual	M.A. (22 years)	1/4/2015	27/5/1962	58	New India Exports Pvt. Ltd	Anurag Kanoria
2	Anurag Kanoria	Whole Time Director	24,07,000	Contractual	M.A (Boston Univ.) (37 years)	1/3/1998	19/9/1968	51	None	Vineeta Kanoria
3	Vinod Jiwanram Lohia	Director-General Manager & CFO	15,67,000	Contractual	B.Com,LLB,DBM (37 years)	1/10/1996	26/1/1951	69	Bombay Wire Ropes Ltd	Not Applicable
4	Suman Shah	Store Manager	19,76,478	Full Time	B.A (27 years)	1/5/2014	16/8/1966	54	STPI Ltd	Not Applicable
5	Charu Sanjay Tewari	Store Manager	18,76,817	Full Time	B.A. with English litreture and History honours	1/9/2016	27/2/1966	54	Atmosphere Himmatsingka Wovens Pvt. Ltd.	Not Applicable
6	Krishna Kumar Kunwar	GM-Finance & Accounts	14,04,000	Full Time	B.Com (H) C.A (Int.), MBA-Fin. (16 years)	6/11/2013	24/12/1977	42	Nippo Batteries	Not Applicable
7	Suresh Gangaprasad Gupta	Adminstration Manager	12,02,626	Full Time	B.Com.	1/4/2018	18/7/1960	60	The United Provinces Sugar Company Limited	Not Applicable
8	Hiren K. Shah	Manager (Finance & Accountants)	11,14,860	Full Time	B.Com.	1/4/2018	28/9/1978	41	The United Provinces Sugar Company Limited	Not Applicable
9	Nilofur M Loliwala	Deputy Store Manager	8,68,427	Full Time	B.Sc. (21 years)	1/4/2014	4/12/1956	63	Citibank	Not Applicable
10	Kawaljit Kaur	Asst. Store Manager	7,78,026	Full Time	M.Com (10 years)	1/4/2015	14/7/1972	48	Centurion Bank	Not Applicable

* Remuneration includes salary, allowances, bonus and value of certain perquisites evaluated on the basis of Income Tax Act and Rules.

B. There is no employee employed throughout the financial year who was in receipt of remuneration in excess of one crore and two lakhs rupees per annum.

C. There is no employee employed for a part of the financial year who was in receipt of remuneration in excess of eight lakhs and fifty thousand rupees per month.

By order of the Board of Directors
For The New Great Eastern Spinning & Weaving Company Limited

Regd. Office:
25-29, Dr. Ambedkar Road,
Byculla, Mumbai 400 027.
Dated: November 12, 2020

Vinod Jiwanram Lohia
Whole Time Director and CFO
and General Manager (Works)
DIN : 01509730

Dr. Anurag Kanoria
Whole Time Director
DIN: 00200630

INDEPENDENT AUDITORS' REPORT

To the Members of
The New Great Eastern Spinning and Weaving Company Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying Standalone Ind AS Financial Statements of **The New Great Eastern Spinning and Weaving Company Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, the Statement of Cash Flows for the year then ended and notes to the Standalone Ind AS Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS Financial Statements give the information required by the Companies Act, 2013, as amended ("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, 2020, its profit and total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Ind AS Financial Statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Ind AS 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 Ind AS Financial Statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Ind AS Financial Statements.

Emphasis of Matter

Attention is invited to Note 52 to the Standalone Ind AS Financial Statements, which states that the lending and investment activites carried out by the Company attract the applicability provisions of Non-Banking Financial Companies (NBFC) under the Reserve Bank of India Act, 1934 and hence, the Company is in process of completing the formalities for registration as NBFC with the Reserve Bank of India.

Our opinion is not modified in respect of the above matter.

Information Other than the Standalone Ind AS Financial Statements and Auditor's Report Thereon

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis Report and Shareholder's Information, but does not include the Standalone Ind AS Financial Statements and our auditor's report thereon.

Our opinion on the Standalone Ind AS 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 Ind AS 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 Ind AS 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 Responsibility for the Standalone Ind AS 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 and presentation of these Standalone Ind AS 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 accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

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 judgements and estimates that are reasonable and prudent; and the 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 Ind AS 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 Ind AS Financial Statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS 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 Ind AS Financial Statements.

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

- Identify and assess the risks of material misstatement of the Standalone Ind AS 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 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 with reference to Standalone Ind AS Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If 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 Ind AS 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 Ind AS Financial Statements, including the disclosures, and whether the Standalone Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Ind AS Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Ind AS 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 Ind AS 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.

Other Matter

The comparative financial information of the Company for the year ended March 31, 2019 and the transition date opening balance sheet as at April 1, 2018 included in these Standalone Ind AS Financial Statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by us, whose audit report for the year ended March 31, 2019 and March 31, 2018 dated August 26, 2019 and August 24, 2018, respectively, expressed an unmodified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have been audited by us.

Our opinion is not modified in respect of above matter.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, the Statement of Cash Flows and notes to the Standalone Ind AS Financial Statements dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Standalone Ind AS Financial Statements;

   d. In our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   e. On the basis of the written representations received from the directors of the Company as on March 31, 2020 taken on record by the Board of Directors, none of the directors of the Company is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act;

   f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in “Annexure A”;

   g. With respect to the 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 during the current year by the Company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Company is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not presecribed other details under Section197(16) which are required to be commented upon by us.

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:

   i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS Financial Statements – Refer Note 39 to the Standalone Ind AS Financial Statements;

   ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses, as required under the applicable law or accounting standards.

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2020.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of Section 143(11) of the Act, we enclose in the "Annexure B", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

For **BANSI S. MEHTA & CO.**
Chartered Accountants
Firm Registration No. 100991W

PLACE : Mumbai
DATED : November 12, 2020

PARESH H. CLERK
Partner
Membership No. 036148
UDIN : 20036148AAAAEC5613

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 1 (f) under the heading of "Report on Other Legal and Regulatory Requirements" in our Independent Auditor's Report of even date on the Standalone Ind AS Financial Statements for the year ended March 31, 2020.

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

We have audited the internal financial controls with reference to Standalone Ind AS Financial Statements of **The New Great Eastern Spinning and Weaving Company Limited** ("the Company") as of March 31, 2020 in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements 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 ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 Standalone Ind AS 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 with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A Company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to financial statements includes those policies and procedures that

a. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

b. 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 authorisations of management and directors of the company; and

c. provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

In 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 with reference to the Standalone Ind AS Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at March 31, 2020, based on the internal controls over financial reporting criteria established by the Company, considering the essential components of internal control stated in the Guidance Note.

For **BANSI S. MEHTA & CO.**
Chartered Accountants
Firm Registration No. 100991W

PLACE : Mumbai
DATED : November 12, 2020

PARESH H. CLERK
Partner
Membership No. 036148
UDIN : 20036148AAAAEC5613

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 2 under the heading of "Report on Other Legal and Regulatory Requirements" of our Independent Auditors' Report of even date on the Standalone Ind AS Financial Statements for the year ended March 31, 2020

Report on the Companies (Auditors' Report) Order, 2016, issued in terms of Section 143(11) of the Companies Act, 2013 ("the Act") of The New Great Eastern Spinning and Weaving Company Limited ("the Company")

i. a. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment ("PPE").

b. The PPE have been physically verified by the management according to a phased programme designed to cover all the PPE over a period of one year, which in our opinion, provides for physical verification of all items of PPE at reasonable intervals. The discrepancies reported on such verification are not material and have been properly dealt with in the books of account.

c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties, as included in Note 12 to the Standalone Ind AS Financial Statements, are held in the name of the Company.

ii. Inventories (excluding stocks lying with third parties) have been physically verified by the management during the year. In respect of inventories lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of such verification is reasonable and no material discrepancies were noticed on such physical verification.

iii. The Company has granted unsecured loan to its Subsidiary covered in the Register maintained under Section 189 of the Companies Act, 2013. Since, such loan is in the form of current account, no other term or condition for repayment of principal have been stipulated and interest is paid at the year end. Thus, the question of commenting for the regularity of the receipt of the principal or the recovery of overdue amounts does not arise. Considering the fact that such loan has been given to Subsidiary and the purpose for which it is given, in our opinion, the same is not, ***prima facie***, prejudicial to the interest of 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, with respect to the loans and investments made. The Company has not given any guarantee or provided any security in connection with a loan to any person or other body corporate and accordingly, the question of commenting on compliance with the provisions in respect thereof does not arise.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public. Accordingly, paragraph 3(v) of the Order to comment on whether the Company has complied with the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder, is not applicable.

vi. As per the provisions of Section 148 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014 framed thereunder and the Cost Audit Orders issued from time to time, Cost Audit is not applicable to the Company for the Financial year 2019-2020.

vii. a. According to the information and explanations given to us and on the basis of the books and records examined by us, the Company has generally been regular in depositing undisputed statutory dues including Provident Fund, Income-tax, Goods and Services Tax, Duty of Customs, Employees' State Insurance, Cess and other material statutory dues as applicable to it with the appropriate authorities. However, there are no arrears of outstanding statutory dues on the last day of the financial year, for a period of more than six months from the date they became payable.

b. According to the information and explanations given to us and on the basis of the books and records of the Company examined by us, as may be applicable, given herein below are the details of dues of Income-tax, Provident Fund and Employees' State Insurance which have not been deposited on account of disputes and the forum where the dispute is pending:

	Name of the Statute	Forum where dispute is pending	Nature of the Dues	Period to which the amount relates	Amount ₹
1.	The Income-tax Act, 1961	Commissioner of Income Tax (Appeals)	Income tax and interest	Assessment Year 2015-16	3,917,129
2.	The Income-tax Act, 1961	Commissioner of Income Tax (Appeals)	Income tax and interest	Assessment Year 2017-18	1,09,022
3.	Employees' Provident Funds And Miscellaneous Provisions Act, 1952	Employees' Provident Fund Organization based on the order of High Court, Bombay	Interest and damages to the extent not admitted	For the period April 1, 1996 to March 31, 2014	8,15,691
4.	Employees' State Insurance Act, 1948	Employees' State Insurance Corporation based on the order of High Court, Bombay	Outstanding Contribution together with interest	Assessment Year 1995-1996	15,00,000

viii. According to the information and explanations given to us, as also on the basis of the books and records examined by us, the Company has not defaulted in the repayment of dues to financial institutions or banks. The Company has not taken any loan or borrowing from Government and has not issued any debenture during the year.

ix. According to the information and explanations given to us, as also on the basis of the books and records examined by us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3 (ix) of the Order in respect thereof is not applicable.

x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year in the course of our audit.

xi. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration during the financial year 2019-20 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. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with the provisions of Sections 177 and 188 of the Act, where applicable, and the details of such transactions have been disclosed in the Standalone Ind AS Financial Statements as required by the applicable accounting standards.

xiv. According to the information and explanations given to us and on the basis of the books and records examined by us, the Company has not made a preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, reporting under paragraph 3(xiv) of the Order is not applicable.

xv. According to the information and explanations given to us and based on our examination of the records, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

xvi. The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act,1934 and as per the information and explanations given to us, the Company is in process of completing the formalities for such registration.

For **BANSI S. MEHTA & CO.**
Chartered Accountants
Firm Registration No. 100991W

PLACE : Mumbai
DATED : November 12, 2020

PARESH H. CLERK
Partner
Membership No. 036148
UDIN : 20036148AAAAEC5613

STANDALONE BALANCE SHEET AS AT MARCH 31, 2020

₹ in lakhs

Particulars	Note	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
ASSETS				
1. Financial Assets				
a. Cash and Cash Equivalents	3	86.74	399.67	286.16
b. Bank Balance other than Cash and Cash Equivalents	4	45.24	42.75	34.20
c. Trade Receivables	5	155.08	155.52	134.90
d. Loans	6	9,380.07	9,616.51	4,011.48
e. Investments	7	24,730.04	31,868.16	35,961.96
f. Other Financial Assets	8	14.26	35.73	181.19
2. Non Financial Assets				
a. Inventories	9	1,451.13	1,464.23	1,500.54
b. Current Tax Assets (Net)	10	334.46	251.71	491.36
c. Deferred Tax Assets (Net)	11	NIL	1,470.18	900.96
d. Property, Plant and Equipment	12	682.67	697.08	782.79
e. Right-of-Use Assets	13	50.04	NIL	NIL
f. Other Intangible Assets	14	12.42	7.80	13.76
g. Other Non-Financial Assets	15	271.95	202.69	145.27
Total Assets		**37,214.10**	**46,212.03**	**44,444.57**
LIABILITIES AND EQUITY				
LIABILITIES				
1. Financial Liabilities				
a. Trade Payables	16			
i. Total outstanding dues of Micro Enterprises and Small Enterprises		NIL	NIL	NIL
ii. Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		34.85	15.10	97.16
b. Borrowings (Other than Debt Securities)	17	22.10	NIL	4.78
c. Deposits	18	375.00	413.00	425.21
d. Lease Liabilities	19	51.82	NIL	NIL
e. Other Financial Liabilities	20	120.33	132.13	121.64
2. Non Financial Liabilities				
a. Current Tax Liabilities (Net)	21	NIL		505.36 NIL
b. Provisions	22	302.15	310.35	198.23
c. Other Non-Financial Liabilities	23	59.49	27.20	106.21
EQUITY				
a. Equity Share Capital	24	1,808.60	1,808.60	1,808.60
b. Other Equity	25	34,439.76	43,000.29	41,682.74
Total Liabilities and Equity		**37,214.10**	**46,212.03**	**44,444.57**

The accompanying Significant Accounting Policies and Notes form an intergal part of the Standalone Financial Statements 2 - 53

As per our report of even date

For **BANSI S. MEHTA & CO.**
Chartered Accountants
Firm Registration No. 100991W

Paresh H. Clerk
Partner
Membership No. 36148

Place : Mumbai
Date : November 12, 2020

For and on behalf of the Board of Directors
THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Vinod Jiwanram Lohia
Whole Time Director and CFO and General Manager (Works)
DIN : 01509730

Dr. Anurag Kanoria
Whole Time Director
DIN : 00200630

Raj Kumar Jhunjhunwala
Director
DIN : 01527573

Place : Mumbai
Date : November 12, 2020

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED MARCH 31, 2020

₹ in lakhs

	Particulars	Note	Year ended March 31, 2020	Year ended March 31, 2019
	Revenue from Operations			
	i. Interest Income	26	739.16	433.91
	ii. Dividend Income	27	226.48	99.96
	iii. Net Gain on Fair Value Changes	28	408.05	902.07
	iv. Sale of Products	29	1,237.97	1,377.69
I	**Total Revenue from Operations**		**2,611.66**	**2,813.63**
II	Other Income	30	144.50	184.05
III	**Total Income (I + II)**		**2,756.16**	**2,997.68**
	Expenses			
	i. Finance Costs	31	45.85	24.22
	ii. Impairment on Financial Instruments	32	NIL	8.09
	iii. Cost of Materials Consumed	33	639.68	656.18
	iv. Purchases of Stock-in-trade	34	136.09	168.67
	v. Changes in inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	35	31.74	16.12
	vi. Employee Benefits Expense	36	476.37	764.02
	vii. Depreciation and Amortisation	37	119.42	127.93
	viii. Other Expenses	38	1,146.42	1,245.07
IV	**Total Expenses**		**2,595.57**	**3,010.30**
V	**Profit / (Loss) before Tax (III-IV)**		**160.59**	**(12.62)**
VI	Tax Expense :	43		
	i. Current Tax		NIL	560.00
	ii. (Excess) / Short provision for tax of earlier years		(0.14)	NIL
	iii. Deferred Tax		1,829.79	(731.55)
	Total Tax Expense		**1,829.65**	**(171.55)**
VII	**Profit / (Loss) for the year (V-VI)**		**(1,669.06)**	**158.93**
VIII	**Other Comprehensive Income**			
	i. Items that will not be reclassified to profit or loss			
	a. Remeasurement Gain / (Loss) on Defined Benefit Plans		4.60	(1.56)
	b. Equity Instruments through Other Comprehensive Income		(7,245.02)	1,331.73
	ii. Income tax relating to above		348.94	(171.55)
	Total Other Comprehensive Income for the year		**(6,891.48)**	**1,158.62**
IX	**Total Comprehensive Income for the year (VII+VIII)**		**(8,560.54)**	**1,317.55**
X	**Earnings per equity share of face value of ₹ 100 each**	41		
	Basic (in ₹)		(92.28)	8.79
	Diluted (in ₹)		(92.28)	8.79

The accompanying Significant Accounting Policies and Notes form an intergal part of the Standalone Financial Statements — 2-53

As per our report of even date

For **BANSI S. MEHTA & CO.**
Chartered Accountants
Firm Registration No. 100991W

Paresh H. Clerk
Partner
Membership No. 36148

Place : Mumbai
Date : November 12, 2020

For and on behalf of the Board of Directors
THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Vinod Jiwanram Lohia
Whole Time Director and CFO
and General Manager (Works)
DIN : 01509730

Dr. Anurag Kanoria
Whole Time Director
DIN : 00200630

Raj Kumar Jhunjhunwala
Director
DIN : 01527573

Place : Mumbai
Date : November 12, 2020

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2020

₹ in lakhs

	Partculars		Year ended March 31, 2020	For Year ended March 31, 2019
A.	**Cash Flow from Operating Activities:**			
	Profit / (Loss) before Tax		160.59	(12.62)
	Adjustments for :			
	Depreciation and Amortisation Expense		119.42	127.93
	Excess balances and liabilities written back		(0.59)	(0.05)
	Impairment on Financial Instruments / (Reversal of Impairment on Financial Instruments)		5.46)	8.09
	Interest Income		(739.16)	(433.91)
	Loss on sale of Property, Plant and Equipment		NIL	0.57
	Dividend Income		(226.48)	(99.96)
	Insurance claim / sundry balances Written-off		0.07	84.25
	Net Gain on Fair Value Changes		(408.05)	(902.07)
	Operating Profit before Working Capital Changes		**(1,099.66)**	**(1,227.77)**
	Working Capital Changes:			
	(Increase) / decrease in Inventories		13.10	36.31
	(Increase) / decrease in Trade Receivables		12.20	(37.69)
	(Increase) / decrease in Other Financial Assets		100.74	63.24
	(Increase) / decrease in Other Non -Financial Assets		(69.26)	(57.42)
	Increase / (decrease) in Trade Payables		20.29	(82.01)
	Increase / (decrease) in Deposits		(38.00)	(12.21)
	Increase / (decrease) in Other Financial Liabilities		(11.80)	10.49
	Increase / (decrease) in Other Non-Financial Liabilities		32.29	(79.01)
	Increase / (decrease) in Provisions		(8.20)	112.12
	Cash Generated / (Used) from Operations		**(1,048.30)**	**(1,273.95)**
	Income Taxes paid (net)		(598.79)	(82.28)
	Net Cash Generated / (Used) from Operating Activities	**(A)**	**(1,647.09)**	**(1,356.22)**
B.	**Cash Flow from Investing Activities:**			
	Purchase of Property, Plant and Equipment		(95.26)	(36.83)
	Purchase of Other Intangible Assets		(9.80)	NIL
	Proceeds from Sale of Property, Plant and Equipment		NIL	0.59
	Loans Given / (Repaid)		236.44	(5,605.03)
	Purchase of Investments		(6,818.24)	(25,267.25)
	Proceeds from Sale of Investments		7,038.88	31,896.35
	Bank Deposit under lien		(2.49)	(8.55)
	Dividend received from Investments		226.48	99.96
	Interest received		743.25	395.27
	Net Cash Generated / (Used) from Investing Activities	**(B)**	**1,319.26**	**1,474.51**
C.	**Cash Flow from Financing Activities:**			
	Proceeds from / (Repayment) of Borrowings		22.10	(4.78)
	Payment of Principal Portion of Lease Liabilities		(2.77)	NIL
	Payment of Interest Portion of Lease Liabilities		(4.43)	NIL
	Net Cash Generated / (Used) from Financing Activities	**(C)**	**14.90**	**(4.78)**
	Net (Decrease) / Increase in Cash and Cash Equivalents	**[A + B + C]**	**(312.93)**	**113.51**
	Cash and Cash Equivalents at the Beginning of the Year		399.67	286.16
	Cash and Cash Equivalents at the End of the Year		86.74	399.67
	Net (Decrease) / Increase in Cash and Cash Equivalents		**(312.93)**	**113.51**

Notes to the Standalone Statement of Cash Flows for the year ended March 31, 2020

Notes :

i. Statement of Cash Flows has been prepared under the indirect method as set out in Ind AS 7 on "Statement of Cash Flows" specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

ii. Cash and Cash Equivalents included in the Statement of Cash Flows comprise the following :

₹ in lakhs

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Cash on hand	0.16	0.11	3.91
Balances with Banks	86.58	399.56	282.25
Total	**86.74**	**399.67**	**286.16**

iii. Changes in liabilities arising from financing activities, including changes from cash flows and non-cash changes

₹ in lakhs

Particulars	As at March 31, 2019	Cash Changes	Non-cash Changes	As at March 31, 2020
Borrowings (Other than Debt Securities)	NIL	22.10	NIL	22.10
Lease Liabilities	NIL	(7.20)	59.02	51.82

Particulars	As at April 1, 2018	Cash Changes	Non-cash Changes	As at March 31, 2019
Borrowings (Other than Debt Securities)	4.78	(4.78)	NIL	NIL

iv. Figures in the brackets are outflows/deductions.

The accompanying Significant Accounting Policies and Notes form an intergal part of the Standalone Financial Statements 2-53

As per our report of even date

For **BANSI S. MEHTA & CO.**
Chartered Accountants
Firm Registration No. 100991W

Paresh H. Clerk
Partner
Membership No. 36148

Place : Mumbai
Date : November 12, 2020

For and on behalf of the Board of Directors
THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Vinod Jiwanram Lohia
Whole Time Director and CFO and General Manager (Works)
DIN : 01509730

Dr. Anurag Kanoria
Whole Time Director
DIN : 00200630

Raj Kumar Jhunjhunwala
Director
DIN : 01527573

Place : Mumbai
Date : November 12, 2020

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020

A. Equity Share Capital

₹ in lakhs

Particular	Number of shares	Amount
Balance as at April 1, 2018	**1,808,604**	**1,808.60**
Changes during the year	NIL	NIL
Balance as at March 31, 2019	**1,808,604**	**1,808.60**
Changes during the year	NIL	NIL
Balance as at March 31, 2020	**1,808,604**	**1,808.60**

B. Other Equity

₹ in lakhs

Particulars	Reserves and Surplus	Equity Instruments through Other Comprehensive Income	Total
	Retained Earnings		
As at April 1, 2018	**39,202.66**	**2,480.08**	**41,682.74**
Profit/(Loss) for the year	158.93	NIL	158.93
Other Comprehensive Income for the year, net of income tax			
- Remeasurement Gain / (Loss) on Defined Benefit Plans	(1.11)	NIL	(1.11)
- Net fair value gain / (loss) on investments in equity instruments through OCI	NIL	1,159.73	1,159.73
- Realised Gain on Sale of Equity Instruments reclassified to Retained Earnings	41.07	(41.07)	NIL
Total Comprehensive Income for the year	**198.89**	**1,118.66**	**1,317.55**
As at March 31, 2019	**39,401.55**	**3,598.74**	**43,000.29**
Profit/(Loss) for the year	(1,669.06)	NIL	(1,669.06)
Other Comprehensive Income for the year, net of income tax			
- Remeasurement Gain / (Loss) on Defined Benefit Plans	5.76	NIL	5.76
- Net fair value gain / (loss) on investments in equity instruments through OCI	NIL	(6,897.24)	(6,897.24)
- Realised Gain on Sale of Equity Instruments reclassified to Retained Earnings	372.15	(372.15)	NIL
Total Comprehensive Income for the year	**(1,291.15)**	**(7,269.39)**	**(8,560.54)**
As at March 31, 2020	**38,110.40**	**(3,670.65)**	**34,439.76**

The accompanying Significant Accounting Policies and Notes form an intergal part of the Standalone Financial Statements 2-53

As per our report of even date

For **BANSI S. MEHTA & CO.**
Chartered Accountants
Firm Registration No. 100991W

Paresh H. Clerk
Partner
Membership No. 36148

Place : Mumbai
Date : November 12, 2020

For and on behalf of the Board of Directors

THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Vinod Jiwanram Lohia
Whole Time Director and CFO and General Manager (Works)
DIN : 01509730

Dr. Anurag Kanoria
Whole Time Director
DIN : 00200630

Raj Kumar Jhunjhunwala
Director
DIN : 01527573

Place : Mumbai
Date : November 12, 2020

Notes to the Standalone Financial Statements for the year ended March 31, 2020

1. Corporate Information

The New Great Eastern Spinning and Weaving Company Limited (the "Company")is a public limited company incorporated in India on December 15, 1873. The Company is engaged in the business of lending and investment, manufacture and trading/marketing activities. The Company's registered office is at 25-29, Dr. Ambedkar Road, Byculla, Mumbai-400027. The Company is not listed in any stock exchange.

These Standalone Financial Statements were approved by the Company's Board of Directors and authorised for issue on November 12, 2020.

2. Significant Accounting Policies

2.1. Statement of Compliance and Basis of Preparation

The standalone financial statements of the Company have been prepared in accordance with the Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules 2015 as amended and notified under Section 133 of the Companies Act, 2013 ("the Act"), in conformity with the accounting principles generally accepted in India and other relevant provisions of the Act.

The Company's standalone financial statements upto and for the year ended March 31, 2019 were prepared in accordance with the Generally Accepted Accounting Principles in India (Previous GAAP) under the historical cost convention as a going concern and on accrual basis, unless otherwise stated, and in accordance with the provisions of the Companies Act, 2013, the Accounting Standards specified under section 133 of the Companies Act, 2013 ("the Act") read with rule 7 of the Companies (Accounts) Rules 2014 (as amended), collectively referred as "Previous GAAP".

These are the Company's first standalone financial statements prepared in accordance with Indian Accounting Standards (Ind AS). The Company has applied Ind AS 101 on "First-time Adoption of Indian Accounting Standards" for transition from Previous GAAP to Ind AS. An explanation of how transition to Ind AS has affected the previously reported financial position, financial performance and cash flow of the Company is provided in Note 49.

The standalone financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities (refer accounting policy regarding financial instruments) which have been measured at fair value.

These standalone financial statements are presented in Indian Rupees ('INR' or '₹') which is also the Company's functional currency. All amounts are rounded-off to the nearest lakhs, unless otherwise indicated.

2.2. Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

a. In the principal market for the asset or liability, or

b. In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Notes to the Standalone Financial Statements for the year ended March 31, 2020

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

a. Level 1 : Quoted (unadjusted) market prices in active markets for identical assets or liabilities

b. Level 2 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

c. Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2.3. Revenue from Contracts with Customers

The Company derives revenues primarily from lending and investment activities and Sale of Cloth, Yarn, and Home Décor items. Its other operating revenue includes sale of scrap.

Revenue from contracts with customers for sale of goods or services is recognised when the Company satisfies performance obligation by transferring promised goods or services to the customer at an amount that reflects the consideration which the Company is expected to be entitled to in exchange for those goods or services.

Revenue is measured based on the transaction price, which is the consideration, adjusted for trade discounts, incentives and returns, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.The trade discounts incentives and right of return are estimated and provided for, based on historical, current and forecast information available. A refund liability is recognised for expected returns in relation to sales made, corresponding assets are recognised for the products expected to be returned.

The Company does not expect to have any contract where the period between the transfer of the promised goods or services to the customer and payment by the customer exceed one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

Sale of Goods

Revenue from sale of goods is recognised at a point in time when the control of the goods is transferred to the customer involving single performance obligation. The control of goods is transferred to the customer depending upon the terms or as agreed with customer, delivery basis or dispatch, as the case may be. In case of Export of goods, the control of goods is transferred on receipt of Bill of Lading / Mate Receipt.

Interest Income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rates. Interest income is included under the head “Revenue from Operations” in the Statement of Profit and Loss.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income from a financial asset is recognised using the effective interest rate (EIR), which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset’s net carrying amount on initial recognition.

Dividend Income

Dividend income (including from FVOCI investments) is recognised when the Company’s right to receive the payment is established, it is probable that the economic benefits associated with the dividend will

Notes to the Standalone Financial Statements for the year ended March 31, 2020

flow to the Company, and the amount of dividend can be reliably measured. This is generally when the shareholders or Board of Directors approve the dividend.

Trade Receivables, Contract Assets and Contract Liabilities

Trade Receivables

A receivable is recognised by the Company when the control over the goods and services is transferred to the customer such as when goods and services are delivered as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due (which is referred to as “Trade Receivable”).

A receivable is recognised when the Company’s right to an amount of consideration under the contract with the customer that is unconditional, as only the passage of time is required before payment is due.

Contract Assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Contract Liabilities

A contract liability is the obligation to transfer goods or services to the customer for which the consideration (or the amount is due) has been received from the customer. If the customer pays the consideration before the transfer of goods or services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Company performs under the contract.

2.4. Taxes on Income

Current Income Tax

Tax expense for the year comprises current and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the Statement of Profit and Loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company’s liability for current tax is calculated using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the standalone financial statements and the corresponding tax bases used in the computation of the taxable profit and is accounted for using the balance sheet liability model.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Notes to the Standalone Financial Statements for the year ended March 31, 2020

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets include Minimum Alternative Tax ('MAT') paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised. [Refer Note 43.3 (a)]

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off the recognised amounts.

2.5. Inventories

Inventories are valued at cost or net realisable value, whichever is lower. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Cost of inventory comprises of purchase price, cost of conversion and other cost that have been incurred in bringing the inventories to their respective present location and condition. Interest costs are not included in value of inventories.

Cost is determined as follows:

a. The cost of raw material and finished goods is determined on a First in First Out basis.

b. Work-in-progress

   Material cost included in the valuation is determined on a First in First Out basis and cost of conversion and other costs are determined on the basis of average cost of conversion of the preceding month.

Assets identified and technically evaluated as obsolete and held for disposal are valued attheir estimated net realisable value.

2.6. Property, Plant and Equipment

Freehold land is carried at historical cost and is not depreciated. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset having useful life that is materially different from that of the remaining asset. These components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset.

Notes to the Standalone Financial Statements for the year ended March 31, 2020

Depreciation is calculated on a written down value basis over the estimated useful lives of the assets as follows:

Category of asset	Estimated useful life
Buildings (Office / Residential)	30 years
Plant and Machinery	15 years
Office Equipment	5 years
Furniture and fixtures	10 years
Computers	3 years
Vehicles	8 – 10 years

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

2.7. Intangible Assets

Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is recognised on a straight-line basis over their estimated useful lives.

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use ordisposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between thenet disposal proceeds and the carrying amount of the asset, is recognised in Statement of Profit and Loss when the asset is de-recognised.

The useful lives of intangible assets are assessed aseither finite or indefinite. Finite-life intangible assets area mortised on a straight-line basis over the period of their expected useful lives.

Estimated useful lives of the finite-life intangible assets areas follows:

Asset	Useful Life
Trademark	5 years

2.8. Leases

The Company has adopted Ind AS 116 on “Leases” effective from April 1, 2019, using the modified retrospective method. The Company has applied the standard to its leases with the cumulative impact recognised on the date of initial application (April 1, 2019). Accordingly, previous period information has not been restated.

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- The contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represents substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, the asset is not identified.
- The Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and

Notes to the Standalone Financial Statements for the year ended March 31, 2020

- The Company has the right to direct the use of the asset. The Company has the right when it has the right decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases, where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:
  - The Company has the right to operate the asset; or
  - The Company designed the asset in a way that predetermined how and for what purpose it will be used

This policy is applied to all contracts entered into, or changed, on or after April 1, 2019.

As a Lessee

The Company recognises a Right-of-Use (ROU) asset and a lease liability at the lease commencement date. The ROU asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payment made at or before the commencement date, plus any initial direct cost incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received.

The ROU asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term. The estimated useful lives of ROU assets are determined on the same basis as those of Property, Plant and Equipment. In addition, the ROU asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.

Generally, the Company uses its incremental borrowing rate as the discount rate. Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the ROU asset, or is recorded in profit or loss if the carrying amount of the ROU asset has been reduced to zero.

Short-term Leases and Leases of Low-value Assets

The Company has elected not to recognise right-to-use assets and lease liabilities for short-term lease that have a lease term of 12 months or less and leases of low-value assets. The Company recognise the lease payments associated with these leases as expenses on a straight-line basis over the lease term.

Notes to the Standalone Financial Statements for the year ended March 31, 2020

As a Lessor

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all ofthe risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

If an arrangement contains lease and non-lease components, the Company applies Ind AS 115 to allocate the consideration in the contract. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'Other Income' in the Statement of Profit and Loss. The accounting policies applicable to the Company as a lessor in the comparative period were not different from Ind AS 116.

2.9. Finance Costs

Finance costs represents Interest expense recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial liabilities other than financial liabilities classified as Fair Value through Profit and Loss.

The EIR in case of a financial liability is computed:

a. As the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the gross carrying amount of the amortised cost of a financial liability.

b. By considering all the contractual terms of the financial instrument in estimating the cash flows.

c. Including all fees paid between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Interest expense includes issue costs that are initially recognised as part of the carrying value of the financial liability and amortised over the expected life using the effective interest method.

Finance Costs that are attributable to the acquisition or construction of a qualifying asset is capitalised as part of the cost of such asset till such time the asset is ready for its intended use. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

2.10. Impairment of Non-Financial Assets

At the end of each reporting period, the Company reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets may have been impaired. If any such indication exists, the recoverable amount, which is the higher of its value in use or its fair value less costs of disposal, of the asset or cash-generating unit, as the case may be, is estimated and impairment loss (if any) is recognised and the carrying amount is reduced to its recoverable amount. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

An impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease. When an impairment subsequently reverses, the carrying amount of the asset is increased

Notes to the Standalone Financial Statements for the year ended March 31, 2020

to the revised estimate of its recoverable amount, but upto the amount that would have been determined, had no impairment loss been recognised for that asset or cash-generating unit. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

2.11. Provisions and Contingent Liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A provision for onerous contracts is recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the standalone financial statements.

Provisions and contingent liabilities are reviewed at each balance sheet.

2.12. Employee Benefits

Defined Contribution Plan

Retirement benefit in the form of provident fund, employee state insurance corporation (ESIC) and pension fund are defined contribution schemes. The Company has no obligation, other than the contribution payable. The Company recognises contribution payable to provident fund, ESIC and pension fund as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet reporting date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined Benefit Plan

Gratuity liability is a defined benefit obligation that is provided on the basis of actuarial valuation, based on projected unit credit method at the balance sheet date, carried out by an independent actuary.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Notes to the Standalone Financial Statements for the year ended March 31, 2020

Past service costs are recognised in profit or loss on the earlier of:

a. The date of the plan amendment or curtailment, and

b. The date that the Company recognises related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

a. Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and

b. Net interest expense or income.

Compensated Absences

The Company follows accounting year for leave encashment and the employees are required to utilise the leave credited to them in the same year. The employees are entitled to accumulate absences subject to certain limits for future encashment/availment. The liability is recognised based on number of days of unutilised leave at each balance sheet date.

2.13. Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contract embodying the related financial instruments. All financial assets and financial liabilities are initially measured at transaction cost and where such values are different from the fair value, at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognitionof financial asset or financial liability. Transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the Statement of Profit and Loss.

Investments in equity instruments issued by subsidiaryare measured at cost less impairment.

Effective Interest Method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

Financial Assets

a. Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b. Financial assets measured at fair value

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company in respect of equity investments (other than in subsidiaries, associates and joint ventures) which are not held for trading has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of such equity instruments. Such an election is made by the Company on an instrument by instrument basis at the time of initial recognition of such equity investments.

Notes to the Standalone Financial Statements for the year ended March 31, 2020

Financial asset not measured at amortised cost or at fair value through other comprehensive income is carried at fair value through profit and loss.

For financial assets maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the shorter maturity of these instruments.

Trade Receivables and Loans:

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the Effective Interest Rate ("EIR") method net of any Expected Credit Losses ("ECL"). The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

Impairment of financial assets

Expected credit losses are recognised for all financial assets subsequent to initial recognition other than financials assets measured at fair value.

Loss allowance in respect of financial assets is measured at an amount equal to life time expected credit losses and is calculated as the difference between their carrying amount and the present value of the expected future cash flows discounted at the original effective interest rate.

Instead of recognising allowance for expected credit loss based on provision matrix, the Company uses an estimated default rate to determine impairment loss allowance on portfolio of its trade receivables. Such expected credit loss is discounted using the Consumer Price Index as released by RBI and at every reporting date, the default rates are reassessed and the necessary adjustments for loss allowance are made, if required.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For financial assets other than trade receivables, as per Ind AS 109, the Company recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

De-recognition of Financial Assets

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the financial asset expire, or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the differences between the carrying amounts measured at the date of de-recognition and the consideration received is recognised in Statement of Profit and Loss.

Notes to the Standalone Financial Statements for the year ended March 31, 2020

Financial Liabilities and Equity Instruments

a. Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

b. Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

c. Financial Liabilities

Financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant. Interest bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the Statement of Profit and Loss.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

De-recognition of Financial Liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Off-setting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.14. Cash and Cash Equivalents

Cash and Cash Equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

2.15. Statement of Cash Flows

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

For the purpose of the Statement of Cash Flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

2.16. Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period.

Notes to the Standalone Financial Statements for the year ended March 31, 2020

The weighted average number of equity shares outstanding during the period is adjusted for events, such as bonus issue, bonus element in a rights issue and shares split that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating Diluted Earnings per share, the net profit or loss for the period attributable to the equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

2.17. Segment Reporting

Ind AS 108 establishes standards for the way that public enterprises report information about operating segments and related disclosures about products, services, geographic areas, and major customers. Based on the ‘management approach’ as defined in Ind AS 108 on “Operating Segments”, the company is required to present information in the manner which the Chief Operating Decision Maker (“CODM”) evaluates the Company’s performance and allocates resources. The analysis is generally based on an analysis of various performance indicators by business segments.

The accounting principles used in the preparation of the standalone financial statements are consistently applied to record revenue and expenditure in individual segments, and are as set out in the relevant applicable accounting policies above. Revenue and identifiable operating expenses in relation to segments are categorised based on items that are individually identifiable to that segment.

Segment assets include all operating assets used by the business segments and consist principally of fixed assets, debtors and inventories. Segment liabilities include the operating liabilities that result from the operating activities of the business. Segment assets and liabilities that cannot be allocated between the segments are shown as part of unallocated corporate assets and liabilities respectively. Income / Expenses relating to the enterprise as whole and not allocable on a reasonable basis to business segments are reflected as unallocated corporate income / expenses. Inter-segment transfers are accounted at prevailing market prices.

2.18. Key Accounting Estimates and Judgments

The preparation of standalone financial statements in conformity with Ind AS requires Management to make judgements, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses at the date of these standalone financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future period, if the revision affects current and future periods.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year are:

a. Useful Lives of Property, Plant and Equipment

Management reviews the useful lives of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. Accordingly, depreciable lives are reviewed annually using the best information available to the Management.

b. Provisions

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The

Notes to the Standalone Financial Statements for the year ended March 31, 2020

carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

c. Fair Value Measurements

When the fair value of financial assets or financial liabilities recorded or disclosed in the standalone financial statements cannot be measured at the quoted price in the active markets, their fair value is measured using the valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include consideration of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

d. Recognition and Measurement of Defined Benefit Obligations

The obligation arising from defined benefit plans is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

e. Income Taxes

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

f. Effective Interest Rate Method

The Company recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected life of the borrowings and investments. This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well as expected changes to other fee income/expense that are integral parts of the instrument.

g. Business Model Assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

h. Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancelable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company

Notes to the Standalone Financial Statements for the year ended March 31, 2020

is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancelable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

2.19. Recent Pronouncements

Standards issued but not yet effective

On July 24, 2020, the Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2020 has issued the following amendments to Ind ASs. The Company intends to adopt these standards, if applicable, from April 1, 2020.

a. Ind AS 103 on "Business Combinations"

Ind AS 103 deals with Business Combinations and it is amended to address concerns about how to interpret and apply the definition of a business. The amendment substitutes the definition of the term "business" in Appendix A. The three elements of a business, input, process and output have been amended to clarify that a business can exist without including all of the inputs and processes needed to create outputs, by replacing the term 'ability to create outputs' with 'ability to contribute to the creation of outputs' therein. It requires that to consider a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs.

The amendment gives guidance to assess whether an acquired process is substantive.

It provides for an optional test to identify concentration of fair value, element of businesses and assessing whether an acquired process is substantive. An optional concentration test assesses whether an acquired process is substantive based whether substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset, or group of similar identifiable assets. If the concentration test is met, no further assessment is needed.

It provides when an acquired set of activities and assets to be considered a business if the set has no outputs or the set has outputs; the set should include not only a substantive process but also both an organised workforce and other inputs that the acquired organised workforce could develop or convert into outputs. For this purpose, the intellectual capacity of an organised workforce having the necessary skills and experience may provide the necessary processes. The limited circumstances when the presence of an organised workforce would not be required are specified in the amendment.

These amendments to Ind AS 103 are to apply to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after the 1st April, 2020 and to asset acquisitions that occur on or after the beginning of that period.

The Company does not expect this amendment to have any impact on its standalone financial statements.

b. Ind AS 116 on "Leases"

This amendment to Ind AS116 by way of inserting a practical expedient for the treatment to be given for rent concessions in the COVID-19 scenario.The practical expedient exempts lessees from having to consider individual lease contracts to determine whether rent concessions occurring as a direct consequence of the COVID-19 pandemic are lease modifications and allows lessees to account for such rent concessions as if they are not lease modifications, if certain conditions are met.

Notes to the Standalone Financial Statements for the year ended March 31, 2020

Those conditions are -

i. the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;

ii. any reduction in lease payments affects only payments originally due on or before June 30, 2021 (for example, a rent concession would meet this condition if it results in reduced lease payments on or before June 30, 2021 and increased lease payments that extend beyond June 30, 2021); and

iii. There is no substantive change to other terms and conditions of the lease.

Accordingly, the amendment allows lessees to account such payments in a manner that the benefit on account of rent concessions is recognised in the Statement of Profit and Loss in the period in which the event or condition that triggers those payments occurs.

If the lessee has applied the practical expedient, the amendment requires it **to disclose in the financial statements about such fact and the amount recognised in the profit or loss for the reporting period in this regard.**

The practical expedient is not available to lessors.

A lessee is to apply this amendment for annual reporting periods beginning on or after the April 1, 2020. In case a lessee has not yet approved the financial statements for issue before the issuance of the amendment, then the same could be applied for annual reporting periods beginning on or after April 1, 2019.

c. Ind AS 1 on "Presentation of Financial Statements" and consequential amendments

Ind AS 1 is amended to introduce a new definition of 'material'.

Material: Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.

Under this definition, even 'obscuring' of information is relevant. It is explained that the information is obscured if it is communicated in a way that would have a similar effect for primary users of financial statements to omitting or misstating that information. The amendment gives examples of circumstances that may result in material information being obscured.

Further, the emphasis is on 'influence decisions that the primary users of general purpose financial statements make' instead of 'influence the economic decisions that users make'. Under the amendment, the shift is from users to primary users. Existing and potential investors, lenders and other creditors are the primary users to whom general purpose financial statements are directed. Financial statements are prepared for users who have a reasonable knowledge of business and economic activities and who review and analyses the information diligently. At times, even well-informed and diligent users may need to seek the aid of an adviser to understand information about complex economic phenomena.

Consequential Amendments

i. In view of the amendment to the definition of 'material', the definition of the term 'material' is amended in *Ind AS 8 on" Accounting Policies, Changes in Accounting Estimates and Errors".*

The Company is to apply this amendment prospectively for annual periods beginning on or after April 1, 2020.

ii. In the light of change in the definition of 'material' in Ind AS 1, paragraph 21 of *Ind AS 10 on "Events after Reporting Period*" is substituted. Even in respect of the disclosure of material

Notes to the Standalone Financial Statements for the year ended March 31, 2020

non-adjusting event, the emphasis is on 'influence decisions that the primary users of general purpose financial statements make' instead of 'influence the economic decisions that users make'.

iii. Consequent to the amendments in Ind AS 1 and Ind AS 8, the related amendment is made in *Ind AS 34 on "Interim Financial Reporting"* on the topic of 'Materiality'

iv. Consequent to the amendments in Ind AS 10, *Ind AS 37 on "Provisions, Contingent Liabilities and Contingent Assets"*, the related amendment is made by substituting paragraph on accounting of restructuring plans.

The Company is to apply these amendments prospectively for annual periods beginning on or after April 1, 2020.

The Company does not expect these amendments to have any significant impact on its standalone financial statements.

d. Ind AS 109 on "Financial Instruments" and Ind AS 107 on"Financial Instruments : Disclosures"

Ind AS 109 is amended to insert temporary exceptions from applying hedge accounting requirements to all hedging relationships that are directly affected by interest rate benchmark reform. A hedge relationship is directly affected by interest rate benchmark reform only if the reform gives rise to uncertainties about the interest rate benchmark designated as a hedged risk and/or the timing or the amount of interest rate benchmark-based cash flows of the hedged item or of the hedging instrument.

The term 'interest rate benchmark reform' refers to the market-wide reform of an interest rate benchmark, including the replacement of an interest rate benchmark with an alternative benchmark rate. The scope of the exceptions does not exclude hedging relationships in which interest rate risk is not the only hedged risk.

These exceptions to the requirements are

i. If the hedged future cash flows are based on an interest rate benchmark that is subject to the reform, the Company assumes that the interest rate benchmark on which the hedged cash flows are based is not altered when assessing whether the future cash flows are highly probable.

ii. Any amount remaining in the cash flow hedge reserve when a hedging relationship is discontinued would be reclassified to profit or loss in the same period(s) during which the hedged cash flows affect profit or loss, based on the assumption that the interest rate benchmark on which the hedged cash flows are based is not altered as a result of the reform.

iii. The Company is to assess whether the economic relationship between the hedged item and hedged instrument exists based on the assumption that the hedged risk or the interest rate benchmark on which the hedged item or the hedging instrument is based is not altered as a result of the reform.

Similarly, if the Company designates a highly probable forecast transaction as the hedged item, the Company is to perform the assessment based on the assumption that the interest rate benchmark on which the hedged cash flows are based will not change as a result of the reform.

iv. If a non-contractually specified risk component meets the separately identifiable requirement at the inception of a hedging relationship, then that requirement would not be reassessed subsequently.

Further, for hedging relationships that, consistent with the Company's hedge documentation, frequently reset (i.e. discontinue and restart) because both the hedging instrument and the hedged item frequently change, the Company is to determine whether the risk component is separately identifiable only when it initially designates an item as a hedged item in the hedging relationship. The hedged item is not reassessed at any subsequent re-designation in the same hedging relationship.

The amendment also indicates end date for these exceptions. The Company ceases applying the exceptions at the earlier of (a) when the uncertainty regarding the timing and the amount of interest rate benchmark-based cash flows is no longer present as it relates to a hedged item and/or hedging instrument (depending on the particular exception) and (b) the discontinuation of the hedging relationship. The end of applicability of the exceptions means that the Company would from that date apply all hedge accounting requirements in Ind AS 109 without applying these exceptions.

As per the transition provisions, the above requirements is to apply retrospectively to hedging relationships that existed at the beginning of the reporting period in which an entity first applies those requirements or were designated thereafter, and to the amount accumulated in the cash flow hedge reserve that existed at the beginning of the reporting period in which an entity first applies those requirements.

Consequent to the above, amendments are made in Ind AS 107. The amendment requires disclosure for uncertainty arising from interest rate benchmark reform when the Company applies exceptions set out under Ind AS 109 for hedging relationships. The Company is required to disclose, *inter alia,* the significant interest rate benchmarks to which the Company's hedging relationships are exposed, the extent of the risk exposure the Company manages that is directly affected by the interest rate benchmark reform and a description of significant assumptions or judgements the Company made about when the uncertainty arising from interest rate benchmark reform is no longer present with respect to the timing and the amount of the interest rate benchmark-based cash flows.

The Company does not expect this amendment to have any impact on its standalone financial statements.

Notes to the Standalone Financial Statements for the year ended March 31, 2020

Note 3

Cash and Cash Equivalent ₹ in lakhs

Particulars	**As at March 31, 2020**	**As at March 31, 2019**	**As at April 1, 2018**
Cash on Hand	0.16	0.11	3.91
Balances with Banks	86.58	399.56	282.25
Total	**86.74**	**399.67**	**286.16**

Note 4

Bank Balance other than Cash and Cash Equivalents ₹ in lakhs

Particulars	**As at March 31, 2020**	**As at March 31, 2019**	**As at April 1, 2018**
Bank Deposits under Lien (Refer Note 4.1)	45.24	42.75	34.20
Total	**45.24**	**42.75**	**34.20**

4.1 Bank Deposits under lien towards security for guarantees issued on behalf of the Company ₹ 45.24 lakhs (March 31, 2019 : ₹ 42.75 lakhs and April 1, 2018 : ₹ 34.20 lakhs).

Note 5

Trade Receivables ₹ in lakhs

Particulars	**As at March 31, 2020**	**As at March 31, 2019**	**As at April 1, 2018**
Unsecured			
Considered Good	155.08	155.52	134.90
Credit Impaired	25.14	30.61	22.52
Less : Impairment Loss Allowance	25.14	30.61	22.52
Total	**155.08**	**155.52**	**134.90**

Instead of recognising allowance for expected credit loss based on provision matrix, the Company uses an estimated default rate to determine impairment loss allowance on portfolio of its trade receivables. Such expected credit loss is discounted using the Consumer Price Index as released by RBI and at every reporting date, the default rates are reassessed and the necessary adjustments for loss allowance are made, if required.

The Company follows ‘simplified approach’ for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

Movement in Impairment Loss Allowance ₹ in lakhs

Particulars	**Year Ended March 31, 2020**	**Year Ended March 31, 2019**
Balance at the beginning of the year	**30.61**	**22.52**
Impairment Loss Allowance	NIL	8.09
Reversal of Impairment Loss Allowance	(5.47)	NIL
Balance at the end of the year	**25.14**	**30.61**

Notes to the Standalone Financial Statements for the year ended March 31, 2020

Note 6
Loans

₹ in lakhs

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Unsecured and Considered Good			
Measured at Amortised Cost			
Loan to Related Parties [Refer Note 46]	9,379.16	9,363.71	3,711.48
Loans to Others	0.91	252.80	300.00
Total	**9,380.07**	**9,616.51**	**4,011.48**
Loans in India			
Public Sector	NIL	NIL	NIL
Others	9,380.07	9,616.51	4,011.48
	9,380.07	**9,616.51**	**4,011.48**
Loans outside India	NIL	NIL	NIL
Total	**9,380.07**	**9,616.51**	**4,011.48**

Notes to the Standalone Financial Statements for the year ended March 31, 2020

Note 7 : Investments

₹ in lakhs

Particulars	As at March 31, 2020						As at March 31, 2019						As at April 1, 2018					
		Fair Value						Fair Value						Fair Value				
	Number	Through Other Compre-hensive Income	Through Profit or Loss	Sub-total	Others (At Cost)	Total	Number	Through Other Compre-hensive Income	Through Profit or Loss	Sub-total	Others (At Cost)	Total	Number	Through Other Compre-hensive Income	Through Profit or Loss	Sub-total	Others (At Cost)	Total
A. Investments in Units of Mutual Funds																		
Debt Oriented Mutual Funds																		
Aditya Birla Sunlife Medium Term Plan -Growth-Direct Plan	NIL	NIL	NIL	NIL	NIL	**NIL**	NIL	NIL	NIL	NIL	NIL	**NIL**	11,940,812	NIL	2,712.86	2,712.86	NIL	**2,712.86**
Aditya Birla Sunlife Liquid Fund - Growth-Direct Plan	NIL	NIL	NIL	NIL	NIL	**NIL**	523,349	NIL	1,572.33	1,572.33	NIL	**1,572.33**	NIL	NIL	NIL	NIL	NIL	**NIL**
Canara Robeco Capital Protection Oriented Fund-Series 8-Regular Growth Plan	100,000	NIL	11.64	11.64	NIL	**11.64**	100,000	NIL	11.10	11.10	NIL	**11.10**	100,000	NIL	10.44	10.44	NIL	**10.44**
Franklin India Income Opportunities Fund Direct Growth	NIL	NIL	NIL	NIL	NIL	**NIL**	NIL	NIL	NIL	NIL	NIL	**NIL**	12,931,702	NIL	2,782.81	2,782.81	NIL	**2,782.81**
Franklin India Short Term Income Plan - Retail Plan Direct Growth	NIL	NIL	NIL	NIL	NIL	**NIL**	NIL	NIL	NIL	NIL	NIL	**NIL**	45,284	NIL	1,731.27	1,731.27	NIL	**1,731.27**
Franklin India Ultra Short Bond Fund -Super Institutional Plan - Growth	1,232,319	NIL	340.78	340.78	NIL	**340.78**	859,067	NIL	226.65	226.65	NIL	**226.65**	3,421	NIL	0.83	0.83	NIL	**0.83**
Franklin India Ultra Short Bond Fund -Super Institutional Plan - Growth Segregated Portfolio*	1,096,535	NIL	NIL	NIL	NIL	**NIL**	NIL	NIL	NIL	NIL	NIL	**NIL**	NIL	NIL	NIL	NIL	NIL	**NIL**
HDFC Corporate Debt Opportunities Fund Direct Growth	NIL	NIL	NIL	NIL	NIL	**NIL**	NIL	NIL	NIL	NIL	NIL	**NIL**	3,722,371	NIL	555.89	555.89	NIL	**555.89**
ICICI Prudential Credit Risk Fund - Direct Plan- Growth	11,498,805	NIL	2,661.75	2,661.75	NIL	**2,661.75**	11,498,805	NIL	2,418.30	2,418.30	NIL	**2,418.30**	11,498,805	NIL	2,239.31	2,239.31	NIL	**2,239.31**
HDFC Credit Risk Debt Fund Direct Growth	3,722,371	NIL	649.30	649.30	NIL	**649.30**	3,722,371	NIL	592.55	592.55	NIL	**592.55**	NIL	NIL	NIL	NIL	NIL	**NIL**
HDFC Liquid Fund Direct Plan Growth	NIL	NIL	NIL	NIL	NIL	**NIL**	43,009	NIL	1,582.00	1,582.00	NIL	**1,582.00**	NIL	NIL	NIL	NIL	NIL	**NIL**
HDFC Ultra Short Term Fund Direct Growth	11,866,988	NIL	1,336.04	1,336.04	NIL	**1,336.04**	9,586,257	NIL	1,004.10	1,004.10	NIL	**1,004.10**	NIL	NIL	NIL	NIL	NIL	**NIL**
ICICI Prudential Bond Fund Direct Growth	2,284,472	NIL	673.93	673.93	NIL	**673.93**	2,284,472	NIL	603.58	603.58	NIL	**603.58**	2,284,472	NIL	565.64	565.64	NIL	**565.64**
ICICI Prudential-Liquid Direct Plan Daily Dividend	10,504	NIL	10.52	10.52	NIL	**10.52**	1,220	NIL	1.22	1.22	NIL	**1.22**	3,117	NIL	3.12	3.12	NIL	**3.12**
ICICI Prudential Liquid Fund Direct Plan Growth	5,857	NIL	17.21	17.21	NIL	**17.21**	NIL	NIL	NIL	NIL	NIL	**NIL**	NIL	NIL	NIL	NIL	NIL	**NIL**
ICICI Prudential Flexible Income Direct Plan Growth	NIL	NIL	NIL	NIL	NIL	**NIL**	NIL	NIL	NIL	NIL	NIL	**NIL**	4,518	NIL	15.14	15.14	NIL	**15.14**
ICICI Prudential Savings Fund Direct Plan Daily Dividend	1,210	NIL	1.28	1.28	NIL	**1.28**	1,149	NIL	1.22	1.22	NIL	**1.22**	1,093	NIL	1.16	1.16	NIL	**1.16**
IDFC Ultra Short Term Fund Direct Plan Growth	5,459,417	NIL	622.72	622.72	NIL	**622.72**	9,452,779	NIL	1,002.47	1,002.47	NIL	**1,002.47**	NIL	NIL	NIL	NIL	NIL	**NIL**
Kotak Medium Term Fund Direct Plan Growth	NIL	NIL	NIL	NIL	NIL	**NIL**	NIL	NIL	NIL	NIL	NIL	**NIL**	1,852,469	NIL	277.69	277.69	NIL	**277.69**
Kotak Credit Risk Fund Direct Plan Growth	5,622,052	NIL	1,318.94	1,318.94	NIL	**1318.94**	5,622,052	NIL	1,210.84	1,210.84	NIL	**1,210.84**	5,622,052	NIL	1,128.54	1,128.54	NIL	**1,128.54**
Kotak Liquid Direct Plan Growth	NIL	NIL	NIL	NIL	NIL	**NIL**	NIL	NIL	NIL	NIL	NIL	**NIL**	1	NIL	0.04	0.04	NIL	**0.04**
Kotak Savings Fund Direct Plan Growth	1,603,944	NIL	526.96	526.96	NIL	**526.96**	821,971	NIL	251.13	251.13	NIL	**251.13**	NIL	NIL	NIL	NIL	NIL	**NIL**
Aditya Birla Sunlife Floating Rate Fund Direct Growth	200,304	NIL	505.36	505.36	NIL	**505.36**	NIL	NIL	NIL	NIL	NIL	**NIL**	NIL	NIL	NIL	NIL	NIL	**NIL**
Equity Oriented Mutual Funds																		
Axis Long Term Equity Fund-Direct Growth	NIL	NIL	NIL	NIL	NIL	**NIL**	NIL	NIL	NIL	NIL	NIL	**NIL**	1,571,991	NIL	673.74	673.74	NIL	**673.74**
Birla Sun Life Frontline Equity Fund-Growth Direct Plan	NIL	NIL	NIL	NIL	NIL	**NIL**	NIL	NIL	NIL	NIL	NIL	**NIL**	134,135	NIL	294.71	294.71	NIL	**294.71**
Franklin India High Growth Companies Fund Direct Growth	NIL	NIL	NIL	NIL	NIL	**NIL**	NIL	NIL	NIL	NIL	NIL	**NIL**	1,070,404	NIL	426.75	426.75	NIL	**426.75**
HDFC Balanced Fund-Direct Plan-Growth Option	NIL	NIL	NIL	NIL	NIL	**NIL**	NIL	NIL	NIL	NIL	NIL	**NIL**	449,599	NIL	686.59	686.59	NIL	**686.59**
Kotak Select Focus Fund-Direct Plan Growth	NIL	NIL	NIL	NIL	NIL	**NIL**	NIL	NIL	NIL	NIL	NIL	**NIL**	2,022,506	NIL	677.03	677.03	NIL	**677.03**
Mirae Asset Emerging Bluechip Fund-Direct Growth	NIL	NIL	NIL	NIL	NIL	**NIL**	NIL	NIL	NIL	NIL	NIL	**NIL**	645,995	NIL	321.98	321.98	NIL	**321.98**
Mirae Asset Emerging India Opportunities Fund-Direct Growth	NIL	NIL	NIL	NIL	NIL	**NIL**	NIL	NIL	NIL	NIL	NIL	**NIL**	208,069	NIL	97.48	97.48	NIL	**97.48**
Motilal Oswal Most Focused Multicap 35 Fund - Direct Growth	NIL	NIL	NIL	NIL	NIL	**NIL**	NIL	NIL	NIL	NIL	NIL	**NIL**	6,327,600	NIL	1,729.02	1,729.02	NIL	**1,729.02**
Motilal Oswal Most Focussed Dynamic Equity Fund-Direct Growth	NIL	NIL	NIL	NIL	NIL	**NIL**	NIL	NIL	NIL	NIL	NIL	**NIL**	19,184,696	NIL	2,347.90	2,347.90	NIL	**2,347.90**
Quantum Long Term Equity Direct Plan Growth	NIL	NIL	NIL	NIL	NIL	**NIL**	NIL	NIL	NIL	NIL	NIL	**NIL**	490,198	NIL	248.73	248.73	NIL	**248.73**
ICICI Prudential Balanced Advantage Fund-Direct Plan Growth	6,925,400	NIL	2,285.38	2,285.38	NIL	**2,285.38**	6,925,400	NIL	2,628.88	2,628.88	NIL	**2,628.88**	11,812,245	NIL	4,156.73	4,156.73	NIL	**4,156.73**
Total (A)		**NIL**	**10,961.81**	**10,961.81**	**NIL**	**10,961.81**		**NIL**	**13,106.37**	**13,106.37**	**NIL**	**13,106.37**		**NIL**	**23,685.40**	**23,685.40**	**NIL**	**23,685.40**

Notes to the Standalone Financial Statements for the year ended March 31, 2020

Note 7 :
Investments (Contd...)

₹ in lakhs

Particulars	As at March 31, 2020						As at March 31, 2019						As at April 1, 2018					
		Fair Value						Fair Value						Fair Value				
	Number	Through Other Compre-hensive Income	Through Profit or Loss	Sub-total	Others (At Cost)	Total	Number	Through Other Compre-hensive Income	Through Profit or Loss	Sub-total	Others (At Cost)	Total	Number	Through Other Compre-hensive Income	Through Profit or Loss	Sub-total	Others (At Cost)	Total
B. Investments in Equity Instruments																		
Subsidary																		
Unquoted																		
Kanoria Udyog Limited	5,000	NIL	NIL	NIL	5.00	**5.00**	5,000	NIL	NIL	NIL	5.00	**5.00**	5,000	NIL	NIL	NIL	5.00	**5.00**
Others																		
Quoted																		
Axis Bank Limited	125,000	473.75	NIL	473.75	NIL	**473.75**	125,000	971.56	NIL	971.56	NIL	**971.56**	100,000	510.50	NIL	510.50	NIL	**510.50**
Bajaj Auto Limited	NIL	NIL	NIL	NIL	NIL	**NIL**	20,000	582.22	NIL	582.22	NIL	**582.22**	NIL	NIL	NIL	NIL	NIL	**NIL**
Can Fin Homes Limited	100,000	279.05	NIL	279.05	NIL	**279.05**	100,000	348.85	NIL	348.85	NIL	**348.85**	NIL	NIL	NIL	NIL	NIL	**NIL**
Colgate Palmolive (India) Limited	100,000	1,252.70	NIL	1,252.70	NIL	**1,252.70**	100,000	1,258.15	NIL	1,258.15	NIL	**1,258.15**	100,000	1,056.90	NIL	1,056.90	NIL	**1,056.90**
Dalmia Bharat Limited	200,000	981.20	NIL	981.20	NIL	**981.20**	NIL	NIL	NIL	NIL	NIL	**NIL**	NIL	NIL	NIL	NIL	NIL	**NIL**
Future Retail Limited	200,000	156.60	NIL	156.60	NIL	**156.60**	200,000	907.70	NIL	907.70	NIL	**907.70**	200,000	1,101.60	NIL	1,101.60	NIL	**1,101.60**
Praxis Home Retail Limited	10,000	4.60	NIL	4.60	NIL	**4.60**	10,000	18.37	NIL	18.37	NIL	**18.37**	10,000	17.82	NIL	17.82	NIL	**17.82**
Gujarat Fluorochemicals Limited	175,054	500.65	NIL	500.65	NIL	**500.65**	175,054	1,933.91	NIL	1,933.91	NIL	**1,933.91**	175,054	1,394.30	NIL	1,394.30	NIL	**1,394.30**
GFL Limited**	175,054	143.72	NIL	143.72	NIL	**143.72**	NIL	NIL	NIL	NIL	NIL	**NIL**	NIL	NIL	NIL	NIL	NIL	**NIL**
HDFC Asset Management Company Limited	56,000	1,183.17	NIL	1,183.17	NIL	**1,183.17**	70,000	1,073.73	NIL	1,073.73	NIL	**1,073.73**	NIL	NIL	NIL	NIL	NIL	**NIL**
HDFC Bank Limited	425,000	3,663.07	NIL	3,663.07	NIL	**3,663.07**	212,500	4,927.66	NIL	4,927.66	NIL	**4,927.66**	212,500	4,007.96	NIL	4,007.96	NIL	**4,007.96**
HSIL Limited	200,242	80.80	NIL	80.80	NIL	**80.80**	200,242	501.61	NIL	501.61	NIL	**501.61**	200,242	743.30	NIL	743.30	NIL	**743.30**
ICICI Lombard General Insurance Company Limited	70,000	757.15	NIL	757.15	NIL	**757.15**	70,000	723.31	NIL	723.31	NIL	**723.31**	NIL	NIL	NIL	NIL	NIL	**NIL**
IDFC Limited	1,750,000	259.87	NIL	259.87	NIL	**259.87**	1,750,000	814.63	NIL	814.63	NIL	**814.63**	1,750,000	853.13	NIL	853.13	NIL	**853.13**
Jindal Steel and Power Limited	500,000	411.00	NIL	411.00	NIL	**411.00**	NIL	NIL	NIL	NIL	NIL	**NIL**	NIL	NIL	NIL	NIL	NIL	**NIL**
Kotak Mahindra Bank Limited	75,000	972.04	NIL	972.04	NIL	**972.04**	125,000	1,668.13	NIL	1,668.13	NIL	**1,668.13**	50,000	523.90	NIL	523.90	NIL	**523.90**
NBCC (India) Limited	600,000	97.80	NIL	97.80	NIL	**97.80**	600,000	397.80	NIL	397.80	NIL	**397.80**	300,000	571.20	NIL	571.20	NIL	**571.20**
Nippon Life India Asset Management Limited	275,000	685.30	NIL	685.30	NIL	**685.30**	NIL	NIL	NIL	NIL	NIL	**NIL**	NIL	NIL	NIL	NIL	NIL	**NIL**
Somany Ceramics Limited	150,001	138.00	NIL	138.00	NIL	**138.00**	150,001	629.70	NIL	629.70	NIL	**629.70**	150,001	995.85	NIL	995.85	NIL	**995.85**
Somany Home Innovation Limited**	200,242	136.06	NIL	136.06	NIL	**136.06**	NIL	NIL	NIL	NIL	NIL	**NIL**	NIL	NIL	NIL	NIL	NIL	**NIL**
Sterlite Technologies Limited	200,000	127.60	NIL	127.60	NIL	**127.60**	200,000	436.90	NIL	436.90	NIL	**436.90**	NIL	NIL	NIL	NIL	NIL	**NIL**
Sun Pharmaceutical Industries Limited	351,197	1,237.27	NIL	1,237.27	NIL	**1,237.27**	201,273	963.80	NIL	963.80	NIL	**963.80**	100,000	495.10	NIL	495.10	NIL	**495.10**
Vadilal Industries Limited	20,000	89.82	NIL	89.82	NIL	**89.82**	NIL	NIL	NIL	NIL	NIL	**NIL**	NIL	NIL	NIL	NIL	NIL	**NIL**
Varroc Engineering Limited	103,413	132.01	NIL	132.01	NIL	**132.01**	103,413	598.76	NIL	598.76	NIL	**598.76**	NIL	NIL	NIL	NIL	NIL	**NIL**
Total (B)		**13,763.23**	**NIL**	**13,763.23**	**5.00**	**13,768.23**		**18,756.79**	**NIL**	**18,756.79**	**5.00**	**18,761.79**		**12,271.56**	**NIL**	**12,271.56**	**5.00**	**12,276.56**
Grand Total (A+B)		**13,763.23**	**10,961.81**	**24,725.04**	**5.00**	**24,730.04**		**18,756.79**	**13,106.37**	**31,863.16**	**5.00**	**31,868.16**		**12,271.56**	**23,685.40**	**35,956.96**	**5.00**	**35,961.96**
Investments in India		13,763.23	10,961.81	24,725.04	5.00	24,730.04		18,756.79	13,106.37	31,863.16	5.00	31,868.16		12,271.56	23,685.40	35,956.96	5.00	35,961.96
Investments outside India		NIL	NIL	NIL	NIL	NIL		NIL	NIL	NIL	NIL	NIL		NIL	NIL	NIL	NIL	NIL
Total		**13,763.23**	**10,961.81**	**24,725.04**	**5.00**	**24,730.04**		**18,756.79**	**13,106.37**	**31,863.16**	**5.00**	**31,868.16**		**12,271.56**	**23,685.40**	**35,956.96**	**5.00**	**35,961.96**

* Units of Franklin India Ultra Short Bond Fund S.I Plan Direct Growth Segregated Portfolio 1 have been valued at NIL since it had been written down by 100% by the fund.

** The equity shares alloted puruant to the Scheme of Demerger.

Notes to the Standalone Financial Statements for the year ended March 31, 2020

Note 8
Other Financial Assets **₹ in lakhs**

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Unsecured and Considered Good			
Deposits	14.26	13.90	42.15
Insurance Claim Receivable [Refer Note 8.1]	NIL	17.74	136.09
Interest accrued on Loans	NIL	4.09	2.95
Total	**14.26**	**35.73**	**181.19**

8.1 Insurance Claim for the loss of stock by fire to the extent of ₹ 83.36 lakhs recognised during the year ended March 31, 2018, ultimately had not been settled/received and hence, it is written off during the year ended March 31, 2019. The balance amount of ₹ 17.74 lakhs which is receivable, is carried forward as at March 31, 2019.

Note 9
Inventories **₹ in lakhs**

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Raw Materials	33.98	15.34	35.52
Work-in-Progress	19.86	22.51	18.34
Finished Goods			
Yarn	31.76	78.10	88.98
Home Decor Items	1,365.53	1,348.07	1,357.09
Waste (Net Realisable Value)	NIL	0.21	0.61
Total	**1,451.13**	**1,464.23**	**1,500.54**

9.1 Cost of inventories is recognised as an expense during the current year is ₹ 807.51 lakhs (March 31, 2019 : ₹ 840.96 lakhs).

9.2 For mode of valuation of inventories [Refer Note 2.5].

Note 10
Current Tax Assets (Net) **₹ in lakhs**

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Advance Income Tax (net of provision for taxation)	334.46	251.71	491.36
Total	**334.46**	**251.71**	**491.36**

Notes to the Standalone Financial Statements for the year ended March 31, 2020

Note 11

Deferred Tax Asset (Net) [Refer Note 43] ₹ in lakhs

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Deferred Tax Liabilities			
Investments in Units of Mutual Funds	302.17	272.70	349.51
Fair Value changes of Equity Instruments through OCI	NIL	122.43	NIL
Property, Plant and Equipment and Other Intangible Assets	NIL	9.47	19.50
Right-of-Use Assets	12.59	NIL	NIL
Lease Liabilities	6.89	NIL	NIL
Total Deferred Tax Liabilities	**321.65**	**404.60**	**369.01**
Deferred Tax Assets			
Fair Value changes of Equity Instruments through OCI	225.35	NIL	48.67
MAT Credit Entitlement [Refer Note 43.3 (a)]	NIL	1,470.18	900.97
Impairment Loss Allowance	6.33	8.91	6.56
Provision for Employee Benefits	74.05	76.38	40.83
Property, Plant and Equipment and Other Intangible Assets	15.92	NIL	NIL
Carried Forward Business Losses	NIL	319.31	272.94
Total Deferred Tax Assets	**321.65**	**1,874.78**	**1,269.97**
Net Deferred Tax (Liabilities) / Assets	NIL	**1,470.18**	**900.96**

11.1 Deferred Tax Asset is recognised only to the extent of Deferred Tax Liability and for the balance deductible temporary differences, no Deferred Tax Asset is recognised. Thus, the net Deferred Tax Asset / Deferred Tax Liability is NIL.

Note 12

Property, Plant and Equipment ₹ in lakhs

Particulars	Land	Buildings	Plant and Machinery	Furniture and Fixtures	Office Equipment	Computer	Air Conditioners	Electrical Installation	Vehicles	Total
Deemed Cost										
As at April 1, 2018	**0.28**	**377.61**	**352.49**	**6.81**	**3.60**	**3.79**	**10.71**	**20.25**	**7.25**	**782.79**
Additions	NIL	NIL	6.02	NIL	4.66	0.73	NIL	NIL	25.42	36.83
Disposals	NIL	NIL	NIL	NIL	NIL	NIL	(1.16)	NIL	NIL	(1.16)
As at March 31, 2019	**0.28**	**377.61**	**358.51**	**6.81**	**8.27**	**4.52**	**9.55**	**20.25**	**32.67**	**818.46**
Additions	NIL	NIL	7.71	NIL	2.03	1.29	0.20	NIL	84.03	95.26
Disposals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
As at March 31, 2020	**0.28**	**377.61**	**366.22**	**6.81**	**10.30**	**5.81**	**9.75**	**20.25**	**116.70**	**913.73**
Accumulated Depreciation										
As at April 1, 2018	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Charge for the year	NIL	**36.22**	**64.25**	**1.76**	**2.13**	**2.48**	**3.65**	**5.24**	**6.24**	**121.97**
Disposals	NIL	NIL	NIL	NIL	NIL	NIL	(0.58)	NIL	NIL	(0.58)
As at March 31, 2019	NIL	**36.22**	**64.25**	**1.76**	**2.13**	**2.48**	**3.06**	**5.24**	**6.24**	**121.39**
Charge for the year	NIL	32.65	54.00	1.31	3.21	1.08	1.96	3.89	11.58	**109.68**
Disposals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
As at March 31, 2020	NIL	**68.87**	**118.25**	**3.07**	**5.34**	**3.56**	**5.02**	**9.13**	**17.82**	**231.07**
Net Block										
As at March 31, 2020	**0.28**	**308.74**	**247.97**	**3.74**	**4.96**	**2.25**	**4.72**	**11.12**	**98.89**	**682.67**
As at March 31, 2019	**0.28**	**341.39**	**294.26**	**5.05**	**6.13**	**2.04**	**6.48**	**15.01**	**26.43**	**697.08**
As at April 1, 2018	**0.28**	**377.61**	**352.49**	**6.81**	**3.60**	**3.79**	**10.71**	**20.25**	**7.25**	**782.79**

Notes to the Standalone Financial Statements for the year ended March 31, 2020

Note 13
Right-of-Use Assets **₹ in lakhs**

Description of Asset	Buildings
Gross Block	
As at April 1, 2019	NIL
Transition on account of adoption of Ind AS 116	**54.60**
Additions	NIL
Disposal	NIL
As at March 31, 2020	**54.60**
Accumulated Depreciation	
As at April 1, 2019	NIL
Depreciation expense for the year	4.56
Disposal	NIL
As at March 31, 2020	**4.56**
Net Block	
As at March 31, 2020	**50.04**
As at March 31, 2019	**NIL**

Note 14
Other Intangible Assets **₹ in lakhs**

Particulars	Trademark
Deemed Cost	
As at April 1, 2018	**13.76**
Additions	NIL
Disposals	NIL
As at March 31, 2019	**13.76**
Additions	9.80
Disposals	NIL
As at March 31, 2020	**23.56**
Accumulated Depreciation	
As at April 1, 2018	NIL
Charge for the year	**5.96**
Disposals	NIL
As at March 31, 2019	**5.96**
Charge for the year	5.18
Disposals	NIL
As at March 31, 2020	**11.14**
Net Block	
As at March 31, 2020	**12.42**
As at March 31, 2019	**7.80**
As at April 1, 2018	**13.76**

Notes to the Standalone Financial Statements for the year ended March 31, 2020

Note 15
Other Non-Financial Assets ₹ in lakhs

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Unsecured and Considered Good			
Prepaid expenses	8.55	10.47	5.79
Advances to Employees	7.96	6.14	9.27
Advances against expenses	12.65	8.33	27.54
Advances against purchase of goods	101.35	82.00	43.23
Balances with Government Authorites	141.44	95.75	55.08
Provident Fund excess paid	NIL	NIL	4.36
Total	**271.95**	**202.69**	**145.27**

Note 16
Trade Payables ₹ in lakhs

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Total outstanding dues of micro enterprises and small enterprises	NIL	NIL	NIL
Total outstanding dues of creditors other than micro enterprises and small enterprises	34.85	15.10	97.16
Total	**34.85**	**15.10**	**97.16**

16.1 Disclosure Under Micro, Small and Medium Enterprises Development Act, 2006

The information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

Based on the information available the required disclosure under Micro, Small and Medium Enterprises Development Act, 2006 is given below:

₹ in lakhs

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
i. Principal amount due to suppliers and remaining unpaid under MSMED Act, 2006	NIL	NIL	NIL
ii. Interest accrued and due and unpaid to suppliers under MSMED Act, on the above amount	NIL	NIL	NIL
iii. Interest paid	NIL	NIL	NIL
iv. Payment made to suppliers (other than interest) beyond the appointed day, during the year	NIL	NIL	NIL
v. Interest due and payable to suppliers under MSMED Act, for payments already made for the period of delay	NIL	NIL	NIL
vi. Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act	NIL	NIL	NIL
vii. Amount of further interest remaining due and payable in succeeding year	NIL	NIL	NIL

Notes to the Standalone Financial Statements for the year ended March 31, 2020

Note 17
Borrowings (Other than Debt Securities) **₹ in lakhs**

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Unsecured			
Loans repayable on demand from banks	NIL	NIL	4.78
Short-term loan from Others	22.10	NIL	NIL
Total	**22.10**	**NIL**	**4.78**
Borrowings in India	22.10	NIL	4.78
Borrowings outside India	NIL	NIL	NIL
Total	**22.10**	**NIL**	**4.78**

17.1 Terms of Repayment of Borrowings :
Interest-free Vehicle Loan amounting to ₹ 22.10 lakhs from Daimler Financial Services India Private Limited is repayable in 12 equal monthly installments of ₹ 1.84 lakhs each, first installment falling due on April 4, 2020.

Note 18
Deposits **₹ in lakhs**

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Measured at Amortised Cost			
From Others	375.00	413.00	425.21
Total	**375.00**	**413.00**	**425.21**

Note 19
Lease Liabilities **₹ in lakhs**

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Lease Liabilities	51.82	NIL	NIL
Total	**51.82**	NIL	NIL

Note 20
Other Financial Liabilities **₹ in lakhs**

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Employee Benefits Payable	38.14	47.26	42.43
Accrued Expense	82.19	84.87	79.21
Total	**120.33**	**132.13**	**121.64**

Note 21
Current Tax Liabilities (Net) **₹ in lakhs**

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Provision for Taxation (net of advance tax paid)	NIL	505.36	NIL
Total	**NIL**	**505.36**	**NIL**

Notes to the Standalone Financial Statements for the year ended March 31, 2020

Note 22

Provisions ₹ in lakhs

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Provision for Employee Benefits			
Gratuity [Refer Note 45]	128.44	120.45	145.64
Ex-Gratia [Refer Note 36.1]	113.41	131.62	NIL
Leave Encashment	60.30	58.28	52.59
Total	**302.15**	**310.35**	**198.23**

Note 23

Other Non Financial Liabilities ₹ in lakhs

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Advances Received from Customers	31.86	8.02	85.27
Statutory Dues Payable	27.63	19.18	20.94
Total	**59.49**	**27.20**	**106.21**

Note 24

Equity Share Capital ₹ in lakhs

Particulars	As at March 31, 2020		As at March 31, 2019		As at April 1, 2018	
	Number of shares	₹ in lakhs	Number of shares	₹ in lakhs	Number of shares	₹ in lakhs
Authorised Share Capital:						
Equity shares of ₹ 100 each	2,000,000	2,000.00	2,000,000	2,000.00	2,000,000	2,000.00
5.5 % Cumulative Preference Shares of ₹ 200 each	4,000	8.00	4,000	8.00	4,000	8.00
Total	**2,004,000**	**2,008.00**	**2,004,000**	**2,008.00**	**2,004,000**	**2,008.00**
Issued, Subscribed and Paid-up Share capital						
Equity Shares of ₹ 100 each	1,808,604	1,808.60	1,808,604	1,808.60	1,808,604	1,808.60
Total	**1,808,604**	**1,808.60**	**1,808,604**	**1,808.60**	**1,808,604**	**1,808.60**

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

₹ in lakhs

Particulars	As at March 31, 2020		As at March 31, 2019		As at April 1, 2018	
	Number of shares	₹ in lakhs	Number of shares	₹ in lakhs	Number of shares	₹ in lakhs
Balance at the beginning of the year	1,808,604	1,808.60	1,808,604	1,808.60	1,808,604	1,808.60
Add: Shares issued during the year	NIL	NIL	NIL	NIL	NIL	NIL
Balance at the end of the year	**1,808,604**	**1,808.60**	**1,808,604**	**1,808.60**	**1,808,604**	**1,808.60**

b. Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 100 per share. Every member holding equity shares therein shall have voting rights in proportion to the member's share of the paid up equity share capital. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting.

Notes to the Standalone Financial Statements for the year ended March 31, 2020

Note 24

Equity Share Capital (Contd...)

In the event of liquidation of the Company, the holders of equity shares would 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 equity shareholders.

c. Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2020		As at March 31, 2019		As at April 1, 2018	
	Number of shares	% of Holding	Number of shares	% of Holding	Number of shares	% of Holding
New India Exports Private Limited - Holding Company	1,511,725	83.59%	1,511,725	83.59%	1,511,725	83.59%

Note 25

Other Equity ₹ in lakhs

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Retained Earnings			
Balance at the beginning of the year	39,401.55	39,202.66	39,202.66
Profit / (Loss) for the year	(1,669.06)	158.93	NIL
Remeasurement Gain / (Loss) on Defined Benefit Plans	5.76	(1.11)	NIL
Realised Gain on Sale of Equity Instruments reclassified to Retained Earnings	372.15	41.07	NIL
Balance at the end of the year	**38,110.40**	**39,401.55**	**39,202.66**
Equity Instruments through Other Comprehensive Income			
Balance at the beginning of the year	3,598.74	2,480.08	2,480.08
Net fair value gain / (loss) on investments in equity instruments through OCI	(6,897.24)	1,159.73	NIL
Realised Gain on Sale of Equity Instruments reclassified to Retained Earnings	(372.15)	(41.07)	NIL
Balance at the end of the year	**(3,670.65)**	**3,598.74**	**2,480.08**
Total	**34,439.76**	**43,000.29**	**41,682.74**

The description of the nature and purpose of each reserve within equity is as follows :

Retained Earnings

Retained Earnings are the profits that the Company has earned till date, less dividends or other distributions paid to shareholders.

Equity Instruments through Other Comprehensive Income

The fair value change of the equity instruments measured at fair value through Other Comprehensive Income is recognised and reflected under Equity Instruments through Other Comprehensive Income. On disposal, the cumulative fair value changes on the said instruments are reclassified to Retained Earnings.

Notes to the Standalone Financial Statements for the year ended March 31, 2020

Note 26
Interest Income ₹ in lakhs

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
On Financial Assets measured at Amortised Cost		
Loans	736.39	428.76
Fixed Deposits with Banks	2.77	5.15
Total	**739.16**	**433.91**

Note 27
Dividend Income ₹ in lakhs

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Dividend on Investments in Equity Instruments	226.48	99.96
Total	**226.48**	**99.96**

Note 28
Net Gain on Fair Value Changes ₹ in lakhs

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Net gain/ (loss) on financial instruments measured at Fair Value through Profit or Loss		
Investments in Mutual Funds	408.05	902.07
Total	**408.05**	**902.07**
Fair Value changes:		
Realised	108.00	352.50
Unrealised	300.05	549.57
Total	**408.05**	**902.07**

Note 29
Sale of Products ₹ in lakhs

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Sale of Products		
Cloth [Refer Note 29.1]	NIL	(7.11)
Yarn	1,011.48	963.05
Home Decor Items	220.76	415.68
Other Operating Revenue		
Scarp Sales	5.73	6.07
Total	**1,237.97**	**1,377.69**

29.1 Debit balance in Sales of Cloth is in respect of Credit given for Price Difference for Sales made during the year ended March 31, 2018.

Notes to the Standalone Financial Statements for the year ended March 31, 2020

Note 30
Other Income

₹ in lakhs

Particulars	**Year ended March 31, 2020**	**Year ended March 31, 2019**
Interest Income		
on Income Tax Refund	NIL	37.50
on Deposits	1.05	1.73
Lease Rentals	137.40	140.59
Excess balances and liabilities written back	0.59	0.05
Reversal of Impairment Loss Allowance	5.46	NIL
Other Non-operating Income	NIL	4.18
Total	**144.50**	**184.05**

Note 31
Finance Costs

₹ in lakhs

Particulars	**Year ended March 31, 2020**	**Year ended March 31, 2019**
Ancillary Borrowing Costs	41.42	24.22
Interest on Lease Liabilities	4.43	NIL
Total	**45.85**	**24.22**

Note 32
Impairment on Financial Instruments

₹ in lakhs

Particulars	**Year ended March 31, 2020**	**Year ended March 31, 2019**
On Financial Instruments measured at Amortised Cost		
Trade Receivables	NIL	8.09
Total	**NIL**	**8.09**

Note 33
Cost of Materials Consumed

₹ in lakhs

Particulars	**Year ended March 31, 2020**	**Year ended March 31, 2019**
Raw Materials		
Polyster Fibre	326.41	447.26
Cotton	291.34	187.18
Other Materials	21.93	21.74
Total	**639.68**	**656.18**

Notes to the Standalone Financial Statements for the year ended March 31, 2020

Note 34

Purchases of Stock-in-trade **₹ in lakhs**

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Cloth [Refer Note 34.1]	NIL	(7.12)
Home Decor Items	136.09	175.79
Total	**136.09**	**168.67**

34.1 Credit balance in Purchases Cloth is in respect of Credit received for Price Difference for Purchases made in the year ended March 31, 2018.

Note 35

Changes in inventories of Finished Goods, Stock-in-Trade and Work-in-Progress **₹ in lakhs**

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Stock at the beginning		
Finished Goods	78.10	88.98
Stock-in-Trade	1,348.07	1,357.09
Work-in-progess and Waste	22.72	18.94
	1,448.89	**1,465.01**
Stock at the end		
Finished Goods	31.76	78.10
Stock-in-Trade	1,365.53	1,348.07
Work-in-progess and Waste	19.86	22.72
	1,417.15	**1,448.89**
Total	**31.74**	**16.12**

Note 36

Employee Benefits Expense **₹ in lakhs**

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Salaries, Wages and Allowances	406.03	429.48
Gratuity [Refer Note 45]	20.51	21.31
Ex-Gratia [Refer Note 36.1]	3.50	262.97
Contribution to Provident Fund and Other Funds	35.34	38.63
Staff Welfare Expenses	10.99	11.63
Total	**476.37**	**764.02**

36.1 As per the Memorandum of Understanding dated March 16, 2017 entered between the Company and the "Rashtriya Mill Mazdoor Sangh" (Representative union of employees in the cotton textile industry) an ex-gratia amount equivalent to 41 days wages (Basic+Dearness Allowance) per completed year of service is paid to employees retired during the year. In addition, it includes a sum of ₹ 132.00 lakhs provided in the year ended March 31, 2019 in this regard for the employees in service but entitled to such ex-gratia as and when they are to retire.

Notes to the Standalone Financial Statements for the year ended March 31, 2020

Note 37

Depreciation and Amortisation ₹ in lakhs

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Depreciation on Property, Plant and Equipment	109.68	121.97
Depreciation on Right-of-Use Assets	4.56	NIL
Amortisation of Intangible Assets	5.18	5.96
Total	**119.42**	**127.93**

Note 38

Other Expenses ₹ in lakhs

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Service Charges	193.53	164.64
Power	153.28	145.02
Water Charges	4.48	4.56
Rent	21.72	44.05
Rates and Taxes	25.93	5.51
Insurance	9.83	10.29
Travelling and Conveyance	175.04	172.76
Motor Car Expenses	4.97	5.12
Repairs and Maintenance		
Building	16.13	170.85
Machinery	10.11	8.71
Others	85.66	42.21
Office Maintainance Expenses	3.54	3.40
Payment to Auditors		
Statutory Audit	2.00	2.00
Tax Audit	0.75	0.75
Taxation Matters	NIL	0.15
Certification Fees	0.30	NIL
Security Expenses	17.80	16.22
Telephone and Fax	3.36	4.99
Printing and Stationery	6.86	7.60
Postage and Courier	0.55	1.00
Legal and Professional Expenses	272.56	196.61
Donations	43.80	25.40
Recruitment and Training Expenses	NIL	0.06
Sales Tax Paid [Refer Note 38.1]	2.32	NIL
Commission	0.51	12.20
Advertisement and Publicity	28.74	40.92
Freight and Packaging	21.47	41.22
Sales Promotion Expenses	29.65	23.39
General Expenses	10.57	10.14
Insurance Claim Written Off [Refer Note 8.1]	NIL	83.36
Sundry Accounts/Balances Written Off	0.07	0.89
Foreign Exchange Fluctuation Loss	0.89	0.48
Loss on Sale of Property, Plant and Equipment	NIL	0.57
Total	**1,146.42**	**1,245.07**

38.1 These expenses for which demand has been raised and the matter has been settled during the year.

Notes to the Standalone Financial Statements for the year ended March 31, 2020

Note 39

Contingent Liabilities ₹ in lakhs

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
a. Claims against the Company not acknowledged as debt - matters under disputes / appeals :			
i. Income Tax (including interest and penalty, to the extent demanded)	40.26	39.17	39.17
ii. Sales Tax / VAT	NIL	0.34	0.34
iii. Others Employees Provident Fund Organisation	8.16	8.16	8.16
b. Bank Guarantees			
Employee State Insurance Corporation Secured by fixed deposits under lien with the bank	15.00	15.00	15.00

c. Other money for which the Company is contingently liable

Though a review petition filed against the decision of the Hon'ble Supreme Court of India of February 2019 on Provident Fund (PF) on inclusion of allowances for the purpose of PF Contribution has been set aside, there are interpretative challenges, mainly for estimating the amount and applicability of the decision retrospectively. Pending any direction in this regard from the Employees Provident Fund Organisation, the impact for past periods, if any, is considered to the effect that it is only possible but not probable that outflow of economic resources will be required. The Company will continue to monitor and evaluate its position and act, as clarity emerges.

39.1 In respect of items (a) above, it is not possible for the Company to estimate the timings of cash outflows which would be determinable only on receipt of Judgements pending at various forums / authorities.

39.2 The Company does not expect any reimbursement in respect of the above contingent liabilities.

Note 40

Disclosure as per Ind AS 115 on "Revenue from Contracts with Customers"

40.1 The Company generates revenue primarily from lending and investment activities, sale of Yarn and Home Decor items. Other operating revenue include sale of scrap.

40.2 Disaggregation of Revenue from Contracts with Customers **₹ in lakhs**

Particulars	Year ended March 31, 2020				Year ended March 31, 2019			
	Textile	Home Décor	Treasury	Total	Textile	Home Décor	Treasury	Total
Revenue from Operations								
Interest Income	NIL	NIL	739.16	739.16	NIL	NIL	433.91	433.91
Dividend Income	NIL	NIL	226.48	226.48	NIL	NIL	99.96	99.96
Net Gain on Fair Value Changes	NIL	NIL	408.05	408.05	NIL	NIL	902.07	902.07
Sale of Products								
India	1,011.48	220.28	NIL	1,231.76	955.94	410.14	NIL	1,366.08
Sri Lanka	NIL	0.48	NIL	0.48	NIL	5.54	NIL	5.54
Total (A)	**1,011.48**	**220.76**	**1,373.69**	**2,605.93**	**955.94**	**415.68**	**1,435.94**	**2,807.56**
Other Operating Revenue								
Scrap Sales	5.73	NIL	NIL	5.73	6.07	NIL	NIL	6.07
Total (B)	**5.73**	**NIL**	**NIL**	**5.73**	**6.07**	**NIL**	**NIL**	**6.07**
Revenue from Operations (A+B)	**1,017.21**	**220.76**	**1,373.69**	**2,611.66**	**962.01**	**415.68**	**1,435.94**	**2,813.63**

Notes to the Standalone Financial Statements for the year ended March 31, 2020

40.3 Sales by Performance Obligations

Performance obligation is satisfied at a point in time when the customer obtains control of the asset and accordingly, in most cases revenue is recognised on shipment or dispatch of products.

40.4 Contract Balances

Trade Receivables and Contract Liabilities from Contracts with Customers:

₹ in lakhs

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Trade Receivables (Gross) - [Refer Note 5]	180.22	186.13	157.42
Less : Impairment Loss Allowance	25.14	30.61	22.52
Net Receivables	**155.08**	**155.52**	**134.90**
Contract Liabilities			
Advance from Customers - [Refer Note 23]	31.86	8.02	85.27
Total Contract Liabilities	**31.86**	**8.02**	**85.27**

40.5 Amounts received before the related performance obligation is satisfied are included in the Balance Sheet (Contract liabilities) as “Advance from Customers” in Other Non-Financial Liabilities (Refer Note 23). Amounts billed but not yet paid by the customer are included in the Balance Sheet under “Trade Receivables” (Refer Note 5).

40.6 There were no significant changes in the composition of the Contract Liabilities and Trade Receivables during the reporting period other than on account of periodic invoicing and revenue recognition.

40.7 Reconciliation of Revenue recognised from Contracts with Customers in the Statement of Profit and Loss with the contracted price

₹ in lakhs

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Revenue from Sale of Products as per Contract Price	1,234.63	1,376.56
Adjustments made to contract price:		
Discounts/ Rebates/ Incentives	NIL	NIL
Sales Returns	2.39	4.95
Revenue from Contracts with Customers	**1,232.24**	**1,371.62**
Other Operating Revenue	5.73	6.07
Revenue from Operations (as per Statement of Profit and Loss)	**1,237.97**	**1,377.69**

Note 41

Earnings Per Share (EPS)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Profit/ (Loss) attributable to equity shareholders (₹ in Lakhs)	(1,669.06)	158.93
Weighted average number of equity shares used for computing earning per share (Basic and Diluted)	1,808,604	1,808,604
Face Value of Equity Shares (₹ per share)	100	100
Earnings per Equity Share		
Basic (in ₹)	**(92.28)**	**8.79**
Diluted (in ₹)	**(92.28)**	**8.79**

Notes to the Standalone Financial Statements for the year ended March 31, 2020

Note 42

Capital Management

The Company's objectives when managing capital are to :

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-today needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

Note 43

Disclosure pursuant to Ind AS 12 on "Income Taxes"

43.1 Components of Income Tax Expense **₹ in lakhs**

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Income Tax Expense recognised in the Statement of Profit and Loss		
Current Tax	NIL	560.00
(Excess) / Short Provision of tax of earlier years	(0.14)	NIL
Deferred Tax (including MAT Credit Entitlement)	1,829.79	(731.55)
Total Income Tax Expense	**1,829.65**	**(171.55)**
Deferred Tax related to items recognised in Other Comprehensive Income		
Remeasurement Gain / (Loss) on Defined Benefit Plans	1.16	(0.45)
Equity Instruments through Other Comprehensive Income	347.78	(171.10)
Total Income Tax Expense	**348.94**	**(171.55)**

Notes to the Standalone Financial Statements for the year ended March 31, 2020

43.2 Reconciliation of Income Tax Expense and Accounting Profit

The reconciliation between estimated Income Tax expense at statutory income tax rate / Minimum Alternate Tax (MAT) into income tax expense reported in the Statement of Profit and Loss is given below :

₹ in lakhs

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Profit / (Loss) before tax	160.59	(12.62)
Income tax expense calculated @ 25.17% (March 31, 2019 : 21.55%)	40.42	(2.72)
Tax on income that is exempt from taxation	(57.00)	(21.54)
Tax on expenses that are not deductible in determining taxable income / book profit	36.02	8.25
Difference between depreciation as per Books of Account and the Income Tax Act, 1961	2.55	NIL
Tax on Impairment on Financial Instruments	(1.38)	1.74
Tax on Income that is taxable under Capital Gain	(21.76)	574.60
Tax on Actuarial gain/(loss) on employee defined benefits obligation	1.15	(0.33)
Tax Expense	NIL	560.00
(Excess) / Short Provision of tax of earlier years	(0.14)	NIL
Deferred Tax Expenses	1,829.79	(731.55)
Income Tax Expense recognised in Statement of Profit and Loss	1,829.65	(171.55)

43.3 Movement of Deferred Tax

Deferred Tax Assets / (Liabilities) in relation to the year ended March 31, 2020 ₹ in lakhs

Particulars	As at April 1, 2019	Recognised in Statement of Profit and Loss	Recognised in Other Compre-hensive Income	Others	As at March 31, 2020
Property, Plant and Equipment and Other Intangible Assets	(9.47)	25.39	NIL	NIL	15.92
Fair Value changes of Equity Instruments through OCI	(122.43)	NIL	347.78	NIL	225.35
Investments in Units of Mutual Funds	(272.70)	(29.47)	NIL	NIL	(302.17)
Provision for Employee Benefits	76.38	(3.48)	1.16	NIL	74.06
MAT Credit Entitlement [Refer Note (a) below]	1,470.18	(1480.86)	NIL	10.68	NIL
Impairment Loss Allowance	8.91	(2.59)	NIL	NIL	6.32
Right-of-use Assets	NIL	(12.59)	NIL	NIL	(12.59)
Lease Liabilities	NIL	(6.89)	NIL	NIL	(6.89)
Carried Forward Business Losses	319.30	(319.30)	NIL	NIL	NIL
Total	**1,470.17**	**(1,829.79)**	**348.94**	**10.68**	**NIL**

Notes to the Standalone Financial Statements for the year ended March 31, 2020

Deferred Tax Assets / (Liabilities) in relation to the year ended March 31, 2019 **₹ in lakhs**

Particulars	As at April 1, 2018	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	Others	As at March 31, 2019
Property, Plant and Equipment and Other Intangible Assets	(19.50)	10.03	NIL	NIL	(9.47)
Fair Value changes of Equity Instruments through OCI	48.67	NIL	(171.10)	NIL	(122.43)
Investments in Units of Mutual Funds	(349.51)	76.81	NIL	NIL	(272.70)
Provision for Employee Benefits	40.83	36.00	(0.45)	NIL	76.38
MAT Credit Entitlement	900.97	NIL	NIL	569.21	1,470.18
Impairment Loss Allowance	6.56	2.35	NIL	NIL	8.91
Carried Forward Business Losses	272.94	46.36	NIL	NIL	319.30
Total	**900.96**	**171.55**	**(171.55)**	**569.21**	**1,470.17**

Notes :

a. Pursuant to the Taxation Laws (Amendment) Bill 2019, passed on November 25, 2019, the Company had exercised the option permitted u/s 115BAA of the Income Tax Act, 1961, to compute income tax at revised rate (i.e. 25.17%) from current financial year and accordingly, had re-measured deferred tax as at March 31, 2020. During the year ended March 31, 2020, the Company has written off MAT credit available of ₹ 1480.86 lakhs and the same is reflected under Tax Expense in the Statement of Profit and Loss.

b. Deferred Tax Asset is recognised only to the extent of Deferred Tax Liability and for the balance deductible temporary differences, no Deferred Tax Asset is recognised.

43.4 Deductible temporary differences and unused tax losses for which no deferred tax asset has been recognised :

₹ in lakhs

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Investments in Subsidiary	9.18	8.74	8.35
Investments in Equity Instruments at FVTOCI	3,822.65	NIL	NIL
Unused Tax Losses			
Unabsorded Depreciation	207.86	298.07	298.07
Carried Forward Business Losses	3,688.47	2,298.99	2,925.49

I The amount and expiry date of unused tax losses, that is, unabsorbed depreciation and carried forward business losses are as follows:

Business Losses (FY)	As at March 31, 2020 ₹ in lakhs	Expiry Date	As at March 31, 2019 ₹ in lakhs	Expiry Date	As at April 1, 2018 ₹ in lakhs	Expiry Date
1996-97	1,900.00	NIL	1,900.00	NIL	1,900.00	NIL
2012-13	202.61	March 31, 2021	NIL	March 31, 2021	NIL	March 31, 2021
2013-14	191.03	March 31, 2022	NIL	March 31, 2022	NIL	March 31, 2022
2014-15	100.54	March 31, 2023	NIL	March 31, 2023	83.20	March 31, 2023
2015-16	648.76	March 31, 2024	NIL	March 31, 2024	296.76	March 31, 2024
2016-17	645.53	March 31, 2025	398.99	March 31, 2025	645.53	March 31, 2025
Total	**3,688.47**		**2,298.99**		**2,925.49**	

II There is no expiry date for unabsorbed depreciation to set off against the future taxable income.

Notes to the Standalone Financial Statements for the year ended March 31, 2020

Note 44
Disclosures on Financial Instruments

This section gives an overview of the significance of financial instruments for the Company and provides additional information on Balance Sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial assets, financial liabilities and equity instruments are disclosed in accounting policies, to the financial statements.

44.1 Financial Assets and Liabilities

Carrying value and fair value of each category of financial assets and liabilities as at March 31, 2020, March 31, 2019 and April 1, 2018:

As at March 31, 2020 **₹ in lakhs**

Particulars	Carrying Value / Fair Value			
	Fair value through of Profit or Loss	Fair value through OCI	Amortised Cost / Cost	Total
Financial Assets				
Cash and Cash Equivalents	NIL	NIL	86.74	86.74
Bank Balance other than Cash and Cash Equivalents	NIL	NIL	45.24	45.24
Trade Receivables	NIL	NIL	155.08	155.08
Loans	NIL	NIL	9,380.07	9,380.07
Investments	10,961.81	13,763.23	5.00	24,730.04
Other Financial Assets	NIL	NIL	14.26	14.26
Total	**10,961.81**	**13,763.23**	**9,686.39**	**34,411.43**
Financial Liabilities				
Trade Payables	NIL	NIL	34.85	34.85
Borrowings (other than Debt Securities)	NIL	NIL	22.10	22.10
Deposits	NIL	NIL	375.00	375.00
Lease Liabilities	NIL	NIL	51.82	51.82
Other Financial Liabilities	NIL	NIL	120.33	120.33
Total	**NIL**	**NIL**	**604.10**	**604.10**

Notes to the Standalone Financial Statements for the year ended March 31, 2020

As at March 31, 2019 ₹ in lakhs

Particulars	Carrying Value / Fair Value			
	Fair value through of Profit or Loss	Fair value through OCI	Amortised Cost / Cost	Total
Financial Assets				
Cash and Cash Equivalents	NIL	NIL	399.67	399.67
Bank Balance other than Cash and Cash Equivalents	NIL	NIL	42.75	42.75
Trade Receivables	NIL	NIL	155.52	155.52
Loans	NIL	NIL	9,616.51	9,616.51
Investments	13,106.37	18,756.79	5.00	31,868.16
Other Financial Assets	NIL	NIL	35.73	35.73
Total	**13,106.37**	**18,756.79**	**10,255.18**	**42,118.34**
Financial Liabilities				
Trade Payables	NIL	NIL	15.10	15.10
Borrowings (other than Debt Securities)	NIL	NIL	NIL	NIL
Deposits	NIL	NIL	413.00	413.00
Other Financial Liabilities	NIL	NIL	132.13	132.13
Total	**NIL**	**NIL**	**560.23**	**560.23**

As at April 1, 2018 ₹ in lakhs

Particulars	Carrying Value / Fair Value			
	Fair value through of Profit or Loss	Fair value through OCI	Amortised Cost / Cost	Total
Financial Assets				
Cash and Cash Equivalents	NIL	NIL	286.16	286.16
Bank Balance other than Cash and Cash Equivalents	NIL	NIL	34.20	34.20
Trade Receivables	NIL	NIL	134.90	134.90
Loans	NIL	NIL	4,011.48	4,011.48
Investments	23,685.40	12,271.56	5.00	35,961.96
Other Financial Assets	NIL	NIL	181.19	181.19
Total	**23,685.40**	**12,271.56**	**4,652.93**	**40,609.89**
Financial Liabilities				
Trade Payables	NIL	NIL	97.16	97.16
Borrowings (other than Debt Securities)	NIL	NIL	4.78	4.78
Deposits	NIL	NIL	425.21	425.21
Other Financial Liabilities	NIL	NIL	121.64	121.64
Total	**NIL**	**NIL**	**648.79**	**648.79**

Notes to the Standalone Financial Statements for the year ended March 31, 2020

44.2 Fair Value Hierarchy

Analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, is as described below:

₹ in lakhs

Particulars	Fair Value Measurements			
	Level 1	Level 2	Level 3	Total
As at March 31, 2020				
Financial Assets				
Investments in Units of Mutual Funds	10,961.81	NIL	NIL	**10,961.81**
Investments in Equity Instruments	13,763.23	NIL	NIL	**13,763.23**
As at March 31, 2019				
Financial Assets				
Investments in Units of Mutual Funds	13,106.37	NIL	NIL	**13,106.37**
Investments in Equity Instruments	18,756.79	NIL	NIL	**18,756.79**
As at April 1, 2018				
Financial Assets				
Investments in Units of Mutual Funds	23,685.40	NIL	NIL	**23,685.40**
Investments in Equity Instruments	12,271.56	NIL	NIL	**12,271.56**

i. Other financial assets and financial liabilities are stated at carrying value which is approximately equal to their fair value.

ii. Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

iii. There have been no transfers between Level 1, Level 2 and Level 3 for the years ended March 31, 2020, March 31, 2019 and April 1, 2018.

44.3 Financial Risk Management Objectives and Policies

The Company's activities expose it to market risk, credit risk and liquidity risk. The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

I. Market Risk

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in interest rates, foreign currency exchange rates, equity price fluctuations, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

a. Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Since the Company does not have any borrowings, it is not exposed to cash flow interest rate risk.

b. Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities. The Company's exposure to foreign currency changes from operating activities is not material.

Notes to the Standalone Financial Statements for the year ended March 31, 2020

II. Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Financial instruments that are subject to credit risk and concentration thereof principally consist of trade receivables, loans, investments, cash and cash equivalents and other bank balances.

The carrying value of financial assets represents the maximum credit risk. The maximum exposure to credit risk was ₹ 9,560.30 lakhs, ₹ 9,802.64 lakhs and ₹ 4,168.90 lakhs, as at March 31, 2020, March 31, 2019 and April 1, 2018, respectively, being the total carrying value of trade receivables and loans.

₹ in lakhs

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Trade Receivables	180.22	186.13	157.42
Loans	9,380.07	9,616.51	4,011.48

Credit risk from balances with bank and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

III. Liquidity Risk

Liquidity risk is defined as the risk that the company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the company might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company invests its surplus funds in fixed deposit, mutual funds and equity instruments, which carry no or low market risk.

The Company manages the liquidity risk by maintaining adequate funds in cash and cash equivalents.Working capital requirements are adequately addressed by internally generated funds. Trade Receivables are kept within manageable levels.

Notes to the Standalone Financial Statements for the year ended March 31, 2020

Maturity analysis of undiscounted cash flows of the Company's financial assets and financial liabilities :

₹ in lakhs

Particulars	Less than 1 year	1 year to 5 years	More than 5 years	Total
As at March 31, 2020				
Financial Assets				
Cash and Cash Equivalents	86.74	NIL	NIL	**86.74**
Bank Balances other than Cash and Cash Equivalents	45.24	NIL	NIL	**45.24**
Trade Receivables	155.08	NIL	NIL	**155.08**
Loans	0.91	9,379.16	NIL	**9,380.07**
Investments	NIL	24,730.04	NIL	**24,730.04**
Other Financial Assets	14.26	NIL	NIL	**14.26**
Financial Liabilities				
Trade Payables	34.85	NIL	NIL	**34.85**
Borrowings (other than Debt Securities)	22.10	NIL	NIL	**22.10**
Deposits	NIL	375.00	NIL	**375.00**
Lease Liabilities	NIL	NIL	51.82	**51.82**
Other Financial Liabilities	120.33	NIL	NIL	**120.33**
As at March 31, 2019				
Financial Assets				
Cash and Cash Equivalents	399.67	NIL	NIL	**399.67**
Bank Balances other than Cash and Cash Equivalents	42.75	NIL	NIL	**42.75**
Trade Receivables	155.52	NIL	NIL	**155.52**
Loans	251.89	9,364.62	NIL	**9,616.51**
Investments	NIL	31,868.16	NIL	**31,868.16**
Other Financial Assets	35.73	NIL	NIL	**35.73**
Financial Liabilities				
Trade Payables	15.10	NIL	NIL	**15.10**
Borrowings (other than Debt Securities)	NIL	NIL	NIL	**NIL**
Deposits	NIL	413.00	NIL	**413.00**
Other Financial Liabilities	132.13	NIL	NIL	**132.13**
As at April 1, 2018				
Financial Assets				
Cash and Cash Equivalents	286.16	NIL	NIL	**286.16**
Bank Balances other than Cash and Cash Equivalents	34.20	NIL	NIL	**34.20**
Trade Receivables	134.90	NIL	NIL	**134.90**
Loans	NIL	4,011.48	NIL	**4,011.48**
Investments	NIL	35,961.96	NIL	**35,961.96**
Other Financial Assets	181.19	NIL	NIL	**181.19**
Financial Liabilities				
Trade Payables	97.16	NIL	NIL	**97.16**
Borrowings (other than Debt Securities)	4.78	NIL	NIL	**4.78**
Deposits	NIL	425.21	NIL	**425.21**
Other Financial Liabilities	121.64	NIL	NIL	**121.64**

Notes to the Standalone Financial Statements for the year ended March 31, 2020

Note 45

Employee Benefits Expense

45.1 Defined Contribution Plans

Contribution Funds

Retirement benefit in the form of Provident Fund, Employee State Insurance Corporation (ESIC) and Pension Fund are defined contribution schemes. The Company has no obligation, other than the contribution payable to these funds / schemes. The Company recognises contribution payable to such schemes as an expense, when an employee renders the related service.

The Company has recognised the following amounts in the Statement of Profit and Loss under Contribution to Provident and Other Funds as under:

₹ in lakhs

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Employer's Contribution to Employees' Provident Fund	31.36	32.94
Employer's Contribution to Employee Pension Fund	3.45	4.25
Employer's Contribution to ESIC	0.53	1.44
Total	**35.34**	**38.63**

45.2 Defined Benefit Plans

Retirement Gratuity

The Company provides annual contributions as a non-funded Defined Benefit Plan for qualifying employees. The Gratuity Scheme provides for payment to vested employees as under.

i. On normal retirement / early retirement /withdrawal / resignation :

As per the provisions of the Payment of Gratuity Act, 1972 with a vesting period of 5 years of service.

ii. On death while in service

As per the provisions of the Payment of Gratuity Act, 1972 without any vesting period.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity was carried out as at March 31, 2020 by an Actuary using the Projected Unit Credit Method. The following tables summarise the components of net benefit expenses recognised in the Statement of Profit and Loss and the funded status and amounts recognised in the Balance Sheet for the respective plans:

₹ in lakhs

Sr. No.	Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
		(Unfunded)	(Unfunded)	(Unfunded)
I	**Change in Present Value of Defined Benefit Obligation during the year**			
	Present Value of Defined Benefit Obligation at the beginning of the year	**120.45**	**145.64**	**166.02**
	Interest cost	8.81	9.49	10.28
	Current Service Cost	11.70	11.82	9.58
	Past Service Cost	NIL	NIL	11.33
	Benefit Payments from Employer	(7.92)	(48.05)	(58.00)
	Remeasurements - Due to Financial Assumptions	3.98	0.86	(0.95)
	Remeasurements - Due to Experience Adjustments	(8.58)	0.70	7.38
	Present Value of Befined Benefit Obligation at the end of the year	**128.44**	**120.45**	**145.64**

Notes to the Standalone Financial Statements for the year ended March 31, 2020

₹ in lakhs

Sr. No.	Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
		(Unfunded)	(Unfunded)	(Unfunded)
II	**Net (Asset) / Liability recognised in the Balance Sheet**			
	Present Value of Befined Benefit Obligation at the beginning of the year	128.44	120.45	145.64
	Fair value of plan assets at the end of the year	NIL	NIL	NIL
	Funded Status	128.44	120.45	145.64
	Net (Asset) / Liability recognised in the Balance Sheet	**128.44**	**120.45**	**145.64**

₹ in lakhs

Sr. No.	Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
		(Unfunded)	(Unfunded)	(Unfunded)
III	**Net Interest Cost for the year**			
	Present Value of Benefit Obligation at the Beginning of the Period	120.45	145.64	166.02
	Fair Value of Plan Assets at the Beginning of the Period	NIL	NIL	NIL
	Net Liability/(Asset) at the Beginning	**120.45**	**145.64**	**166.02**
	Interest Cost	8.81	9.49	9.58
	Interest Income	NIL	NIL	NIL
	Net Interest Cost for the year	**8.81**	**9.49**	**9.58**

₹ in lakhs

Sr. No.	Particulars	As at March 31, 2020	As at March 31, 2019
		(Unfunded)	(Unfunded)
IV	**Expenses recognised in the Statement of Profit and Loss**		
	Current Service Cost	11.70	11.82
	Interest Expense on Defined Benefit Obligation (Net)	8.81	9.49
	Expected Contributions by the Employees	NIL	NIL
	(Gains)/Losses on Curtailments And Settlements	NIL	NIL
	Total Expenses recognised in Statement of Profit and Loss	**20.51**	**21.31**

Notes to the Standalone Financial Statements for the year ended March 31, 2020

₹ in lakhs

Sr. No.	Particulars	As at March 31, 2020	As at March 31, 2019
		(Unfunded)	(Unfunded)
V	**Expenses recognised in the Other Comprehensive Income**		
	Remeasurements - Due to Demographic Assumptions	NIL	NIL
	Remeasurements - Due to Financial Assumptions	3.98	0.86
	Remeasurements - Due to Experience Adjustments	(8.58)	0.70
	Return on Plan Assets (Excluding Interest Income)	NIL	NIL
	Change in Asset Ceiling	NIL	NIL
	Total Expenses recognised in Other Comprehensive Income	**(4.60)**	**1.56**

₹ in lakhs

Sr. No.	Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
		(Unfunded)	(Unfunded)	(Unfunded)
VI	**Cash Flow Projection: From the Fund**			
	Within the next 12 months (next annual reporting period)	60.51	63.28	95.29
	2nd following year	19.68	1.81	8.97
	3rd following year	19.99	19.37	1.11
	4th following year	1.40	17.21	22.98
	5th following year	0.85	1.10	8.19
	Sum of years 6 to 10	34.97	36.13	17.04
	The average duration of the defined benefit plan obligation as at March 31, 2020 is 6.6 years (March 31, 2019: 7.02 years and April 1, 2018: 5.35 years).			

₹ in lakhs

Sr. No.	Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
		(Unfunded)	(Unfunded)	(Unfunded)
VII	**Quantitative sensitivity analysis for significant assumption**			
	Projected Benefit Obligation on current assumptions	128.44	120.45	145.64
	Delta Effect of +1% Change in Rate of Salary Increase	132.23	124.38	149.24
	Delta Effect of -1% Change in Rate of Salary Increase	124.57	116.86	142.28
	Delta Effect of +1% Change in Rate of Employee Turnover	128.86	120.96	146.19
	Delta Effect of -1% Change in Rate of Employee Turnover	127.96	119.85	145.02
	Delta Effect of +1% Change in Rate of Discounting	124.67	117.00	142.67
	Delta Effect of -1% Change in Rate of Discounting	132.71	124.33	148.95

Usefulness and Methodology adopted for Sensitivity Analysis

Sensitivity Analysis is an analysis which will give the movement in liability if the assumption were not proved to be true on different count. This only signifies the change in the liability if the difference between the assume and the actual is not following the parameters of the sensitivity analysis.

Notes to the Standalone Financial Statements for the year ended March 31, 2020

Sr. No.	Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
		(Unfunded)	(Unfunded)	(Unfunded)
VIII	**Actuarial Assumptions**			
	Discount rate	6.50%	7.56%	7.80%
	Salary escalation	5%	5%	5%
	Mortality rate during employment	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)
	Rate of Employee Turnover	1%	1%	1%

IX Risk to the Plan

Actuarial Risk :

The plan is subject to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employee in future.

Asset Liability Matching Risk :

The plan faces the ALM risk as to the matching cash flow. The Company manages the cash flow based on its own liquidity as and when it becomes due.

Liquidity Risk :

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign / retire from the company there can be strain on the cash flows.

Market Risk :

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits and vice versa. This assumption depends on the yields on the corporate / government bonds and hence, the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

Mortality Risk :

Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Legislative Risk :

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation / regulation. The Government may amend the Payment of Gratuity Act, 1972; thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognised immediately in the year when any such amendment is effective.

Note 46

Disclosure pursuant to Ind AS 24 on "Related Party Disclosures"

46.1 List of Related Parties:

Name of Related Party	Principal Place of Business	% Shareholding and Voting Power		
		As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Subsidiary Company				
Kanoria Udyog Limited	**India**	100%	100%	100%

Notes to the Standalone Financial Statements for the year ended March 31, 2020

Holding Company	New India Exports Private Limited	
Key Management Personnel	Smt. Vineeta Kanoria	: Whole Time Director
	Dr. Anurag Kanoria	: Whole Time Director
	Shri Vinod K. Lohia	: Whole Time Director
	Shri Raj Kumar Jhunjhunwala	: Independent Director
	Shri Bimalkumar Kanodia	: Independent Director
	Smt. Shobha Sharma	: Company Secretary
Relatives of Key Management Personnel	Shri Arvind K. Kanoria	: Husband of Smt. Vineeta Kanoria
	Smt. Aruna Kanoria	: Mother of Dr. Anurag Kanoria
	Shri Arvind K. Kanoria	: Brother of Dr. Anurag Kanoria
Entities over which KMP and Relatives exercise significant influence	Bombay Wire Ropes Limited	
	Temple Garment Manufacturing Company Private Limited	
	Sparkk Organics Private Limited	
	Kanoria Charitable Trust	

46.2 Transactions and Balances with Related Parties :

I Transactions with Related Parties :

₹ in lakhs

Particulars	**Year ended March 31, 2020**	**Year ended March 31, 2019**
Key Management Personnel Compensation		
Short-term Employee Benefits [Refer Note 34]		
Smt. Vineeta Kanoria	102.27	97.97
Dr. Anurag Kanoria	24.07	24.85
Shri Vinod K. Lohia	15.67	15.67
Relative of Key Management Personnel		
Advisory Fees paid to Shri Arvind K. Kanoria	180.00	90.00
Transactions with Kanoria Udyog Limited		
Loans given during the year	327.00	6,198.23
Repayment of Loan given	957.00	546.00
Interest Received	717.17	404.30
Transaction with Bombay Wire Ropes Limited		
Rent Paid	7.20	7.20
Transactions with Temple Garment Manufacturing CompanyPrivate Limited		
Purchase of Goods	2.60	34.39
Rent Received	2.76	2.76
Transaction with Kanoria Charitable Trust		
Donation Paid	3.81	NIL

Notes to the Standalone Financial Statements for the year ended March 31, 2020

II Outstanding Balances as at the year-end **₹ in lakhs**

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Balance with Kanoria Udyog Limited			
Loan Receivable	9,379.16	9,363.71	3,711.48
Balance with Key Management Personnel			
Remuneration payable to Smt. Vineeta Kanoria	4.75	NIL	NIL
Remuneration payable to Dr. Anurag Kanoria	4.20	NIL	NIL
Remuneration payable to Shri Vinod K. Lohia	0.91	NIL	NIL
Balance with Temple Garment Manufacturing Company Private Limited			
Advance against purchase of goods	63.97	34.16	NIL

III Terms and conditions of transactions and balances with related parties

a. The transactions with related parties are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions.

b. There have been no guarantees provided or received for any related party transaction.

Note 47
Disclosures under Ind AS 116 on "Leases"

47.1 Transition to Ind AS 116

The Company has adopted Ind AS 116 on "Leases" with effect from April 1, 2019 and applied the Standard to its leases existing on April 1, 2019, by using modified retrospective approach and accordingly, comparative information for the year ended March 31, 2019 have not been restated. The Company has recognised and measured the Right-of-Use (ROU) assets and the lease liabilities for the remaining lease term and payments discounted using the incremental borrowing rate as at the date of initial application. As a result, on the date of transition, the Company has recognised ROU assets of ₹ 54.60 lakhs and a corresponding lease liabilities of ₹ 54.60 lakhs for the remaining lease term which is considered as remaining economic useful life of the underlying asset i.e. Buidling. For year ended March 31, 2020, the nature of expenses in respect of operating leases has changed from lease rent in previous periods to depreciation for the ROU assets and finance costs for interest accrued on lease liabilities. The impact of this adoption is ₹ 1.78 lakhs on the Statement of Profit or Loss for the period and consequentially, that on earnings per share. Segment results have been arrived after considering interest expense on lease liabilities.

47.2 Company as a Lessee

I The following is the movement in lease liabilities during the year ended March 31, 2020 :

₹ in lakhs

Particulars	Amount
Balance as at April 1, 2019	**NIL**
Transition on account of adoption of Ind AS 116	54.60
Additions	NIL
Interest Expenses	4.42
Deletions	NIL
Payment of Lease Liabilities	(7.20)
Balance as at March 31, 2020	**51.82**

The aggregate interest expense amounting to ₹ 4.42 lakhs on Lease Liabilities is disclosed separately under Finance Costs [Refer Note 29].

Notes to the Standalone Financial Statements for the year ended March 31, 2020

II The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis :

₹ in lakhs

Particulars	**As at March 31, 2020**
Less than one year	7.20
One to five years	36.00
More than five years	43.20
	86.40

The Company does not face a liquidity risk with regard to its lease liability as the current assets are sufficient to meet the obligations related to lease liability as and when they fall due.

III The following amounts are recognised in the Statement of Profit and Loss :

₹ in lakhs

Particulars	**Year ended March 31, 2020**
Depreciation charge on Right-of-Use Assets	4.56
Interest expense on Lease Liabilities	4.42
Expense relating to Short-term Leases	21.72
Expense relating to leases of low-value assets, excluding Short term Leases of Low value Assets	NIL

IV Total cash outflow for leases from Financing Activites recognised in the Statement of Cash Flows for the year ended March 31, 2020 is ₹ 7.20 lakhs.

47.3 Company as a Lessor

I The Company has given commercial space on operating lease. The particulars in respect of such leases are as follows:-

₹ in lakhs

Particulars	**Year ended March 31, 2020**	**Year ended March 31, 2019**
Lease Rental Income		
i. Maturity Analysis of Lease Payments		
Less than one year	2.76	2.76
One to 5 years	8.28	11.04
More than 5 years	NIL	NIL
Total undiscounted lease payment receivables	**11.04**	**13.80**
ii. Lease Income recognised in the Statement of Profit and Loss for the year	2.76	2.76

Note 48

Segment Reporting as per Ind AS 108 on “ Operating Segements”

The Company is primarily engaged in the business of lending and investment activities, Sale of Yarn and Home Decor items. In accordance with Ind AS 108 on “Operating Segments”, the Company has presented segment information in the consolidated financial statements, which form part of this report and therefore no separate disclosure on segment information is given in these Standalone Financial Statements.

Notes to the Standalone Financial Statements for the year ended March 31, 2020

Note 49

Disclosure pursuant to Ind AS 101 on "First-time Adoption of Indian Accounting Standards"

These Standalone Financial Statements, for the year ended March 31, 2020, are the first financial statements, the Company has prepared in accordance with Ind AS. For the periods upto March 31, 2019, the Company prepared its financial statements in accordance with Accounting Standards notified under Section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and amendments thereof ('Previous GAAP').

The Company, *inter alia*, is engaged in lending and investment activites. Its revenue from financial assets have interest income, dividend income and profit on sale of investments which is 72.60% of its total income and its financial assets include loans and investments, which is 88.26% of the total assets as at March 31, 2019. Lending and Investment activities carried out by the Company which attracts the provisions of Non Banking Financial Companies (NBFC) and accordingly, the Company is in the process of completing the formalities related to the same.

In terms of Rule 4(1)(iv) of the Companies (Indian Accounting Standards) (Amendments) Rules, 2016, the Company which is carrying on the activity of NBFC but not registered with RBI will also be subject to the roadmap for the applicability of Ind AS as applicable to any other NBFC. Since, the Company is carrying out NBFC activities and its net worth is ₹ 39,120.85 lakhs as on March 31, 2019, the Company is required to comply with Ind AS applicability.

Accordingly, the Company has prepared Standalone Financial Statements which comply with Ind AS applicable for the year ended March 31, 2020, together with the comparative period data as at and for the year ended March 31, 2019, as described in the summary of significant accounting policies. In preparing these Standalone Financial Statements, the Company's opening Balance Sheet was prepared as at April 1, 2018, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Previous GAAP financial statements, including the balance sheet as at April 1, 2018 and the financial statements as at and for the year ended March 31, 2019.

Exemptions applied :

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following material exemptions:

Exemptions:

Estimates

The estimates at April 1, 2018 and March 31, 2019 are consistent with those made for the same dates in accordance with previous GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items where application of previous GAAP did not require estimation :

a. Impairment of financial assets based on Expected Credit Loss Model.

b. Fair Value Through Other Comprehensive Income (FVTOCI) of Equity Instruments and

c. Fair Value through Profit and Loss of Investments in units of Mutual Funds

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions as at April 1, 2018, the date of transition to Ind AS and as at March 31, 2019.

Classification and Measurement of Financial Assets

The Company has classified the financial assets in accordance with Ind AS 109 on "Financial Instruments" on the basis of facts and circumstances that exist at the date of transition to Ind AS.

Deemed cost of Property, Plant and Equipment and Intangible Assets

The Company has elected to avail exemption under Ind AS 101 to use previous GAAP carrying value as deemed cost at the date of transition for all items of Property, Plant and Equipment and Intangible Assets as per the Balance Sheet prepared in accordance with previous GAAP.

Notes to the Standalone Financial Statements for the year ended March 31, 2020

Investments in Subsidiary

In financial statements, a first-time adopter that subsequently measures an investments in subsidiary at cost, may measure such investments at cost (determined in accordance with Ind AS 27 on "Separate Financial Statement") or deemed cost (fair value or previous GAAP carrying amount) in its opening Ind AS Balance Sheet.

The Company has elected to apply previous GAAP carrying amount of its investments in subsidiary as at April 1, 2018 as deemed cost on the date of transition to Ind AS.

Fair Value Measurement of Financial Assets or Liabilities

Under Previous GAAP the financial assets and liabilities were being carried at transaction value.

First time adopters may apply Ind AS to day-one gain or loss provision prospectively to transactions occurring on or after the date of transition to Ind AS. Further, unless a first time adopter elects to apply Ind AS 109 retrospectively to day-one gain or loss, transactions that occurred prior to the date of transition to Ind AS do not need to be retrospectively restated.

Notes to the Standalone Financial Statements for the year ended March 31, 2020

49.1 Effect of Ind AS adoption on Balance Sheet as at March 31, 2019 and April 1, 2018

₹ in lakhs

Particulars	Note	As at March 31, 2019			As at April 1, 2018		
		Previous GAAP	Effect of transition to Ind AS	Ind AS	Previous GAAP	Effect of transition to Ind AS	Ind AS
ASSETS							
1. Financial Assets							
a. Cash and Cash Equivalents		399.67	NIL	399.67	286.16	NIL	286.16
b. Bank Balance other than Cash and Cash Equivalents		42.75	NIL	42.75	34.20	NIL	34.20
c. Trade Receivables	3 and 4	191.07	(35.55)	155.52	157.42	(22.52)	134.90
d. Loans		9,616.51	NIL	9,616.51	4,011.48	NIL	4,011.48
e. Investments	1 and 5	26,149.50	5,718.66	31,868.16	28,858.96	7,103.00	35,961.96
f. Other Financial Assets		35.73	NIL	35.73	181.19	NIL	181.19
2. Non-Financial Assets							
a. Inventories	4	1,459.28	4.95	1,464.23	1,500.54	NIL	1,500.54
b. Current Tax Assets (Net)		251.71	NIL	251.71	491.36	NIL	491.36
c. Deferred Tax Assets (Net)	6	1,470.18	NIL	1,470.18	900.96	NIL	900.96
d. Property, Plant & Equipment		697.08	NIL	697.08	782.79	NIL	782.79
e. Other Intangible Assets		7.80	NIL	7.80	13.76	NIL	13.76
f. Other Non-Financial Assets		202.69	NIL	202.69	145.27	NIL	145.27
Total Assets		**40,523.97**	**5,688.06**	**46,212.03**	**37,364.09**	**7,080.48**	**44,444.57**
LIABILITIES AND EQUITY							
LIABILITIES							
1. Financial liabilities							
a. Trade Payables							
i. Total outstanding dues of Micro Enterprises and Small Enterprises		NIL	NIL	NIL	NIL	NIL	NIL
ii. Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		15.10	NIL	15.10	97.16	NIL	97.16
b. Borrowings (Other than Debt Securities)		NIL	NIL	NIL	4.78	NIL	4.78
c. Deposits		413.00	NIL	413.00	425.21	NIL	425.21
d. Other Financial Liabilities		132.13	NIL	132.13	121.64	NIL	121.64
2. Non-Financial Liabilities							
a. Current Tax Liabilities (Net)		505.36	NIL	505.36	NIL	NIL	NIL
b. Provisions		310.35	NIL	310.35	198.23	NIL	198.23
c. Other Non-Financial Liabilities		27.20	NIL	27.20	106.21	NIL	106.21
EQUITY							
a. Equity Share Capital		1,808.60	NIL	1,808.60	1,808.60	NIL	1,808.60
b. Other Equity	1 to 6	37,312.23	5,688.06	43,000.29	34,602.26	7,080.48	41,682.74
Total Liabilities and Equity		**40,523.97**	**5,688.06**	**46,212.03**	**37,364.09**	**7,080.48**	**44,444.57**

Notes to the Standalone Financial Statements for the year ended March 31, 2020

49.2 Effect of Ind AS adoption on the Statement of Profit and Loss for the year ended March 31, 2019

₹ in lakhs

Particulars	Note	Previous GAAP	Effect of transition to Ind AS	Ind AS
Revenue from Operations				
i. Interest Income		433.91	NIL	433.91
ii. Dividend Income		99.96	NIL	99.96
iii. Net Gain on Fair Value Changes	1	3,577.06	(2,674.99)	902.07
iv. Sale of Products	4	1,382.64	(4.95)	1,377.69
I Total Revenue from Operations		**5,493.57**	**(2,679.94)**	**2,813.63**
II Other Income		184.05	NIL	184.05
III Total Income (I + II)		**5,677.62**	**(2,679.94)**	**2,997.68**
Expenses				
i. Finance Costs		24.22	NIL	24.22
ii. Impairment on Financial Instruments	3	NIL	8.09	8.09
iii. Cost of Materials Consumed		656.18	NIL	656.18
iv. Purchases of Stock-in-trade		168.67	NIL	168.67
v. Changes in inventories of Finished Goods, Stock-in-trade and Work-in- progress	4	21.07	(4.95)	16.12
vi. Employee Benefits Expense		764.02	NIL	764.02
vii. Depreciation and Amortisation		127.93	NIL	127.93
viii. Other Expenses		1,245.07	NIL	1,245.07
IV Total Expenses		**3,007.16**	**3.14**	**3,010.30**
V Profit / (Loss) before tax (III - IV)		**2,670.46**	**(2,683.08)**	**(12.62)**
VI Tax Expense :				
i. Current Tax		560.00	NIL	560.00
ii. Deferred Tax	6	(560.00)	(171.55)	(731.55)
Total Tax Expense		NIL	(171.55)	(171.55)
VII Profit / (Loss) for the year (V-VI)		**2,670.46**	**(2,511.53)**	**158.93**
VIII Other Comprehensive Income				
i. Items that will not be reclassified to profit or loss				
a. Remeasurement Gain / (Loss) on Defined Benefit Plans		(1.56)	NIL	(1.56)
b. Equity Instruments through Other Comprehensive Income	5	41.07	1,290.66	1,331.73
ii. Income tax relating to above	6	NIL	(171.55)	(171.55)
Total Other Comprehensive Income for the year		39.51	1,119.11	1,158.62
IX Total Comprehensive Income for the year (VII+VIII)		**2,709.97**	**(1,392.42)**	**1,317.55**

Notes to the Standalone Financial Statements for the year ended March 31, 2020

49.3 Effect of Ind AS adoption on Statement of Cash Flows for the year ended March 31, 2019

₹ in lakhs

Particulars	Previous GAAP	Effect of transition to Ind AS	Ind AS
I Net Cash Generated / (Used) from Operating Activities	6,182.99	(7539.21)	(1,356.22)
II Net Cash Generated / (Used) from Investing Activities	6,864.44	(5389.93)	1,474.51
III Net Cash Generated / (Used) from Financing Activities	(559.39)	554.61	(4.78)
Net Increase / (Decrease) in Cash and Cash Equivalents	**12,488.04**	**(12,374.53)**	**113.51**
Cash and Cash Equivalents at the beginning of the year	320.36	(34.20)	286.16
Cash and Cash Equivalents at the end of the year	442.42	(42.75)	399.67

49.4 Statement of reconciliation of Total Equity reported under Previous GAAP and under Ind AS

₹ in lakhs

Particulars	Notes	As at March 31, 2019	As at April 1, 2018
Total Equity as per Previous GAAP		**39,120.84**	**36,410.87**
Add / (Less) : Ind AS Adjustments			
Fair Value of Mutual Funds through Profit and Loss	1	5,221.16	4,671.59
Loss on Sale of units of Mutual Funds	1	(3,224.56)	NIL
Fair Value of Equity Instruments through OCI	5	3,700.47	2,431.41
Profit on Sale of Equity Instruments	5	21.60	NIL
Impairment Loss Allowance	3	(30.61)	(22.52)
Deferred Tax Adjustments	6	NIL	NIL
Total Ind AS Adjustments		**5,688.06**	**7,080.48**
Total Equity as per Ind AS		**44,808.90**	**43,491.35**

Notes to the Standalone Financial Statements for the year ended March 31, 2020

49.5 Statement of reconciliation of Total Comprehensive Income for the year ended March 31, 2019

₹ in lakhs

Particulars	Notes	Year Ended March 31, 2019
Profit / (Loss) after tax under Previous GAAP		**2,709.97**
Add / (Less) : Ind AS Adjustments		
Fair Value of Mutual Funds through Profit and Loss	1	549.57
Reversal of Profit on Sale of units of Mutual Funds	1	(3,224.56)
Reversal of Profit on Sale of Equity Instruments	5	(41.07)
Remeasurement Gain / (Loss) on Defined Benefit Plans	2	1.56
Impairment Loss Allowance	3	(8.09)
Deferred Tax Adjustments	6	171.55
Profit / (Loss) after tax for the year as per Ind AS		**158.93**
Other Comprehensive Income		
Remeasurement Gain / (Loss) on Defined Benefit Plans	2	(1.56)
Fair Value of Equity Instruments through OCI	5	1,269.06
Profit on Sale of Equity Instruments	5	62.67
Deferred Tax Adjustments	6	(171.55)
Total Comprehensive Income / (Loss) for the year under Ind AS		**1,317.55**

49.6 Notes to the reconciliation

1. Fair Value of Mutual Funds through Profit and Loss

Under previous GAAP, the Company accounted for long term investments in units of mutual funds at cost less provision for other than temporary diminution in the value of investments. Under Ind AS, the Company has measured investments in units of mutual funds at FVTPL category. The difference between fair value and the previous GAAP carrying amount has been recognised in other equity on the date of transition. On disposal, differrence between the fair value and sale price is recorded as profit or loss on sale of investments.

2. Re-measurements of post-employment benefit plans

Both under previous GAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under previous GAAP, the entire cost, including actuarial gain and losses, were charged to the Statement of Profit and Loss. Under Ind AS, remeasurements (comprising of actuarial gains and losses, the effect of assets ceiling, excluding amounts included in net interest on the net defined benefit liability and return on plan assets excluding amount included in net interest on the net defined benefit liability) are recognised in OCI.

3 Impairment Loss Allowance on Trade Receivables

Under previous GAAP, loss provision for trade receivables was created based on credit risk assessment. Under Ind AS, these provisions are created based on risk of default and timing of collection.

4 Provision for Sales Return

Under previous GAAP, revenue is recognised when the entity has transferred the property in the goods to the buyer for a consideration. Under Ind AS, the entity recognises provision for sales return, based on the historical experience, measured on net basis of the margin of the sale.

5 Fair Value of Equity Instruments through OCI

Under previous GAAP, the Company accounted for long term investments in units of mutual funds at cost less provision for other than temporary diminution in the value of investments and there was no concept of OCI. Under Ind AS, for equity instruments other than held for trading, the Company has exercised irrevocable option to recognise in OCI subsequent changes in the fair value and on disposal, the cumulative fair value changes on the said instruments are reclassified to Retained Earnings.

Notes to the Standalone Financial Statements for the year ended March 31, 2020

6 **Deferred Tax Adjustments**

Under previous GAAP, deferred tax accounting was under the Income Statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 on "Income Taxes" requires the Company to account for deferred taxes using the Balance Sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the Balance Sheet and its tax base. The application of Balance Sheet approach has resulted in recognition of deferred tax on new temporary differences which was not required under previous GAAP. Deferred Tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or profit and loss or OCI respectively.

7 **Other Comprehensive Income**

Under previous GAAP, the Company has not presented OCI separately. Hence, it has reconciled previous GAAP profit or loss to Ind AS profit or loss. Further, previous GAAP profit or loss is reconciled to Total Comprehensive Income as per Ind AS.

Note 50

The scheme sanctioned by AAIFR as modified from time to time has been under implementation. With effect from December 1, 2016, The Sick Industrial Companies (Special Provisions) Act, 1985 (SICA) has, however, been repealed by The Sick Industrial Companies (Special Provisions) Repeal Act, 2003 ("Repeal Act"). This has resulted in the dissolution of the BIFR/AAIFR under SICA. Irrespective, as at the year-end, the Net Worth of the Company is positive.

Note 51

The comparatives given in the financial statements have been complied after making necessary Ind AS adjustments to the respective audited Standalone Financial Statements under previous GAAP to give a true and fair view in accordance with Ind AS.

Note 52

The Company has been engaged in lending and investment activities and hence, the provisions of Non Banking Financial Companies (NBFC) under the Reserve Bank of India Act, 1934 are applicable to it. The Company is in the process of completing the formalities for registration as NBFC with Reserve Bank of India.

Note 53

The spread of COVID-19 has severely impacted business around the globe. In many countries including India, there has been severe disruption to regular business operations due to lock-down, disruptions in transportation, supply chain, travel bans, quarantines, social distancing and other emergency measures. Capital markets and banking services have been declared as essential services and accordingly, the Company has been continuing the operations with minimal permitted staff at branches. However other employees were encouraged to work from home.

The Company has made detailed assessment of its liquidity position for the next one year and of the recoverability and carrying values of its assets comprising Property, Plant and Equipment, intangible assets, Trade Receivables, and Inventory as at the Balance Sheet date and has concluded that there is no material adjustments required in the Standalone Financial Statements.

Management believes that it has considered all the possible impact of known events arising from COVID -19 pandemic in the preparation of the Standalone Financial Statements. However, the impact assessment of COVID-19 is a continuous process given the uncertainties associated with its nature and duration. The Company continues to monitor any material changes required in the future economic conditions.

As per our report of even date

For **BANSI S. MEHTA & CO.**
Chartered Accountants
Firm Registration No. 100991W

Paresh H. Clerk
Partner
Membership No. 36148

Place : Mumbai
Date : November 12, 2020

For and on behalf of the Board of Directors

THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Vinod Jiwanram Lohia
Whole Time Director and CFO
and General Manager (Works)
DIN : 01509730

Dr. Anurag Kanoria
Whole Time Director
DIN : 00200630

Raj Kumar Jhunjhunwala
Director
DIN : 01527573

Place : Mumbai
Date : November 12, 2020

INDEPENDENT AUDITOR'S REPORT

To the Members of

The New Great Eastern Spinning and Weaving Company Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying Consolidated Ind AS Financial Statements of **The New Great Eastern Spinning and Weaving Company Limited** ("the Holding Company") and it's subsidiary (the Holding Company and its subsidiary collectively referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2020, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows for the year then ended and notes to the Consolidated Ind AS Financial Statements, including a the summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of other auditor on separate financial statements on the subsidiary as were audited by other auditor referred to in the Other Matters paragraph below, the aforesaid Consolidated Ind AS Financial Statements give the information required by the Companies Act, 2013, as amended ("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 consolidated state of affairs of the Group as at March 31, 2020, its consolidated profit and consolidated total comprehensive income, the consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Ind AS Financial Statements in accordance with the Standards on Auditing (SA) 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 Consolidated Ind AS Financial Statements" section of our report. We are independent of the Group 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 Consolidated Ind AS Financial Statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditor in terms of their report referred to in the Other Matter section below is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS Financial Statements.

Emphasis of Matters

Attention is invited to Note 53 (a) and (b) to the Consolidated Ind AS Financial Statements, which states that the lending and investment activites carried out by the Holding Company and the Subsidiary Company attract the applicability provisions of Non-Banking Financial Companies (NBFC) under the Reserve Bank of India Act, 1934 and hence, the Holding Company and Subsidiary Company, both, are in process of completing the formalities for registration as NBFC with the Reserve Bank of India.

Our opinion is not modified in respect of the this matter.

Material Uncertainty Related to Going Concern

Attention is invited to Note 54 of the Consolidated Ind AS Financial Statements relating to the accumulated losses of the Subsidiary Company that has resulted in complete erosion of its net worth. Such erosion in net worth indicates that a material uncertainty exists that may cast significant doubt on the ability of the Subsidiary Company to continue as a going concern. However, the subsidiary is in the process of evaluating alternative business opportunities which the company may choose to enter into in the future, the proceeds of which, when fructified, are expected to result in a turnaround of the Subsidiary Company as also may resort to restructuring of the Subsidiary Company. Hence, the Subsidiary Company, does not consider the erosion of its net worth as an impediment to its status as a going concern.

Our opinion is not modified in respect of the this matter.

Information Other than the Consolidated Ind AS Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis and Shareholder's Information, but does not include the Consolidated Ind AS Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated Ind AS 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 Consolidated Ind AS Financial Statements, our responsibility is to read the other information, compare with the financial statements of the Subsidiary audited by the other auditor, to the extent it relates to the Subsidiary and, in doing so, place reliance on the work of the other auditor and consider whether the other information is materially inconsistent with the Consolidated Ind AS Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiary is traced from the financial statements audited by the other auditor.

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 Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these Consolidated Ind AS Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), the consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of the appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the 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 Consolidated Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Ind AS Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Ind AS Financial Statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Ind AS 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 Consolidated Ind AS Financial Statements.

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

- Identify and assess the risks of material misstatement of the Consolidated Ind AS 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 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 Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group 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 Consolidated Ind AS 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Ind AS Financial Statements, including the disclosures, and whether the Consolidated Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Ind AS Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entity included in the Consolidated Ind AS Financial Statements, of which we are the independent auditors. For the other entity included in the Consolidated Ind AS Financial Statements, which have has been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further prescribed in section titled 'Other Matters' to this audit report.

Materiality is the magnitude of misstatements in the Consolidated Ind AS Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Ind AS 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 Consolidated Ind AS Financial Statements.

We communicate with those charged with governance of the Holding Company included in the Consolidated Ind AS Financial Statements of which we are the independent auditors 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.

Other Matters

The comparative financial information of the Group for the year ended March 31, 2019 and the transition date opening balance sheet as at April 1, 2018 included in these Consolidated Ind AS Financial Statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by us, whose audit report for the year ended March 31, 2019 and March 31, 2018 dated August 26, 2019 and August 24, 2018, respectively, expressed an unmodified opinion on those standalone financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

We did not audit the Ind AS Financial Statements and the financial information of the Subsidiary Company located in India, whose financial statements and financial information reflect total assets of ₹ 9210.77 lakhs as at March 31, 2020, total revenues of ₹ 731.83 lakhs and net cash outflows amounting to ₹ 26.57 lakhs for the year ended on that date, as considered in preparation of Consolidated Ind AS Financial Statements. The financial statements and financial information of the subsidiary, have been prepared in accordance with Ind AS and accounting principles generally accepted in India. The financial statements and financial information of subsidiary have been audited by other auditor whose report has been furnished to us by the Management. Our opinion on the Consolidated Ind AS Financial Statements, in so far as it relates to the amounts and disclosures included in respect of the Subsidiary Company, is based solely on the report of such auditor.

Our opinion on the Consolidated Ind AS Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditor.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid Consolidated Ind AS Financial Statements;

   b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS Financial Statements have been kept so far as it appears from our examination of those books and the report of the other auditor;

   c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows and notes to the Consolidated Ind AS Financial Statements dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Ind AS Financial Statements;

   d. In our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

   e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2020 taken on record by the Board of Directors of the Holding Company and as reported by the statutory auditors of the subsidiary, none of the directors of the companies in the Group are disqualified as on March 31, 2020 from being appointed as a director of the respective company in terms of Section 164 (2) of the Act.

   f. With respect to the adequacy of the internal financial controls of the financial statements of the Group and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”

   g. With respect to the matter 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, and based on the report of the statutory auditors of Subsidiary Company incorporated in India which is not audited by us, no managerial remuneration has been paid or provided during the current year by the Subsidiary Company to its directors; the remuneration paid during the current year by the Holding Company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any directors of the Holding Company is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

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:

   i. The Consolidated Ind AS Financial Statements disclose the impact of pending litigations on its consolidated financial position of the Group – Refer Note 39 to the Consolidated Ind AS Financial Statements;

   ii. The Group did not have any long term contracts including derivative contracts for which there were any foreseeable lossess as required under the applicable law or accounting standards;

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group during the year ended March 31, 2020.

For **BANSI S. MEHTA & CO.**
Chartered Accountants
Firm Registration No. 100991W

PLACE : Mumbai
DATED : November 12, 2020

PARESH H. CLERK
Partner
Membership No. 036148
UDIN : 20036148AAAAED5537

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 1 (f) under the heading of "Report on Other Legal and Regulatory Requirements" in our Independent Auditor's Report of even date on the Consolidated Ind AS Financial Statements for the year ended March 31, 2020.

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

In conjunction with our audit of the Consolidated Ind AS Financial Statements of the Holding Company as of and for the year ended March 31, 2020, we have audited the internal financial controls with reference to the financial statements of **The New Great Eastern Spinning and Weaving Company Limited ("the Holding Company"),** and its subsidiary (collectively referred to as "the Group") which is incorporated in India, are as at March 31, 2020.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Group, which is incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to the financial statements criteria established by the respective companies, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Group, which is incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial control with reference to financial statements. 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 with reference to financial statements were 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 Consolidated Ind AS Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor of the subsidiary, which is incorporated in India, in terms of their report referred to in the Other Matter section below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to the financial statements of the Group.,

Meaning of Internal Financial Controls with reference to Financial Statements

A Company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that:

a. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

b. provide reasonable assurance that transactions are recorded as necessary to permit the preparation of the financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

c. provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Group, which is incorporated in India, have, in all material respects, an adequate internal financial controls with reference to the Consolidated Ind AS Financial Statements and such internal financial controls with reference to Consolidated Ind AS Financial Statements were operating effectively as at March 31, 2020, based on the internal controls over financial reporting criteria established by the respective companies, considering the essential components of internal control stated in the Guidance Note.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements in so far as it relates to its Subsidiary Company, is based on the corresponding report of the auditor of such company.

For **BANSI S. MEHTA & CO.**
Chartered Accountants
Firm Registration No. 100991W

PLACE : Mumbai
DATED : November 12, 2020

PARESH H. CLERK
Partner
Membership No. 036148
UDIN : 20036148AAAAED5537

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2020

₹ in lakhs

Particulars	Note	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
ASSETS				
1. Financial Assets				
a. Cash and Cash Equivalents	3	125.94	465.44	320.94
b. Bank Balance other than Cash and Cash Equivalents	4	45.24	42.75	34.20
c. Trade Receivables	5	155.08	155.52	134.90
d. Loans	6	9,029.77	9,251.89	3,699.86
e. Investments	7	24,725.04	31,863.16	35,956.96
f. Other Financial Assets	8	14.26	35.73	181.19
2. Non Financial Assets				
a. Inventories	9	1,451.13	1,464.23	1,500.54
b. Current Tax Assets (Net)	10	477.16	336.67	535.78
c. Deferred Tax Assets (Net)	11	NIL	1,470.18	900.96
d. Property, Plant and Equipment	12	682.67	697.08	782.79
e. Right-of-Use Assets	13	50.04	NIL	NIL
f. Other Intangible Assets	14	12.42	7.80	13.76
g. Other Non-Financial Assets	15	271.95	202.69	145.27
Total Assets		**37,040.70**	**45,993.14**	**44,207.15**
LIABILITIES AND EQUITY				
LIABILITIES				
1. Financial Liabilities				
a. Trade Payables	16			
i. Total outstanding dues of Micro Enterprises and Small Enterprises		NIL	NIL	NIL
ii. Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		34.85	15.10	97.16
b. Borrowings (Other than Debt Securities)	17	22.10	NIL	4.78
c. Deposits	18	375.00	413.00	425.21
d. Lease Liabilities	19	51.82	NIL	NIL
e. Other Financial Liabilities	20	120.45	132.25	121.76
2. Non Financial Liabilities				
a. Current Tax Liabilities (Net)	21	NIL	505.36	NIL
b. Provisions	22	302.15	310.35	198.23
c. Other Non-Financial Liabilities	23	131.21	67.63	128.82
EQUITY				
a. Equity Share Capital	24	1,808.60	1,808.60	1,808.60
b. Other Equity	25	34,194.52	42,740.85	41,422.59
Total Liabilities and Equity		**37,040.70**	**45,993.14**	**44,207.15**

The accompanying Significant Accounting Policies and Notes form an intergal part of the Consolidated Financial Statements 2 - 55

As per our report of even date

For **BANSI S. MEHTA & CO.**
Chartered Accountants
Firm Registration No. 100991W

Paresh H. Clerk
Partner
Membership No. 36148

Place : Mumbai
Date : November 12, 2020

For and on behalf of the Board of Directors

THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Vinod Jiwanram Lohia
Whole Time Director and CFO and General Manager (Works)
DIN : 01509730

Dr. Anurag Kanoria
Whole Time Director
DIN : 00200630

Raj Kumar Jhunjhunwala
Director
DIN : 01527573

Place : Mumbai
Date : November 12, 2020

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED MARCH 31, 2020

₹ in lakhs

	Particulars	Note	Year ended March 31, 2020	Year ended March 31, 2019
	Revenue from Operations			
	i. Interest Income	26	752.23	435.05
	ii. Dividend Income	27	226.48	99.96
	iii. Net Gain on Fair Value Changes	28	408.05	902.07
	iv. Sale of Products	29	1,237.97	1,377.69
I	**Total Revenue from Operations**		**2,624.73**	**2,814.77**
II	Other Income	30	146.10	184.05
III	**Total Income (I + II)**		**2,770.83**	**2,998.82**
	Expenses			
	i. Finance Costs	31	45.85	24.22
	ii. Impairment on Financial Instruments	32	NIL	8.09
	iii. Cost of Materials Consumed	33	639.68	656.18
	iv. Purchases of Stock-in-trade	34	136.09	168.67
	v. Changes in inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	35	31.74	16.12
	vi. Employee Benefits Expense	36	476.37	764.02
	vii. Depreciation and Amortisation	37	119.42	127.93
	viii. Other Expenses	38	1,146.88	1,245.50
IV	**Total Expenses**		**2,596.03**	**3,010.73**
V	**Profit / (Loss) before Tax (III-IV)**		**174.80**	**(11.91)**
VI	Tax Expense :	43		
	i. Current Tax		NIL	560.00
	ii. (Excess) / Short provision for tax of earlier years		(0.14)	NIL
	iii. Deferred Tax		1,829.79	(731.55)
	Total Tax Expense		**1,829.65**	**(171.55)**
VII	**Profit / (Loss) for the year (V-VI)**		**(1,654.85)**	**159.64**
VIII	**Other Comprehensive Income**			
	i. Items that will not be reclassified to profit or loss			
	a. Remeasurement Gain / (Loss) on Defined Benefit Plans		4.60	(1.56)
	b. Equity Instruments through Other Comprehensive Income		(7,245.02)	1,331.73
	ii. Income tax relating to above		348.94	(171.55)
	Total Other Comprehensive Income for the year		**(6,891.48)**	**1,158.62**
IX	**Total Comprehensive Income for the year (VII+VIII)**		**(8,546.33)**	**1,318.26**
X	**Earnings per equity share of face value of ₹ 100 each**	41		
	Basic (in ₹)		(91.50)	8.83
	Diluted (in ₹)		(91.50)	8.83

The accompanying Significant Accounting Policies and Notes form an intergal part of the Consolidated Financial Statements 2 - 55

As per our report of even date

For **BANSI S. MEHTA & CO.**
Chartered Accountants
Firm Registration No. 100991W

Paresh H. Clerk
Partner
Membership No. 36148

Place : Mumbai
Date : November 12, 2020

For and on behalf of the Board of Directors
THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Vinod Jiwanram Lohia
Whole Time Director and CFO and General Manager (Works)
DIN : 01509730

Dr. Anurag Kanoria
Whole Time Director
DIN : 00200630

Raj Kumar Jhunjhunwala
Director
DIN : 01527573

Place : Mumbai
Date : November 12, 2020

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2020

₹ in lakhs

Partculars	Year ended March 31, 2020	For Year ended March 31, 2019
A. Cash Flow from Operating Activities:		
Profit / (Loss) before Tax	174.80	(11.91)
Adjustments for :		
Depreciation and Amortisation Expense	119.42	127.93
Excess balances and liabilities written back	(0.59)	(0.05)
Impairment on Financial Instruments / (Reversal of Impairment on Financial Instruments)	(5.46)	8.09
Interest Income	(752.23)	(435.05)
Loss on sale of Property, Plant and Equipment	NIL	0.57
Dividend Income	(226.48)	(99.96)
Insurance claim / sundry balances Written-off	0.07	84.25
Net Gain on Fair Value Changes	(408.05)	(902.07)
Operating Profit before Working Capital Changes	**(1,098.52)**	**(1,228.20)**
Working Capital Changes:		
(Increase) / decrease in Inventories	13.10	36.31
(Increase) / decrease in Trade Receivables	12.20	(37.69)
(Increase) / decrease in Other Financial Assets	100.74	63.24
(Increase) / decrease in Other Non -Financial Assets	(69.26)	(57.42)
Increase / (decrease) in Trade Payables	20.29	(82.01)
Increase / (decrease) in Deposits	(38.00)	(12.21)
Increase / (decrease) in Other Financial Liabilities	(11.80)	10.49
Increase / (decrease) in Other Non-Financial Liabilities	63.58	(61.19)
Increase / (decrease) in Provisions	(8.20)	112.12
Cash Generated / (Used) from Operations	**(1,015.87)**	**(1,256.56)**
Income Taxes paid (net)	(654.93)	(122.82)
Net Cash Generated / (Used) from Operating Activities (A)	**(1,670.80)**	**(1,379.37)**
B. Cash Flow from Investing Activities:		
Purchase of Property, Plant and Equipment	(95.26)	(36.83)
Purchase of Other Intangible Assets	(9.80)	NIL
Proceeds from Sale of Property, Plant and Equipment	NIL	0.59
Loans Given / (Repaid)	222.12	(5,552.03)
Purchase of Investments	(6,818.24)	(25,267.25)
Proceeds from Sale of Investments	7,038.88	31,896.35
Bank Deposit under lien	(2.49)	(8.55)
Dividend received from Investments	226.48	99.96
Interest received	754.71	396.41
Net Cash Generated / (Used) from Investing Activities (B)	**1,316.40**	**1,528.65**
C. Cash Flow from Financing Activities:		
Proceeds from / (Repayment) of Borrowings	22.10	(4.78)
Payment of Principal Portion of Lease Liabilities	(2.77)	NIL
Payment of Interest Portion of Lease Liabilities	(4.43)	NIL
Net Cash Generated / (Used) from Financing Activities (C)	**14.90**	**(4.78)**
Net (Decrease) / Increase in Cash and Cash Equivalents [A + B + C]	**(339.50)**	**144.50**
Cash and Cash Equivalents at the Beginning of the Year	465.44	320.94
Cash and Cash Equivalents at the End of the Year	125.94	465.44
Net (Decrease) / Increase in Cash and Cash Equivalents	**(339.50)**	**144.50**

Notes to the Consolidated Statement of Cash Flows for the year ended March 31, 2020

Notes :

i. Statement of Cash Flows has been prepared under the indirect method as set out in Ind AS 7 on "Statement of Cash Flows" specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

ii. Cash and Cash Equivalents included in the Statement of Cash Flows comprise the following :

₹ in lakhs

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Cash on hand	0.17	0.12	3.92
Balances with Banks	125.77	465.32	317.02
Total	**125.94**	**465.44**	**320.94**

iii. Changes in liabilities arising from financing activities, including changes from cash flows and non-cash changes

₹ in lakhs

Particulars	As at March 31, 2019	Cash Changes	Non-cash Changes	As at March 31, 2020
Borrowings (Other than Debt Securities)	NIL	22.10	NIL	22.10
Lease Liabilities	NIL	(7.20)	59.02	51.82

Particulars	As at April 1, 2018	Cash Changes	Non-cash Changes	As at March 31, 2019
Borrowings (Other than Debt Securities)	4.78	(4.78)	NIL	NIL

iv. Figures in the brackets are outflows/deductions.

The accompanying Significant Accounting Policies and Notes form an intergal part of the Standalone Financial Statements 2-55

As per our report of even date

For **BANSI S. MEHTA & CO.**
Chartered Accountants
Firm Registration No. 100991W

Paresh H. Clerk
Partner
Membership No. 36148

Place : Mumbai
Date : November 12, 2020

For and on behalf of the Board of Directors
THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Vinod Jiwanram Lohia
Whole Time Director and CFO and General Manager (Works)
DIN : 01509730

Dr. Anurag Kanoria
Whole Time Director
DIN : 00200630

Raj Kumar Jhunjhunwala
Director
DIN : 01527573

Place : Mumbai
Date : November 12, 2020

Consolidated Statement of changes in equity for the year ended March 31, 2020

A. Equity Share Capital ₹ in lakhs

Particular	Number of shares	Amount
Balance as at April 1, 2018	**1,808,604**	**1,808.60**
Changes during the year	NIL	NIL
Balance as at March 31, 2019	**1,808,604**	**1,808.60**
Changes during the year	NIL	NIL
Balance as at March 31, 2020	**1,808,604**	**1,808.60**

B. Other Equity ₹ in lakhs

Particulars	Reserves and Surplus	Equity Instruments through Other Comprehensive Income	Total
	Retained Earnings		
As at April 1, 2018	**38,942.51**	**2,480.08**	**41,422.59**
Profit/(Loss) for the year	159.64	NIL	159.64
Other Comprehensive Income for the year, net of income tax			
- Remeasurement Gain / (Loss) on Defined Benefit Plans	(1.11)	NIL	(1.11)
- Net fair value gain / (loss) on investments in equity instruments through OCI	NIL	1,159.73	1,159.73
- Realised Gain on Sale of Equity Instruments reclassified to Retained Earnings	41.07	(41.07)	NIL
Total Comprehensive Income for the year	**199.60**	**1,118.66**	**1,318.26**
As at March 31, 2019	**39,142.11**	**3,598.74**	**42,740.85**
Profit/(Loss) for the year	(1,654.85)	NIL	(1,654.85)
Other Comprehensive Income for the year, net of income tax			
- Remeasurement Gain / (Loss) on Defined Benefit Plans	5.76	NIL	5.76
- Net fair value gain / (loss) on investments in equity instruments through OCI	NIL	(6,897.24)	(6,897.24)
- Realised Gain on Sale of Equity Instruments reclassified to Retained Earnings	372.15	(372.15)	NIL
Total Comprehensive Income for the year	**(1,276.94)**	**(7,269.39)**	**(8,546.33)**
As at March 31, 2020	**37,865.17**	**(3,670.65)**	**34,194.52**

The accompanying Significant Accounting Policies and Notes form an intergal part of the Standalone Financial Statements 2-55

As per our report of even date

For **BANSI S. MEHTA & CO.**
Chartered Accountants
Firm Registration No. 100991W

Paresh H. Clerk
Partner
Membership No. 36148

Place : Mumbai
Date : November 12, 2020

For and on behalf of the Board of Directors
THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Vinod Jiwanram Lohia
Whole Time Director and CFO and General Manager (Works)
DIN : 01509730

Dr. Anurag Kanoria
Whole Time Director
DIN : 00200630

Raj Kumar Jhunjhunwala
Director
DIN : 01527573

Place : Mumbai
Date : November 12, 2020

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

1. Corporate Information

The New Great Eastern Spinning and Weaving Company Limited (the "Holding Company") is a public limited company incorporated in India on December 15, 1873. The Company is engaged in the business of lending and investment, manufacture and trading/marketing activities. The Company's registered office is at 25-29, Dr. Ambedkar Road, Byculla, Mumbai-400027. The Company is not listed in any stock exchange.

The Holding Company and its Subsidiary (collectively referred to as "the Group") considered in these Consolidated Financial Statements ("CFS") is:

a. Subsidiary Company considered in the Consolidated Financial Statements

Name of the Company	Country of Incorporation	Principal Activities	Proportion of Equity Interest (%)
Kanoria Udyog Limited	India	Lending and Investment activities	100%

These aforesaid Consolidated Financial Statements are approved by the Holding Company's Board of Directors and authorised for issue in the meeting held on November 12,2020.

2. Significant Accounting Policies

2.1. Statement of Compliance and Basis of Preparation

The consolidated financial statements of the Group have been prepared in accordance with the Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules 2015 as amended and notified under Section 133 of the Companies Act, 2013 ("the Act"), in conformity with the accounting principles generally accepted in India and other relevant provisions of the Act.

The consolidated financial statements upto and for the year ended March 31, 2019 were prepared in accordance with the Generally Accepted Accounting Principles in India (Previous GAAP) under the historical cost convention as a going concern and on accrual basis, unless otherwise stated, and in accordance with the provisions of the Companies Act, 2013, the Accounting Standards specified under section 133 of the Companies Act, 2013 ("the Act") read with rule 7 of the Companies (Accounts) Rules 2014 (as amended), collectively referred as "Previous GAAP".

These are the Group's first consolidated financial statements prepared in accordance with Indian Accounting Standards (Ind AS). The Company has applied Ind AS 101 on "First-time Adoption of Indian Accounting Standards" for transition from Previous GAAP to Ind AS. An explanation of how transition to Ind AS has affected the previously reported financial position, financial performance and cash flow of the Group is provided in Note 49.

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities (refer accounting policy regarding financial instruments) which have been measured at fair value.

These consolidated financial statements are presented in Indian Rupees ('INR' or '₹') which is also the Holding Company's functional currency. All amounts are rounded-off to the nearest lakhs, unless otherwise indicated.

2.2. Principles of Consolidation

The Holding Company determines the basis of control in line with the requirements of Ind AS 110 on "Consolidated Financial Statements". Subsidiary are all the entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiary are fully consolidated from the date on which the control is transferred

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

to the Group. They are deconsolidated from the date that control ceases. All intra-Group balances, transactions, income and expenses are eliminated in full on consolidation.

The acquisition method of accounting is used to account for business combinations by the Group.

The Group combines the financial statements of the Holding and its subsidiary line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiary have been changed where necessary to ensure consistency with the policies adopted by the Group.

2.3. Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

a. In the principal market for the asset or liability, or

b. In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidatedfinancial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

a. Level 1 : Quoted (unadjusted) market prices in active markets for identical assets or liabilities

b. Level 2 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

c. Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the consolidatedfinancial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2.4. Revenue from Contracts with Customers

The Group derives revenues primarily from lending and investment activities and Sale of Cloth, Yarn, and Home Décor items. Its other operating revenue includes sale of scrap.

Revenue from contracts with customers for sale of goods or services is recognised when the Group satisfies performance obligation by transferring promised goods or services to the customer at an amount that reflects the consideration which the Group is expected to be entitled to in exchange for those goods or services.

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

Revenue is measured based on the transaction price, which is the consideration, adjusted for trade discounts, incentives and returns, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers. The trade discounts incentives and right of return are estimated and provided for, based on historical, current and forecast information available. A refund liability is recognised for expected returns in relation to sales made, corresponding assets are recognised for the products expected to be returned.

The Group does not expect to have any contract where the period between the transfer of the promised goods or services to the customer and payment by the customer exceed one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

Sale of Goods

Revenue from sale of goods is recognised at a point in time when the control of the goods is transferred to the customer involving single performance obligation. The control of goods is transferred to the customer depending upon the terms or as agreed with customer, delivery basis or dispatch, as the case may be. In case of Export of goods, the control of goods is transferred on receipt of Bill of Lading / Mate Receipt.

Interest Income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rates. Interest income is included under the head “Revenue from Operations” in the Statement of Profit and Loss.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income from a financial asset is recognised using the effective interest rate (EIR), which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset’s net carrying amount on initial recognition.

Dividend Income

Dividend income (including from FVOCI investments) is recognised when the Group’s right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of dividend can be reliably measured. This is generally when the shareholders or Board of Directors approve the dividend.

Trade Receivables, Contract Assets and Contract Liabilities

Trade Receivables

A receivable is recognised by the Group when the control over the goods and services is transferred to the customer such as when goods and services are delivered as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due (which is referred to as “Trade Receivable”).

A receivable is recognised when the Group’s right to an amount of consideration under the contract with the customer that is unconditional, as only the passage of time is required before payment is due.

Contract Assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Contract Liabilities

A contract liability is the obligation to transfer goods or services to the customer for which the consideration (or the amount is due) has been received from the customer. If the customer pays the consideration before the transfer of goods or services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Group performs under the contract.

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

2.5. Taxes on Income

Current Income Tax

Tax expense for the year comprises current and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the Statement of Profit and Loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of the taxable profit and is accounted for using the balance sheet liability model. Deferred tax liabilities are generally recognised for all the taxable temporary differences. In contrast, deferred assets are only recognised to the extent that is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets include Minimum Alternative Tax ('MAT') paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.[Refer Note 43.3 (a)]

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off the recognised amounts.

2.6. Inventories

Inventories are valued at cost or net realisable value, whichever is lower. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

Cost of inventory comprises of purchase price, cost of conversion and other cost that have been incurred in bringing the inventories to their respective present location and condition. Interest costs are not included in value of inventories.

Cost is determined as follows:

a. The cost of raw material and finished goods is determined on a First in First Out basis.

b. Work-in-progress

Material cost included in the valuation is determined on a First in First Out basis and cost of conversion and other costs are determined on thebasis of average cost of conversion of the precedingmonth.

Assets identified and technically evaluated as obsolete and held for disposal are valued attheir estimated net realisable value.

2.7. Property, Plant and Equipment

Freehold land is carried at historical cost and is not depreciated. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

The Group identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset having useful life that is materially different from that of the remaining asset. These components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset.

Depreciation is calculated on a written down value basis over the estimated useful lives of the assets as follows:

Category of asset	Estimated useful life
Buildings (Office / Residential)	30 years
Plant and Machinery	15 years
Office Equipment	5 years
Furniture and fixtures	10 years
Computers	3 years
Vehicles	8 – 10 years

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

2.8. Intangible Assets

Intangible assets are carried at cost less accumulatedamortisation and accumulated impairment losses, if any.Amortisation is recognised on a straight-line basis overtheir estimated useful lives.

An intangible asset is de-recognised on disposal, or whenno future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of anintangible asset, measured as the difference between thenet disposal proceeds and the carrying amount of the asset, is recognised in Statement of Profit and Loss when the asset is de-recognised.

The useful lives of intangible assets are assessed aseither finite or indefinite. Finite-life intangible assets are amortised on a straight line basis over the period of theirexpected useful lives.

Estimated useful lives of the finite-life intangible assets areas follows:

Asset	Useful Life
Trademark	5 years

2.9. Leases

The Group has adopted Ind AS 116 on “Leases” effective from April 1, 2019, using the modified retrospective method. The Group has applied the standard to its leases with the cumulative impact recognised on the date of initial application (April 1, 2019). Accordingly, previous periodinformation has not been restated.

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- The contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, the asset is not identified.
- The Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- The Group has the right to direct the use of the asset. The Group has the right when it has the right decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases, where the decision about how and for what purpose the asset is used is predetermined, the Group has the right to direct the use of the asset if either:
- The Group has the right to operate the asset; or
- The Group designed the asset in a way that predetermined how and for what purpose it will be used

This policy is applied to all contracts entered into, or changed, on or after April 1, 2019.

As a Lessee

The Group recognises a Right-of-Use (ROU) asset and a lease liability at the lease commencement date. The ROU asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payment made at or before the commencement date, plus any initial direct cost incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received.

The ROU asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term. The estimated useful lives of ROU assets are determined on the same basis as those of Property, Plant and Equipment.

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

In addition, the ROU asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate.

Generally, the Group uses its incremental borrowing rate as the discount rate. Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the ROU asset, or is recorded in profit or loss if the carrying amount of the ROU asset has been reduced to zero.

Short-term Leases and Leases of Low-value Assets

The Group has elected not to recognise right-to-use assets and lease liabilities for short-term lease that have a lease term of 12 months or less and leases of low-value assets. The Group recognise the lease payments associated with these leases as an expenses on a straight-line basis over the lease term.

As a Lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

If an arrangement contains lease and non-lease components, the Group applies Ind AS 115 to allocate the consideration in the contract. The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'Other Income' in the Statement of Profit and Loss. The accounting policies applicable to the Group as a lessor in the comparative period were not different from Ind AS 116.

2.10. Finance Costs

Finance costs represents Interest expense recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial liabilities other than financial liabilities classified as Fair Value through Profit and Loss.

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

The EIR in case of a financial liability is computed:

a. As the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the gross carrying amount of the amortised cost of a financial liability.

b. By considering all the contractual terms of the financial instrument in estimating the cash flows.

c. Including all fees paid between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Interest expense includes issue costs that are initially recognised as part of the carrying value of the financial liability and amortised over the expected life using the effective interest method.

Finance Costs that are attributable to the acquisition or construction of a qualifying asset is capitalised as part of the cost of such asset till such time the asset is ready for its intended use. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

2.11. Impairment of Non-Financial Assets

At the end of each reporting period, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets may have been impaired. If any such indication exists, the recoverable amount, which is the higher of its value in use or its fair value less costs of disposal, of the asset or cash-generating unit, as the case may be, is estimated and impairment loss (if any) is recognised and the carrying amount is reduced to its recoverable amount. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs.

In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

An impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease. When an impairment subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but upto the amount that would have been determined, had no impairment loss been recognised for that asset or cash-generating unit. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

2.12. Provisions and Contingent Liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

A provision for onerous contracts is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the consolidatedfinancial statements.

Provisions and contingent liabilities are reviewed at each balance sheet.

2.13. Employee Benefits

Defined Contribution Plan

Retirement benefit in the form of provident fund, employee state insurance corporation (ESIC) and pension fund are defined contribution schemes. The Group has no obligation, other than the contribution payable. The Group recognises contribution payable to provident fund, ESIC and pension fund as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet reporting date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined Benefit Plan

Gratuity liability is a defined benefit obligation that is provided on the basis of actuarial valuation, based on projected unit credit method at the balance sheet date, carried out by an independent actuary.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

a. The date of the plan amendment or curtailment, and

b. The date that the Group recognises related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

a. Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and

b. Net interest expense or income.

Compensated Absences

The Group follows accounting year for leave encashment and the employees are required to utilise the leave credited to them in the same year. The employees are entitled to accumulate absences subject to certain limits for future encashment/availment. The liability is recognised based on number of days of unutilised leave at each balance sheet date.

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

2.14. Financial Instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contract embodying the related financial instruments. All financial assets and financial liabilities are initially measured at transaction cost and where such values are different from the fair value, at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognitionof financial asset or financial liability. Transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the Statement of Profit and Loss.

Effective Interest Method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

Financial Assets

a. **Financial assets at amortised cost**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b. **Financial assets measured at fair value**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Group in respect of equity investments (other than in subsidiaries, associates and joint ventures) which are not held for trading has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of such equity instruments. Such an election is made by the Group on an instrument by instrument basis at the time of initial recognition of such equity investments.

Financial asset not measured at amortised cost or at fair value through other comprehensive income is carried at fair value through profit and loss.

For financial assets maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the shorter maturity of these instruments.

Trade Receivables and Loans:

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the Effective Interest Rate (“EIR”) method net of any Expected Credit Losses (“ECL”). The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

Impairment of financial assets

Expected credit losses are recognised for all financial assets subsequent to initial recognition other than financials assets measured at fair value.

Loss allowance in respect of financial assets is measured at an amount equal to life time expected credit losses and is calculated as the difference between their carrying amount and the present value of the expected future cash flows discounted at the original effective interest rate.

Instead of recognising allowance for expected credit loss based on provision matrix, the Group uses an estimated default rate to determine impairment loss allowance on portfolio of its trade receivables.

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

Such expected credit loss is discounted using the Consumer Price Index as released by RBI and at every reporting date, the default rates are reassessed and the necessary adjustments for loss allowance are made, if required.

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For financial assets other than trade receivables, as per Ind AS 109, the Group recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. The Group assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

De-recognition of Financial Assets

The Group de-recognises a financial asset only when the contractual rights to the cash flows from the financial asset expire, or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109.

If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the carrying amounts measured at the date of de-recognition and the consideration received is recognised in Statement of Profit and Loss.

Financial Liabilities and Equity Instruments

a. Classification as debt or equity

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

b. Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

c. Financial Liabilities

Financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant. Interest bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the Statement of Profit and Loss.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

De-recognitionof Financial Liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Off-setting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.15. Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

2.16. Statement of Cash Flows

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

For the purpose of the statement of Cash Flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

2.17. Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events, such as bonus issue, bonus element in a rights issue and shares split that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating Diluted Earnings per share, the net profit or loss for the period attributable to the equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

2.18. Segment Reporting

Ind AS 108 establishes standards for the way that public enterprises report information about operating segments and related disclosures about products, services, geographic areas, and major customers. Based on the 'management approach' as defined in Ind AS 108, the Group is required to present information in the manner which the Chief Operating Decision Maker ("CODM") evaluates the Group's performance and allocates resources. The analysis is generally based on an analysis of various performance indicators by business segments.

The accounting principles used in the preparation of the consolidated financial statements are consistently applied to record revenue and expenditure in individual segments, and are as set out in the relevant applicable accounting policies above. Revenue and identifiable operating expenses in relation to segments are categorised based on items that are individually identifiable to that segment.

Segment assets include all operating assets used by the business segments and consist principally of fixed assets, debtors and inventories. Segment liabilities include the operating liabilities that result from the operating activities of the business. Segment assets and liabilities that cannot be allocated between the segments are shown as part of unallocated corporate assets and liabilities respectively. Income / Expenses relating to the enterprise as whole and not allocable on a reasonable basis to business segments are reflected as unallocated corporate income / expenses. Inter-segment transfers are accounted at prevailing market prices.

2.19. Key Accounting Estimates and Judgments

The preparation of consolidated financial statements in conformity with Ind AS requires Management to make judgements, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses at the date of these consolidated financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future period, if the revision affects current and future periods.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year are:

a. Useful Lives of Property, Plant and Equipment

Management reviews the useful lives of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. Accordingly, depreciable lives are reviewed annually using the best information available to the Management.

b. Provisions

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

c. Fair Value Measurements

When the fair value of financial assets or financial liabilities recorded or disclosed in the consolidated financial statements cannot be measured at the quoted price in the active markets, their fair value is measured using the valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include consideration of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

d. Recognition and Measurement of Defined Benefit Obligations

The obligation arising from defined benefit plans is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

e. Income Taxes

The Group's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

f. Effective Interest Rate Method

The Group recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected life of the borrowings and investments.

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well as expected changes to other fee income/expense that are integral parts of the instrument.

g. Business Model Assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Group monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

h. Leases

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Group determines the lease term as the non-cancelable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancelable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

2.20. Recent Pronouncements

Standards issued but not yet effective

On July 24, 2020, the Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2020 has issued the following amendments to Ind ASs. The Group intends to adopt these standards, if applicable, from April 1, 2020.

a. Ind AS 103 on "Business Combinations"

Ind AS 103 deals with Business Combinations and it is amended to address concerns about how to interpret and apply the definition of a business. The amendment substitutes the definition of the term "business" in Appendix A. The three elements of a business, input, process and output have been amended to clarify that a business can exist without including all of the inputs and processes needed to create outputs, by replacing the term 'ability to create outputs' with 'ability to contribute to the creation of outputs' therein. It requires that to consider a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs.

The amendment gives guidance to assess whether an acquired process is substantive.

It provides for an optional test to identify concentration of fair value, element of businesses and assessing whether an acquired process is substantive. An optional concentration test assesses whether an acquired process is substantive based whether substantially all of the fair value of the

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

gross assets acquired is concentrated in a single identifiable asset, or group of similar identifiable assets. If the concentration test is met, no further assessment is needed.

It provides when an acquired set of activities and assets to be considered a business if the set has no outputs or the set has outputs; the set should include not only a substantive process but also both an organised workforce and other inputs that the acquired organised workforce could develop or convert into outputs. For this purpose, the intellectual capacity of an organised workforce having the necessary skills and experience may provide the necessary processes. The limited circumstances when the presence of an organised workforce would not be required are specified in the amendment.

These amendments to Ind AS 103 are to apply to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after the April 1, 2020 and to asset acquisitions that occur on or after the beginning of that period.

The Group does not expect this amendment to have any impact on its consolidatedfinancial statements.

b. Ind AS 116 on"Leases"

This amendment to Ind AS116 by way of inserting a practical expedient for the treatment to be given for rent concessions in the COVID-19 scenario. The practical expedient exempts lessees from having to consider individual lease contracts to determine whether rent concessions occurring as a direct consequence of the COVID-19 pandemic are lease modifications and allows lessees to account for such rent concessions as if they are not lease modifications, if certain conditions are met.

Those conditions are -

i. the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;

ii. any reduction in lease payments affects only payments originally due on or before June 30, 2021 (for example, a rent concession would meet this condition if it results in reduced lease payments on or before June 30, 2021 and increased lease payments that extend beyond June 30, 2021); and

iii. There is no substantive change to other terms and conditions of the lease.

Accordingly, the amendment allows lessees to account such payments in a manner that the benefit on account of rent concessions is recognised in the Statement of Profit and Loss in the period in which the event or condition that triggers those payments occurs.

If the lessee has applied the practical expedient, the amendment requires it to **disclose in the financial statements about such fact and the amount recognised in the profit or loss for the reporting period in this regard.**

The practical expedient is not available to lessors.

A lessee is to apply this amendment for annual reporting periods beginning on or after the April 1, 2020. In case a lessee has not yet approved the consolidatedfinancial statements for issue before the issuance of the amendment, then the same could be applied for annual reporting periods beginning on or after April 1, 2019.

c. Ind AS 1 on "Presentation of Financial Statements" and consequential amendments

Ind AS 1 is amended to introduce a new definition of 'material'.

Material: Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

Under this definition, even 'obscuring' of information is relevant. It is explained that the information is obscured if it is communicated in a way that would have a similar effect for primary users of financial statements to omitting or misstating that information. The amendment gives examples of circumstances that may result in material information being obscured.

Further, the emphasis is on 'influence decisions that the primary users of general purpose financial statements make' instead of 'influence the economic decisions that users make'. Under the amendment, the shift is from users to primary users. Existing and potential investors, lenders and other creditors are the primary users to whom general purpose financial statements are directed. Financial statements are prepared for users who have a reasonable knowledge of business and economic activities and who review and analyses the information diligently. At times, even well-informed and diligent users may need to seek the aid of an adviser to understand information about complex economic phenomena.

Consequential Amendments

i. In view of the amendment to the definition of 'material', the definition of the term 'material' is amended in *Ind AS 8 on "Accounting Policies, Changes in Accounting Estimates and Errors".*

The Group is to apply this amendment prospectively for annual periods beginning on or after April 1, 2020.

ii. In the light of change in the definition of 'material' in Ind AS 1, paragraph 21 of *Ind AS 10 on "Events after Reporting Period"* is substituted. Even in respect of the disclosure of material non-adjusting event, the emphasis is on 'influence decisions that the primary users of general purpose consolidated financial statements make' instead of 'influence the economic decisions that users make'.

iii. Consequent to the amendments in Ind AS 1 and Ind AS 8, the related amendment is made in *Ind AS 34 : "Interim Financial Reporting"* on the topic of 'Materiality'

iv. Consequent to the amendments in Ind AS 10, *Ind AS 37 on "Provisions, Contingent Liabilities and Contingent Assets"*, the related amendment is made by substituting paragraph on accounting of restructuring plans.

The Group is to apply these amendments prospectively for annual periods beginning on or after April 1, 2020.

The Group does not expect these amendments to have any significant impact on its consolidatedfinancial statements.

d. Ind AS 109 on "Financial Instruments" and Ind AS 107 on"Financial Instruments : Disclosures"

Ind AS 109 is amended to insert temporary exceptions from applying hedge accounting requirements to all hedging relationships that are directly affected by interest rate benchmark reform. A hedge relationship is directly affected by interest rate benchmark reform only if the reform gives rise to uncertainties about the interest rate benchmark designated as a hedged risk and/or the timing or the amount of interest rate benchmark-based cash flows of the hedged item or of the hedging instrument.

The term 'interest rate benchmark reform' refers to the market-wide reform of an interest rate benchmark, including the replacement of an interest rate benchmark with an alternative benchmark rate. The scope of the exceptions does not exclude hedging relationships in which interest rate risk is not the only hedged risk.

These exceptions to the requirements are

i. If the hedged future cash flows are based on an interest rate benchmark that is subject to the reform, the Group assumes that the interest rate benchmark on which the hedged cash flows are based is not altered when assessing whether the future cash flows are highly probable.

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

ii. Any amount remaining in the cash flow hedge reserve when a hedging relationship is discontinued would be reclassified to profit or loss in the same period(s) during which the hedged cash flows affect profit or loss, based on the assumption that the interest rate benchmark on which the hedged cash flows are based is not altered as a result of the reform.

iii. The Group is to assess whether the economic relationship between the hedged item and hedged instrument exists based on the assumption that the hedged risk or the interest rate benchmark on which the hedged item or the hedging instrument is based is not altered as a result of the reform.

Similarly, if the Group designates a highly probable forecast transaction as the hedged item, the Group is to perform the assessment based on the assumption that the interest rate benchmark on which the hedged cash flows are based will not change as a result of the reform.

iv. If a non-contractually specified risk component meets the separately identifiable requirement at the inception of a hedging relationship, then that requirement would not be reassessed subsequently.

Further, for hedging relationships that, consistent with the Group's hedge documentation, frequently reset (i.e. discontinue and restart) because both the hedging instrument and the hedged item frequently change, the Group is to determine whether the risk component is separately identifiable only when it initially designates an item as a hedged item in the hedging relationship. The hedged item is not reassessed at any subsequent re-designation in the same hedging relationship.

The amendment also indicates end date for these exceptions. The Group ceases applying the exceptions at the earlier of (a) when the uncertainty regarding the timing and the amount of interest rate benchmark-based cash flows is no longer present as it relates to a hedged item and/or hedging instrument (depending on the particular exception) and (b) the discontinuation of the hedging relationship. The end of applicability of the exceptions means that the Group would from that date apply all hedge accounting requirements in Ind AS 109 without applying these exceptions.

As per the transition provisions, the above requirements is to apply retrospectively to hedging relationships that existed at the beginning of the reporting period in which an entity first applies those requirements or were designated thereafter, and to the amount accumulated in the cash flow hedge reserve that existed at the beginning of the reporting period in which an entity first applies those requirements.

Consequent to the above, amendments are made in Ind AS 107. The amendment requires disclosure for uncertainty arising from interest rate benchmark reform when the Group applies exceptions set out under Ind AS 109 for hedging relationships. The Group is required to disclose, *inter alia,* the significant interest rate benchmarks to which the Group's hedging relationships are exposed, the extent of the risk exposure the Group manages that is directly affected by the interest rate benchmark reform and a description of significant assumptions or judgements the Group made about when the uncertainty arising from interest rate benchmark reform is no longer present with respect to the timing and the amount of the interest rate benchmark-based cash flows.

The Group does not expect this amendment to have any impact on its consolidated financial statements.

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

Note 3

Cash and Cash Equivalent ₹ in lakhs

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Cash on Hand	0.17	0.12	3.92
Balances with Banks	125.77	465.32	317.02
Total	**125.94**	**465.44**	**320.94**

Note 4

Bank Balance other than Cash and Cash Equivalents ₹ in lakhs

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Bank Deposits under Lien (Refer Note 4.1)	45.24	42.75	34.20
Total	**45.24**	**42.75**	**34.20**

4.1 Bank Deposits under lien towards security for guarantees issued on behalf of the Company ₹ 45.24 lakhs (March 31, 2019 : ₹ 42.75 lakhs and April 1, 2018 : ₹ 34.20 lakhs).

Note 5

Trade Receivables ₹ in lakhs

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Unsecured			
Considered Good	155.08	155.52	134.90
Credit Impaired	25.14	30.61	22.52
Less : Impairment Loss Allowance	25.14	30.61	22.52
Total	**155.08**	**155.52**	**134.90**

Instead of recognising allowance for expected credit loss based on provision matrix, the Company uses an estimated default rate to determine impairment loss allowance on portfolio of its trade receivables. Such expected credit loss is discounted using the Consumer Price Index as released by RBI and at every reporting date, the default rates are reassessed and the necessary adjustments for loss allowance are made, if required.

The Company follows ‘simplified approach’ for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

Movement in Impairment Loss Allowance ₹ in lakhs

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Balance at the beginning of the year	**30.61**	**22.52**
Impairment Loss Allowance	NIL	8.09
Reversal of Impairment Loss Allowance	(5.47)	NIL
Balance at the end of the year	**25.14**	**30.61**

Note 6

Loans

₹ in lakhs

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Unsecured and Considered Good			
Measured at Amortised Cost			
Loan to Related Parties [Refer Note 46]	2,810.40	2,792.28	1,655.04
Loans to Others	6,219.37	6,459.61	2,044.82
Total	**9,029.77**	**9,251.89**	**3,699.86**
Loans in India			
Public Sector	NIL	NIL	NIL
Others	9,029.77	9,251.89	3,699.86
	9,029.77	**9,251.89**	**3,699.86**
Loans outside India	NIL	NIL	NIL
Total	**9,029.77**	**9,251.89**	**3,699.86**

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

Note 7 :
Investments

₹ in lakhs

Particulars	As at March 31, 2020				As at March 31, 2019				As at April 1, 2018			
	Number	Fair Value: Through Other Compre-hensive Income	Fair Value: Through Profit or Loss	Total	Number	Fair Value: Through Other Compre-hensive Income	Fair Value: Through Profit or Loss	Total	Number	Fair Value: Through Other Compre-hensive Income	Fair Value: Through Profit or Loss	Total
A. Investments in Units of Mutual Funds												
Debt Oriented Mutual Funds												
Aditya Birla Sunlife Medium Term Plan-Growth-Direct Plan	NIL	NIL	NIL	**NIL**	NIL	NIL	NIL	**NIL**	11,940,812	NIL	2,712.86	**2,712.86**
Aditya Birla Sunlife Liquid Fund - Growth-Direct Plan	NIL	NIL	NIL	**NIL**	523,349	NIL	1,572.33	**1,572.33**	NIL	NIL	NIL	**NIL**
Canara Robeco Capital Protection Oriented Fund- Series 8-Regular Growth Plan	100,000	NIL	11.64	**11.64**	100,000	NIL	11.10	**11.10**	100,000	NIL	10.44	**10.44**
Franklin India Income Opportunities Fund Direct Growth	NIL	NIL	NIL	**NIL**	NIL	NIL	NIL	**NIL**	12,931,702	NIL	2,782.81	**2,782.81**
Franklin India Short Term Income Plan - Retail Plan Direct Growth	NIL	NIL	NIL	**NIL**	NIL	NIL	NIL	**NIL**	45,284	NIL	1,731.27	**1,731.27**
Franklin India Ultra Short Bond Fund -Super Institutional Plan - Growth	1,232,319	NIL	340.78	**340.78**	859,067	NIL	226.65	**226.65**	3,421	NIL	0.83	**0.83**
Franklin India Ultra Short Bond Fund -Super Institutional Plan - Growth Segregated Portfolio*	1,096,535	NIL	NIL	**NIL**	NIL	NIL	NIL	**NIL**	NIL	NIL	NIL	**NIL**
HDFC Corporate Debt Opportunities Fund Direct Growth	NIL	NIL	NIL	**NIL**	NIL	NIL	NIL	**NIL**	3,722,371	NIL	555.89	**555.89**
ICICI Prudential Credit Risk Fund - Direct Plan- Growth	11,498,805	NIL	2,661.75	**2,661.75**	11,498,805	NIL	2,418.30	**2,418.30**	11,498,805	NIL	2,239.31	**2,239.31**
HDFC Credit Risk Debt Fund Direct Growth	3,722,371	NIL	649.30	**649.30**	3,722,371	NIL	592.55	**592.55**	NIL	NIL	NIL	**NIL**
HDFC Liquid Fund Direct Plan Growth	NIL	NIL	NIL	**NIL**	43,009	NIL	1,582.00	**1,582.00**	NIL	NIL	NIL	**NIL**
HDFC Ultra Short Term Fund Direct Growth	11,866,988	NIL	1,336.04	**1,336.04**	9,586,257	NIL	1,004.10	**1,004.10**	NIL	NIL	NIL	**NIL**
ICICI Prudential Bond Fund Direct Growth	2,284,472	NIL	673.93	**673.93**	2,284,472	NIL	603.58	**603.58**	2,284,472	NIL	565.64	**565.64**
ICICI Prudential-Liquid Direct Plan Daily Dividend	10,504	NIL	10.52	**10.52**	1,220	NIL	1.22	**1.22**	3,117	NIL	3.12	**3.12**
ICICI Prudential Liquid Fund Direct Plan Growth	5,857	NIL	17.21	**17.21**	NIL	NIL	NIL	**NIL**	NIL	NIL	NIL	**NIL**
ICICI Prudential Flexible Income Direct Plan Growth	NIL	NIL	NIL	**NIL**	NIL	NIL	NIL	**NIL**	4,518	NIL	15.14	**15.14**
ICICI Prudential Savings Fund Direct Plan Daily Dividend	1,210	NIL	1.28	**1.28**	1,149	NIL	1.22	**1.22**	1,093	NIL	1.16	**1.16**
IDFC Ultra Short Term Fund Direct Plan Growth	5,459,417	NIL	622.72	**622.72**	9,452,779	NIL	1,002.47	**1,002.47**	NIL	NIL	NIL	**NIL**
Kotak Medium Term Fund Direct Plan Growth	NIL	NIL	NIL	**NIL**	NIL	NIL	NIL	**NIL**	1,852,469	NIL	277.69	**277.69**
Kotak Credit Risk Fund Direct Plan Growth	5,622,052	NIL	1,318.94	**1318.94**	5,622,052	NIL	1,210.84	**1,210.84**	5,622,052	NIL	1,128.54	**1,128.54**
Kotak Liquid Direct Plan Growth	NIL	NIL	NIL	**NIL**	NIL	NIL	NIL	**NIL**	1	NIL	0.04	**0.04**
Kotak Savings Fund Direct Plan Growth	1,603,944	NIL	526.96	**526.96**	821,971	NIL	251.13	**251.13**	NIL	NIL	NIL	**NIL**
Aditya Birla Sunlife Floating Rate Fund Direct Growth	200,304	NIL	505.36	**505.36**	NIL	NIL	NIL	**NIL**	NIL	NIL	NIL	**NIL**
Equity Oriented Mutual Funds												
Axis Long Term Equity Fund-Direct Growth	NIL	NIL	NIL	**NIL**	NIL	NIL	NIL	**NIL**	1,571,991	NIL	673.74	**673.74**
Birla Sun Life Frontline Equity Fund-Growth Direct Plan	NIL	NIL	NIL	**NIL**	NIL	NIL	NIL	**NIL**	134,135	NIL	294.71	**294.71**
Franklin India High Growth Companies Fund Direct Growth	NIL	NIL	NIL	**NIL**	NIL	NIL	NIL	**NIL**	1,070,404	NIL	426.75	**426.75**
HDFC Balanced Fund-Direct Plan-Growth Option	NIL	NIL	NIL	**NIL**	NIL	NIL	NIL	**NIL**	449,599	NIL	686.59	**686.59**
Kotak Select Focus Fund-Direct Plan Growth	NIL	NIL	NIL	**NIL**	NIL	NIL	NIL	**NIL**	2,022,506	NIL	677.03	**677.03**
Mirae Asset Emerging Bluechip Fund-Direct Growth	NIL	NIL	NIL	**NIL**	NIL	NIL	NIL	**NIL**	645,995	NIL	321.98	**321.98**
Mirae Asset Emerging India Opportunities Fund- Direct Growth	NIL	NIL	NIL	**NIL**	NIL	NIL	NIL	**NIL**	208,069	NIL	97.48	**97.48**
Motilal Oswal Most Focused Multicap 35 Fund - Direct Growth	NIL	NIL	NIL	**NIL**	NIL	NIL	NIL	**NIL**	6,327,600	NIL	1,729.02	**1,729.02**
Motilal Oswal Most Focussed Dynamic Equity Fund- Direct Growth	NIL	NIL	NIL	**NIL**	NIL	NIL	NIL	**NIL**	19,184,696	NIL	2,347.90	**2,347.90**
Quantum Long Term Equity Direct Plan Growth	NIL	NIL	NIL	**NIL**	NIL	NIL	NIL	**NIL**	490,198	NIL	248.73	**248.73**
ICICI Prudential Balanced Advantage Fund-Direct Plan Growth	6,925,400	NIL	2,285.38	**2,285.38**	6,925,400	NIL	2,628.88	**2,628.88**	11,812,245	NIL	4,156.73	**4,156.73**
Total (A)		**NIL**	**10,961.81**	**10,961.81**		**NIL**	**13,106.37**	**13,106.37**		**NIL**	**23,685.40**	**23,685.40**

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

Note 7 :
Investments (Contd...)

₹ in lakhs

Particulars	As at March 31, 2020				As at March 31, 2019				As at April 1, 2018			
	Number	Fair Value		Total	Number	Fair Value		Total	Number	Fair Value		Total
		Through Other Compre-hensive Income	Through Profit or Loss			Through Other Compre-hensive Income	Through Profit or Loss			Through Other Compre-hensive Income	Through Profit or Loss	
B. Investments in Equity Instruments												
Others												
Quoted												
Axis Bank Limited	125,000	473.75	NIL	**473.75**	125,000	971.56	NIL	**971.56**	100,000	510.50	NIL	**510.50**
Bajaj Auto Limited	NIL	NIL	NIL	**NIL**	20,000	582.22	NIL	**582.22**	NIL	NIL	NIL	**NIL**
Can Fin Homes Limited	100,000	279.05	NIL	**279.05**	100,000	348.85	NIL	**348.85**	NIL	NIL	NIL	**NIL**
Colgate Palmolive (India) Limited	100,000	1,252.70	NIL	**1252.70**	100,000	1,258.15	NIL	**1,258.15**	100,000	1,056.90	NIL	**1,056.90**
Dalmia Bharat Limited	200,000	981.20	NIL	**981.20**	NIL	NIL	NIL	**NIL**	NIL	NIL	NIL	**NIL**
Future Retail Limited	200,000	156.60	NIL	**156.60**	200,000	907.70	NIL	**907.70**	200,000	1,101.60	NIL	**1,101.60**
Praxis Home Retail Limited	10,000	4.60	NIL	**4.60**	10,000	18.37	NIL	**18.37**	10,000	17.82	NIL	**17.82**
Gujarat Fluorochemicals Limited	175,054	500.65	NIL	**500.65**	175,054	1,933.91	NIL	**1,933.91**	175,054	1,394.30	NIL	**1,394.30**
GFL Limited**	175,054	143.72	NIL	**143.72**	NIL	NIL	NIL	**NIL**	NIL	NIL	NIL	**NIL**
HDFC Asset Management Company Limited	56,000	1,183.17	NIL	**1183.17**	70,000	1,073.73	NIL	**1,073.73**	NIL	NIL	NIL	**NIL**
HDFC Bank Limited	425,000	3,663.07	NIL	**3663.07**	212,500	4,927.66	NIL	**4,927.66**	212,500	4,007.96	NIL	**4,007.96**
HSIL Limited	200,242	80.80	NIL	**80.80**	200,242	501.61	NIL	**501.61**	200,242	743.30	NIL	**743.30**
ICICI Lombard General Insurance Company Limited	70,000	757.15	NIL	**757.15**	70,000	723.31	NIL	**723.31**	NIL	NIL	NIL	**NIL**
IDFC Limited	1,750,000	259.87	NIL	**259.87**	1,750,000	814.63	NIL	**814.63**	1,750,000	853.13	NIL	**853.13**
Jindal Steel and Power Limited	500,000	411.00	NIL	**411.00**	NIL	NIL	NIL	**NIL**	NIL	NIL	NIL	**NIL**
Kotak Mahindra Bank Limited	75,000	972.04	NIL	**972.04**	125,000	1,668.13	NIL	**1,668.13**	50,000	523.90	NIL	**523.90**
NBCC (India) Limited	600,000	97.80	NIL	**97.80**	600,000	397.80	NIL	**397.80**	300,000	571.20	NIL	**571.20**
Nippon Life India Asset Management Limited	275,000	685.30	NIL	**685.30**	NIL	NIL	NIL	**NIL**	NIL	NIL	NIL	**NIL**
Somany Ceramics Limited	150,001	138.00	NIL	**138.00**	150,001	629.70	NIL	**629.70**	150,001	995.85	NIL	**995.85**
Somany Home Innovation Limited**	200,242	136.06	NIL	**136.06**	NIL	NIL	NIL	**NIL**	NIL	NIL	NIL	**NIL**
Sterlite Technologies Limited	200,000	127.60	NIL	**127.60**	200,000	436.90	NIL	**436.90**	NIL	NIL	NIL	**NIL**
Sun Pharmaceutical Industries Limited	351,197	1,237.27	NIL	**1237.27**	201,273	963.80	NIL	**963.80**	100,000	495.10	NIL	**495.10**
Vadilal Industries Limited	20,000	89.82	NIL	**89.82**	NIL	NIL	NIL	**NIL**	NIL	NIL	NIL	**NIL**
Varroc Engineering Limited	103,413	132.01	NIL	**132.01**	103,413	598.76	NIL	**598.76**	NIL	NIL	NIL	**NIL**
Total (B)		**13,763.23**	**NIL**	**13,763.23**		**18,756.79**	**NIL**	**18,756.79**		**12,271.56**	**NIL**	**12,271.56**
Grand Total (A+B)		**13,763.23**	**10,961.81**	**24,725.04**		**18,756.79**	**13,106.37**	**31,863.16**		**12,271.56**	**23,685.40**	**35,956.96**
Investments in India		13,763.23	10,961.81	24,725.04		18,756.79	13,106.37	31,863.16		12,271.56	23,685.40	35,956.96
Investments outside India		NIL	NIL	NIL		NIL	NIL	NIL		NIL	NIL	NIL
Total		**13,763.23**	**10,961.81**	**24,725.04**		**18,756.79**	**13,106.37**	**31,863.16**		**12,271.56**	**23,685.40**	**35,956.96**

* Units of Franklin India Ultra Short Bond Fund S.I Plan Direct Growth Segregated Portfolio 1 have been valued at NIL since it had been written down by 100% by the fund.

** The equity shares alloted puruant to the Scheme of Demerger.

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

Note 8
Other Financial Assets **₹ in lakhs**

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Unsecured and Considered Good			
Deposits	14.26	13.90	42.15
Insurance Claim Receivable [Refer Note 8.1]	NIL	17.74	136.09
Interest accrued on Loans	NIL	4.09	2.95
Total	**14.26**	**35.73**	**181.19**

8.1 Insurance Claim for the loss of stock by fire to the extent of ₹ 83.36 lakhs recognised during the year ended March 31, 2018, ultimately had not been settled/received and hence, it is written off during the year ended March 31, 2019. The balance amount of ₹ 17.74 lakhs which is receivable, is carried forward as at March 31, 2019.

Note 9
Inventories **₹ in lakhs**

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Raw Materials	33.98	15.34	35.52
Work-in-Progress	19.86	22.51	18.34
Finished goods			
Yarn	31.76	78.10	88.98
Home Decor Items	1,365.53	1,348.07	1,357.09
Waste (Net Realisable Value)	NIL	0.21	0.61
Total	**1,451.13**	**1,464.23**	**1,500.54**

9.1 Cost of inventories is recognised as an expense during the current year is ₹ 807.51 lakhs (March 31, 2019 : ₹ 840.96 lakhs).

9.2 For mode of valuation of inventories [Refer Note 2.6].

Note 10
Current Tax Assets (Net) **₹ in lakhs**

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Advance Income Tax (net of provision for taxation)	477.16	336.67	535.78
Total	**477.16**	**336.67**	**535.78**

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

Note 11
Deferred Tax Asset (Net) [Refer Note 43] ₹ in lakhs

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Deferred Tax Liabilities			
Investments in Units of Mutual Funds	302.17	272.70	349.51
Fair Value changes of Equity Instruments through OCI	NIL	122.43	NIL
Property, Plant and Equipment and Other Intangible Assets	NIL	9.47	19.50
Right-of-Use Assets	12.59	NIL	NIL
Lease Liabilities	6.89	NIL	NIL
Total Deferred Tax Liabilities	**321.65**	**404.60**	**369.01**
Deferred Tax Assets			
Fair Value changes of Equity Instruments through OCI	225.35	NIL	48.67
MAT Credit Entitlement [Refer Note 43.3 (a)]	NIL	1,470.18	900.97
Impairment Loss Allowance	6.33	8.91	6.56
Provision for Employee Benefits	74.05	76.38	40.83
Property, Plant and Equipment and Other Intangible Assets	15.92	NIL	NIL
Carried Forward Business Losses	NIL	319.31	272.94
Total Deferred Tax Assets	**321.65**	**1,874.78**	**1,269.97**
Net Deferred Tax (Liabilities) / Assets	NIL	**1,470.18**	**900.96**

11.1 Deferred Tax Asset is recognised only to the extent of Deferred Tax Liability and for the balance deductible temporary differences, no Deferred Tax Asset is recognised. Thus, the net Deferred Tax Asset / Deferred Tax Liability is NIL.

Note 12
Property, Plant and Equipment ₹ in lakhs

Particulars	Land	Buildings	Plant and Machinery	Furniture and Fixtures	Office Equipment	Computer	Air Conditioners	Electrical Installation	Vehicles	Total
Deemed Cost										
As at April 1, 2018	**0.28**	**377.61**	**352.49**	**6.81**	**3.60**	**3.79**	**10.71**	**20.25**	**7.25**	**782.79**
Additions	NIL	NIL	6.02	NIL	4.66	0.73	NIL	NIL	25.42	36.83
Disposals	NIL	NIL	NIL	NIL	NIL	NIL	(1.16)	NIL	NIL	(1.16)
As at March 31, 2019	**0.28**	**377.61**	**358.51**	**6.81**	**8.27**	**4.52**	**9.55**	**20.25**	**32.67**	**818.46**
Additions	NIL	NIL	7.71	NIL	2.03	1.29	0.20	NIL	84.03	95.26
Disposals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
As at March 31, 2020	**0.28**	**377.61**	**366.22**	**6.81**	**10.30**	**5.81**	**9.75**	**20.25**	**116.70**	**913.73**
Accumulated Depreciation										
As at April 1, 2018	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Charge for the year	NIL	**36.22**	**64.25**	**1.76**	**2.13**	**2.48**	**3.65**	**5.24**	**6.24**	**121.97**
Disposals	NIL	NIL	NIL	NIL	NIL	NIL	(0.58)	NIL	NIL	(0.58)
As at March 31, 2019	NIL	**36.22**	**64.25**	**1.76**	**2.13**	**2.48**	**3.06**	**5.24**	**6.24**	**121.39**
Charge for the year	NIL	32.65	54.00	1.31	3.21	1.08	1.96	3.89	11.58	**109.68**
Disposals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
As at March 31, 2020	NIL	**68.87**	**118.25**	**3.07**	**5.34**	**3.56**	**5.02**	**9.13**	**17.82**	**231.07**
Net Block										
As at March 31, 2020	**0.28**	**308.74**	**247.97**	**3.74**	**4.96**	**2.25**	**4.72**	**11.12**	**98.89**	**682.67**
As at March 31, 2019	**0.28**	**341.39**	**294.26**	**5.05**	**6.13**	**2.04**	**6.48**	**15.01**	**26.43**	**697.08**
As at April 1, 2018	**0.28**	**377.61**	**352.49**	**6.81**	**3.60**	**3.79**	**10.71**	**20.25**	**7.25**	**782.79**

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

Note 13
Right-of-Use Assets **₹ in lakhs**

Description of Asset	Buildings
Gross Block	
As at April 1, 2019	NIL
Transition on account of adoption of Ind AS 116	**54.60**
Additions	NIL
Disposal	NIL
As at March 31, 2020	**54.60**
Accumulated Depreciation	
As at April 1, 2019	NIL
Depreciation expense for the year	4.56
Disposal	NIL
As at March 31, 2020	**4.56**
Net Block	
As at March 31, 2020	**50.04**
As at March 31, 2019	**NIL**

Note 14
Other Intangible Assets **₹ in lakhs**

Particulars	Trademark
Deemed Cost	
As at April 1, 2018	**13.76**
Additions	NIL
Disposals	NIL
As at March 31, 2019	**13.76**
Additions	9.80
Disposals	NIL
As at March 31, 2020	**23.56**
Accumulated Depreciation	
As at April 1, 2018	NIL
Charge for the year	**5.96**
Disposals	NIL
As at March 31, 2019	**5.96**
Charge for the year	5.18
Disposals	NIL
As at March 31, 2020	**11.14**
Net Block	
As at March 31, 2020	**12.42**
As at March 31, 2019	**7.80**
As at April 1, 2018	**13.76**

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

Note 15
Other Non-Financial Assets ₹ in lakhs

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Unsecured and Considered Good			
Prepaid expenses	8.55	10.47	5.79
Advances to Employees	7.96	6.14	9.27
Advances against expenses	12.65	8.33	27.54
Advances against purchase of goods	101.35	82.00	43.23
Balances with Government Authorites	141.44	95.75	55.08
Provident Fund excess paid	NIL	NIL	4.36
Total	**271.95**	**202.69**	**145.27**

Note 16
Trade Payables ₹ in lakhs

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Total outstanding dues of micro enterprises and small enterprises	NIL	NIL	NIL
Total outstanding dues of creditors other than micro enterprises and small enterprises	34.85	15.10	97.16
Total	**34.85**	**15.10**	**97.16**

16.1 Disclosure Under Micro, Small and Medium Enterprises Development Act, 2006

The information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

Based on the information available the required disclosure under Micro, Small and Medium Enterprises Development Act, 2006 is given below:

₹ in lakhs

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
i. Principal amount due to suppliers and remaining unpaid under MSMED Act, 2006	NIL	NIL	NIL
ii. Interest accrued and due and unpaid to suppliers under MSMED Act, on the above amount	NIL	NIL	NIL
iii. Interest paid	NIL	NIL	NIL
iv. Payment made to suppliers (other than interest) beyond the appointed day, during the year	NIL	NIL	NIL
v. Interest due and payable to suppliers under MSMED Act, for payments already made for the period of delay	NIL	NIL	NIL
vi. Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act	NIL	NIL	NIL
vii. Amount of further interest remaining due and payable in succeeding year	NIL	NIL	NIL

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

Note 17
Borrowings (Other than Debt Securities) **₹ in lakhs**

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Unsecured			
Loans repayable on demand from banks	NIL	NIL	4.78
Short-term loan from Others	22.10	NIL	NIL
Total	**22.10**	**NIL**	**4.78**
Borrowings in India	22.10	NIL	4.78
Borrowings outside India	NIL	NIL	NIL
Total	**22.10**	**NIL**	**4.78**

17.1 Terms of Repayment of Borrowings :
Interest-free Vehicle Loan amounting to ₹ 22.10 lakhs from Daimler Financial Services India Private Limited is repayable in 12 equal monthly installments of ₹ 1.84 lakhs each, first installment falling due on April 4, 2020.

Note 18
Deposits **₹ in lakhs**

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Measured at Amortised Cost			
From Others	375.00	413.00	425.21
Total	**375.00**	**413.00**	**425.21**

Note 19
Lease Liabilities **₹ in lakhs**

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Lease Liabilities	51.82	NIL	NIL
Total	**51.82**	NIL	NIL

Note 20
Other Financial Liabilities **₹ in lakhs**

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Employee Benefits Payable	38.14	47.26	42.43
Accrued Expense	82.31	84.99	79.33
Total	**120.45**	**132.25**	**121.76**

Note 21
Current Tax Liabilities (Net) **₹ in lakhs**

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Provision for Taxation (net of advance tax paid)	NIL	505.36	NIL
Total	**NIL**	**505.36**	**NIL**

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

Note 22
Provisions ₹ in lakhs

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Provision for Employee Benefits			
Gratuity [Refer Note 45]	128.44	120.45	145.64
Ex-Gratia [Refer Note 36.1]	113.41	131.62	NIL
Leave Encashment	60.30	58.28	52.59
Total	**302.15**	**310.35**	**198.23**

Note 23
Other Non-Financial Liabilities ₹ in lakhs

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Advances Received from Customers	31.86	8.02	85.27
Statutory Dues Payable	99.35	59.61	43.55
Total	**131.21**	**67.63**	**128.82**

Note 24
Equity Share Capital ₹ in lakhs

Particulars	As at March 31, 2020		As at March 31, 2019		As at April 1, 2018	
	Number of shares	₹ in lakhs	Number of shares	₹ in lakhs	Number of shares	₹ in lakhs
Authorised Share Capital:						
Equity shares of ₹ 100 each	2,000,000	2,000.00	2,000,000	2,000.00	2,000,000	2,000.00
5.5 % Cumulative Preference Shares of ₹ 200 each	4,000	8.00	4,000	8.00	4,000	8.00
Total	**2,004,000**	**2,008.00**	**2,004,000**	**2,008.00**	**2,004,000**	**2,008.00**
Issued, Subscribed and Paid-up Share capital						
Equity Shares of ₹ 100 each	1,808,604	1,808.60	1,808,604	1,808.60	1,808,604	1,808.60
Total	**1,808,604**	**1,808.60**	**1,808,604**	**1,808.60**	**1,808,604**	**1,808.60**

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

₹ in lakhs

Particulars	As at March 31, 2020		As at March 31, 2019		As at April 1, 2018	
	Number of shares	₹ in lakhs	Number of shares	₹ in lakhs	Number of shares	₹ in lakhs
Balance at the beginning of the year	1,808,604	1,808.60	1,808,604	1,808.60	1,808,604	1,808.60
Add: Shares issued during the year	NIL	NIL	NIL	NIL	NIL	NIL
Balance at the end of the year	**1,808,604**	**1,808.60**	**1,808,604**	**1,808.60**	**1,808,604**	**1,808.60**

b. Terms / rights attached to equity shares

The Holding Company has only one class of equity shares having a par value of ¹ 100 per share. Every member holding equity shares therein shall have voting rights in proportion to the member's share of the

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

Note 24
Equity Share Capital (Contd...)

paid up equity share capital. The Holding Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Holding Company, the holders of equity shares would be entitled to receive remaining assets of the Holding Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the equity shareholders.

c. Details of shareholders holding more than 5% shares in the Holding Company

Particulars	As at March 31, 2020		As at March 31, 2019		As at April 1, 2018	
	Number of shares	% of Holding	Number of shares	% of Holding	Number of shares	% of Holding
New India Exports Private Limited - Ultimate Holding Company	1,511,725	83.59%	1,511,725	83.59%	1,511,725	83.59%

Note 25
Other Equity ₹ in lakhs

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Retained Earnings			
Balance at the beginning of the year	39,142.11	38,942.51	38,942.51
Profit / (Loss) for the year	(1,654.85)	159.64	NIL
Remeasurement Gain / (Loss) on Defined Benefit Plans	5.76	(1.11)	NIL
Realised Gain on Sale of Equity Instruments reclassified to Retained Earnings	372.15	41.07	NIL
Balance at the end of the year	**37,865.17**	**39,142.11**	**38,942.51**
Equity Instruments through Other Comprehensive Income			
Balance at the beginning of the year	3,598.74	2,480.08	2,480.08
Net fair value gain / (loss) on investments in equity instruments through OCI	(6,897.24)	1,159.73	NIL
Realised Gain on Sale of Equity Instruments reclassified to Retained Earnings	(372.15)	(41.07)	NIL
Balance at the end of the year	**(3,670.65)**	**3,598.74**	**2,480.08**
Total	**34,194.52**	**42,740.85**	**41,422.59**

The description of the nature and purpose of each reserve within equity is as follows :

Retained Earnings
Retained Earnings are the profits that the Company has earned till date, less dividends or other distributions paid to shareholders.

Equity Instruments through Other Comprehensive Income
The fair value change of the equity instruments measured at fair value through Other Comprehensive Income is recognised and reflected under Equity Instruments through Other Comprehensive Income. On disposal, the cumulative fair value changes on the said instruments are reclassified to Retained Earnings.

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

Note 26

Interest Income **₹ in lakhs**

Particulars	**Year Ended March 31, 2020**	**Year Ended March 31, 2019**
On Financial Assets measured at Amortised Cost		
Loans	749.46	429.90
Fixed Deposits with Banks	2.77	5.15
Total	**752.23**	**435.05**

Note 27

Dividend Income **₹ in lakhs**

Particulars	**Year Ended March 31, 2020**	**Year Ended March 31, 2019**
Dividend on Investments in Equity Instruments	226.48	99.96
Total	**226.48**	**99.96**

Note 28

Net Gain on Fair Value Changes **₹ in lakhs**

Particulars	**Year Ended March 31, 2020**	**Year Ended March 31, 2019**
Net gain/ (loss) on financial instruments measured at Fair Value through Profit or Loss		
Investments in Mutual Funds	408.05	902.07
Total	**408.05**	**902.07**
Fair Value changes:		
Realised	108.00	352.50
Unrealised	300.05	549.57
Total	**408.05**	**902.07**

Note 29

Sale of Products **₹ in lakhs**

Particulars	**Year Ended March 31, 2020**	**Year Ended March 31, 2019**
Sale of Products		
Cloth [Refer Note 29.1]	NIL	(7.11)
Yarn	1,011.48	963.05
Home Decor Items	220.76	415.68
Other Operating Revenue		
Scarp Sales	5.73	6.07
Total	**1,237.97**	**1,377.69**

29.1 Debit balance in Sales of Cloth is in respect of Credit given for Price Difference for Sales made during the year ended March 31, 2018.

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

Note 30

Other Income ₹ in lakhs

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Interest Income		
on Income Tax Refund	1.60	37.50
on Deposits	1.05	1.73
Lease Rentals	137.40	140.59
Excess balances and liabilities written back	0.59	0.05
Reversal of Impairment Loss Allowance	5.46	NIL
Other Non-operating Income	NIL	4.18
Total	**146.10**	**184.05**

Note 31

Finance Costs ₹ in lakhs

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Ancillary Borrowing Costs	41.42	24.22
Interest on Lease Liabilities	4.43	NIL
Total	**45.85**	**24.22**

Note 32

Impairment on Financial Instruments ₹ in lakhs

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
On Financial Instruments measured at Amortised Cost		
Trade Receivables	NIL	8.09
Total	**NIL**	**8.09**

Note 33

Cost of Materials Consumed ₹ in lakhs

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Raw Materials		
Polyster Fibre	326.41	447.26
Cotton	291.34	187.18
Other Materials	21.93	21.74
Total	**639.68**	**656.18**

Note 34

Purchases of Stock-in-trade ₹ in lakhs

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Cloth [Refer Note 34.1]	NIL	(7.12)
Home Decor Items	136.09	175.79
Total	**136.09**	**168.67**

34.1 Credit balance in Purchases Cloth is in respect of Credit received for Price Difference for Purchases made in the year ended March 31, 2018.

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

Note 35

Changes in inventories of Finished Goods, Stock-in-Trade and Work-in-Progress **₹ in lakhs**

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Stock at the beginning		
Finished Goods	78.10	88.98
Stock-in-Trade	1,348.07	1,357.09
Work-in-progess and Waste	22.72	18.94
	1,448.89	**1,465.01**
Stock at the end		
Finished Goods	31.76	78.10
Stock-in-Trade	1,365.53	1,348.07
Work-in-progess and Waste	19.86	22.72
	1,417.15	**1,448.89**
Total	**31.74**	**16.12**

Note 36

Employee Benefits Expense **₹ in lakhs**

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Salaries, Wages and Allowances	406.03	429.48
Gratuity [Refer Note 45]	20.51	21.31
Ex-Gratia [Refer Note 36.1]	3.50	262.97
Contribution to Provident Fund and Other Funds	35.34	38.63
Staff Welfare Expenses	10.99	11.63
Total	**476.37**	**764.02**

36.1 As per the Memorandum of Understanding dated March 16, 2017 entered between the Company and the "Rashtriya Mill Mazdoor Sangh" (Representative union of employees in the cotton textile industry) an ex-gratia amount equivalent to 41 days wages (Basic+Dearness Allowance) per completed year of service is paid to employees retired during the year. In addition, it includes a sum of ₹ 132.00 lakhs provided in Financial Year 2018-19 in this regard for the employees in service but entitled to such ex-gratia as and when they are to retire.

Note 37

Depreciation and Amortisation **₹ in lakhs**

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Depreciation on Property, Plant and Equipment	109.68	121.97
Depreciation on Right-of-Use Assets	4.56	NIL
Amortisation of Intangible Assets	5.18	5.96
Total	**119.42**	**127.93**

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

Note 38
Other Expenses ₹ in lakhs

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Service Charges	193.53	164.64
Power	153.28	145.02
Water Charges	4.48	4.56
Rent	21.72	44.05
Rates and Taxes	25.96	5.54
Insurance	9.83	10.29
Travelling and Conveyance	175.04	172.76
Motor Car Expenses	4.97	5.12
Repairs and Maintenance		
Building	16.13	170.85
Machinery	10.11	8.71
Others	85.66	42.21
Office Maintainance Expenses	3.54	3.40
Payment to Auditors		
Statutory Audit	2.12	2.12
Tax Audit	0.75	0.75
Taxation Matters	NIL	0.15
Certification Fees	0.30	NIL
Security Expenses	17.80	16.22
Telephone and Fax	3.36	4.99
Printing and Stationery	6.86	7.60
Postage and Courier	0.55	1.00
Legal and Professional Expenses	272.63	196.83
Donations	43.80	25.40
Recruitment and Training Expenses	NIL	0.06
Sales Tax Paid [Refer Note 38.1]	2.32	NIL
Commission	0.51	12.20
Advertisement and Publicity	28.74	40.92
Freight and Packaging	21.47	41.22
Sales Promotion Expenses	29.65	23.39
General Expenses	10.81	10.20
Insurance Claim Written Off [Refer Note 8.1]	NIL	83.36
Sundry Accounts/Balances Written Off	0.07	0.89
Foreign Exchange Fluctuation Loss	0.89	0.48
Loss on Sale of Property, Plant and Equipment	NIL	0.57
Total	**1,146.88**	**1,245.50**

38.1 These expenses for which demand has been raised and the matter has been settled during the year.

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

Note 39

Contingent Liabilities ₹ in lakhs

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
a. Claims against the Company not acknowledged as debt - matters under disputes / appeals :			
i. Income Tax (including interest and penalty, to the extent demanded)	40.26	39.17	39.17
ii. Sales Tax / VAT	NIL	0.34	0.34
iii. Others Employees Provident Fund Organisation	8.16	8.16	8.16
b. Bank Guarantees Employee State Insurance Corporation Secured by fixed deposits under lien with the bank	15.00	15.00	15.00

c. Other money for which the Company is contingently liable

Though a review petition filed against the decision of the Hon'ble Supreme Court of India of February 2019 on Provident Fund (PF) on inclusion of allowances for the purpose of PF Contribution has been set aside, there are interpretative challenges, mainly for estimating the amount and applicability of the decision retrospectively. Pending any direction in this regard from the Employees Provident Fund Organisation, the impact for past periods, if any, is considered to the effect that it is only possible but not probable that outflow of economic resources will be required. The Company will continue to monitor and evaluate its position and act, as clarity emerges.

39.1 In respect of items (a) above, it is not possible for the Group to estimate the timings of cash outflows which would be determinable only on receipt of Judgements pending at various forums / authorities.

39.2 The Group does not expect any reimbursement in respect of the above contingent liabilities.

Note 40

Disclosure as per Ind AS 115 on "Revenue from Contracts with Customers"

40.1 The Group generates revenue primarily from lending and investment activities, sale of Yarn and Home Decor items. Other operating revenue include sale of scrap.

40.2 Disaggregation of Revenue from Contracts with Customers ₹ in lakhs

Particulars	Year ended March 31, 2020				Year ended March 31, 2019			
	Textile	Home Décor	Treasury	Total	Textile	Home Décor	Treasury	Total
Revenue from Operations								
Interest Income	NIL	NIL	752.23	752.23	NIL	NIL	435.05	435.05
Dividend Income	NIL	NIL	226.48	226.48	NIL	NIL	99.96	99.96
Net Gain on Fair Value Changes	NIL	NIL	408.05	408.05	NIL	NIL	902.07	902.07
Sale of Products								
India	1,011.48	220.28	NIL	1,231.76	955.94	410.14	NIL	1,366.08
Sri Lanka	NIL	0.48	NIL	0.48	NIL	5.54	NIL	5.54
Total (A)	**1,011.48**	**220.76**	**1,386.76**	**2,619.00**	**955.94**	**415.68**	**1,437.08**	**2,808.70**
Other Operating Revenue								
Scrap Sales	5.73	NIL	NIL	5.73	6.07	NIL	NIL	6.07
Total (B)	**5.73**	**NIL**	**NIL**	**5.73**	**6.07**	**NIL**	**NIL**	**6.07**
Revenue from Operations (A+B)	**1,017.21**	**220.76**	**1,386.76**	**2,624.73**	**962.01**	**415.68**	**1,437.08**	**2,814.77**

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

40.3 Sales by Performance Obligations

Performance obligation is satisfied at a point in time when the customer obtains control of the asset and accordingly, in most cases revenue is recognised on shipment or dispatch of products.

40.4 Contract Balances

Trade Receivables and Contract Liabilities from Contracts with Customers:

₹ in lakhs

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Trade Receivables (Gross) - [Refer Note 5]	180.22	186.13	157.42
Less : Impairment Loss Allowance	25.14	30.61	22.52
Net Receivables	**155.08**	**155.52**	**134.90**
Contract Liabilities			
Advance from Customers - [Refer Note 23]	31.86	8.02	85.27
Total Contract Liabilities	**31.86**	**8.02**	**85.27**

40.5 Amounts received before the related performance obligation is satisfied are included in the Balance Sheet (Contract liabilities) as “Advance from Customers” in Other Non-Financial Liabilities (Refer Note 23). Amounts billed but not yet paid by the customer are included in the Balance Sheet under “Trade Receivables” (Refer Note 5).

40.6 There were no significant changes in the composition of the Contract Liabilities and Trade Receivables during the reporting period other than on account of periodic invoicing and revenue recognition.

40.7 Reconciliation of Revenue recognised from Contracts with Customers in the Statement of Profit and Loss with the contracted price

₹ in lakhs

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Revenue from Sale of Products as per Contract Price	1,234.63	1,376.56
Adjustments made to contract price:		
Discounts/ Rebates/ Incentives	NIL	NIL
Sales Returns	2.39	4.95
Revenue from Contracts with Customers	**1,232.24**	**1,371.62**
Other Operating Revenue	5.73	6.07
Revenue from Operations (as per Statement of Profit and Loss)	**1,237.97**	**1,377.69**

Note 41

Earnings Per Share (EPS)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Profit/ (Loss) attributable to equity shareholders (₹ in Lakhs)	(1,654.85)	159.64
Weighted average number of equity shares used for computing earning per share (Basic and Diluted)	1,808,604	1,808,604
Face Value of Equity Shares (₹ per share)	100	100
Earnings per Equity Share		
Basic (in ₹)	**(91.50)**	**8.83**
Diluted (in ₹)	**(91.50)**	**8.83**

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

Note 42
Capital Management

The Group's objectives when managing capital are to :

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the Group is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-today needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets.

The Group's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Group will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

Note 43
Disclosure pursuant to Ind AS 12 on "Income Taxes"

43.1 Components of Income Tax Expense **₹ in lakhs**

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Income Tax Expense recognised in the Statement of Profit and Loss		
Current Tax	NIL	560.00
(Excess) / Short Provision of tax of earlier years	(0.14)	NIL
Deferred Tax (including MAT Credit Entitlement)	1,829.79	(731.55)
Total Income Tax Expense	**1,829.65**	**(171.55)**
Deferred Tax related to items recognised in Other Comprehensive Income		
Remeasurement Gain / (Loss) on Defined Benefit Plans	1.16	(0.45)
Equity Instruments through Other Comprehensive Income	347.78	(171.10)
Total Income Tax Expense	**348.94**	**(171.55)**

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

43.2 Reconciliation of Income Tax Expense and Accounting Profit

The reconciliation between estimated Income Tax expense at statutory income tax rate / Minimum Alternate Tax (MAT) into income tax expense reported in the Statement of Profit and Loss is given below :

₹ in lakhs

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Profit / (Loss) before tax	174.80	(11.91)
Income tax expense calculated @ 25.17% (March 31, 2019 : 21.55%)	43.99	(2.57)
Tax on income that is exempt from taxation	(57.00)	(21.54)
Tax on expenses that are not deductible in determining taxable income / book profit	36.02	8.25
Difference between depreciation as per Books of Account and the Income Tax Act, 1961	2.55	NIL
Tax on Impairment on Financial Instruments	(1.38)	1.74
Tax on Income that is taxable under Capital Gain	(21.76)	574.60
Tax on Actuarial gain/(loss) on employee defined benefits obligation	1.15	(0.33)
Others	(3.57)	(0.15)
Tax Expense	NIL	560.00
(Excess) / Short Provision of tax of earlier years	(0.14)	NIL
Deferred Tax Expenses	1,829.79	(731.55)
Income Tax Expense recognised in Statement of Profit and Loss	1,829.65	(171.55)

43.3 Movement of Deferred Tax

Deferred Tax Assets / (Liabilities) in relation to the year ended March 31, 2020 **₹ in lakhs**

Particulars	As at April 1, 2019	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	Others	As at March 31, 2020
Property, Plant and Equipment and Other Intangible Assets	(9.47)	25.39	NIL	NIL	15.92
Fair Value changes of Equity Instruments through OCI	(122.43)	NIL	347.78	NIL	225.35
Investments in Units of Mutual Funds	(272.70)	(29.47)	NIL	NIL	(302.17)
Provision for Employee Benefits	76.38	(3.48)	1.16	NIL	74.06
MAT Credit Entitlement [Refer Note (a) below]	1,470.18	(1480.86)	NIL	10.68	NIL
Impairment Loss Allowance	8.91	(2.59)	NIL	NIL	6.32
Right-of-use Assets	NIL	(12.59)	NIL	NIL	(12.59)
Lease Liabilities	NIL	(6.89)	NIL	NIL	(6.89)
Carried Forward Business Losses	319.30	(319.30)	NIL	NIL	NIL
Total	**1,470.17**	**(1,829.79)**	**348.94**	**10.68**	**NIL**

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

Deferred Tax Assets / (Liabilities) in relation to the year ended March 31, 2019 **₹ in lakhs**

Particulars	As at April 1, 2018	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	Others	As at March 31, 2019
Property, Plant and Equipment and Other Intangible Assets	(19.50)	10.03	NIL	NIL	(9.47)
Fair Value changes of Equity Instruments through OCI	48.67	NIL	(171.10)	NIL	(122.43)
Investments in Units of Mutual Funds	(349.51)	76.81	NIL	NIL	(272.70)
Provision for Employee Benefits	40.83	36.00	(0.45)	NIL	76.38
MAT Credit Entitlement	900.97	NIL	NIL	569.21	1,470.18
Impairment Loss Allowance	6.56	2.35	NIL	NIL	8.91
Carried Forward Business Losses	272.94	46.36	NIL	NIL	319.30
Total	**900.96**	**171.55**	**(171.55)**	**569.21**	**1,470.17**

a. Pursuant to the Taxation Laws (Amendment) Bill 2019, passed on November 25, 2019, the Group had exercised the option permitted u/s 115BAA of the Income Tax Act, 1961, to compute income tax at revised rate (i.e.25.17%) from current financial year and accordingly, had re-measured deferred tax as at March 31, 2020. During the year ended March 31, 2020, the Group has written off MAT credit available of ₹ 1480.86 lakhs and the same is reflected under Tax Expense in the Statement of Profit and Loss.

b. Deferred Tax Asset is recognised only to the extent of Deferred Tax Liability and for the balance deductible temporary differences, no Deferred Tax Asset is recognised.

43.4 Deductible temporary differences and unused tax losses for which no deferred tax asset has been recognised :

₹ in lakhs

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Investments in Equity Instruments at FVTOCI	3,822.65	NIL	NIL
Unused Tax Losses			
Unabsorded Depreciation	209.37	299.58	299.58
Carried Forward Business Losses	3,730.68	2,355.40	3,037.09

I The amount and expiry date of unused tax losses, that is, unabsorbed depreciation and carried forward business losses are as follows:

Business Losses (FY)	As at March 31, 2020 ₹ in lakhs	Expiry Date	As at March 31, 2019 ₹ in lakhs	Expiry Date	As at April 1, 2018 ₹ in lakhs	Expiry Date
1996-97	1,900.00	NIL	1,900.00	NIL	1,900.00	NIL
2010-11	NIL	NIL	NIL	NIL	68.48	March 31, 2019
2012-13	202.61	March 31, 2021	NIL	March 31, 2021	NIL	March 31, 2021
2013-14	191.03	March 31, 2022	NIL	March 31, 2022	NIL	March 31, 2022
2014-15	102.25	March 31, 2023	15.91	March 31, 2023	100.11	March 31, 2023
2015-16	669.77	March 31, 2024	21.01	March 31, 2024	317.77	March 31, 2024
2016-17	650.73	March 31, 2025	404.19	March 31, 2025	650.73	March 31, 2025
2017-18	14.29	March 31, 2026	14.29	March 31, 2026	NIL	NIL
Total	**3,730.68**		**2,355.40**		**3,037.09**	

II There is no expiry date for unabsorbed depreciation to set off against the future taxable income.

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

Note 44

Disclosures on Financial Instruments

This section gives an overview of the significance of financial instruments for the Group and provides additional information on Balance Sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial assets, financial liabilities and equity instruments are disclosed in accounting policies, to the Consolidated Financial Statements.

44.1 Financial Assets and Liabilities

Carrying value and fair value of each category of financial assets and liabilities as at March 31, 2020, March 31, 2019 and April 1, 2018:

As at March 31, 2020 **₹ in lakhs**

Particulars	Carrying Value / Fair Value			
	Fair value through of Profit or Loss	Fair value through OCI	Amortised Cost / Cost	Total
Financial Assets				
Cash and Cash Equivalents	NIL	NIL	125.94	125.94
Bank Balance other than Cash and Cash Equivalents	NIL	NIL	45.24	45.24
Trade Receivables	NIL	NIL	155.08	155.08
Loans	NIL	NIL	9,029.77	9,029.77
Investments	10,961.81	13,763.23	NIL	24,725.04
Other Financial Assets	NIL	NIL	14.26	14.26
Total	**10,961.81**	**13,763.23**	**9,370.29**	**34,095.33**
Financial Liabilities				
Trade Payables	NIL	NIL	34.85	34.85
Borrowings (other than Debt Securities)	NIL	NIL	22.10	22.10
Deposits	NIL	NIL	375.00	375.00
Lease Liabilities	NIL	NIL	51.82	51.82
Other Financial Liabilities	NIL	NIL	120.45	120.45
Total	**NIL**	**NIL**	**604.22**	**604.22**

As at March 31, 2019 **₹ in lakhs**

Particulars	Carrying Value / Fair Value			
	Fair value through of Profit or Loss	Fair value through OCI	Amortised Cost / Cost	Total
Financial Assets				
Cash and Cash Equivalents	NIL	NIL	465.44	465.44
Bank Balance other than Cash and Cash Equivalents	NIL	NIL	42.75	42.75
Trade Receivables	NIL	NIL	155.52	155.52
Loans	NIL	NIL	9,251.89	9,251.89
Investments	13,106.37	18,756.79	NIL	31,863.16
Other Financial Assets	NIL	NIL	35.73	35.73
Total	**13,106.37**	**18,756.79**	**9,951.33**	**41,814.49**
Financial Liabilities				
Trade Payables	NIL	NIL	15.10	15.10
Borrowings (other than Debt Securities)	NIL	NIL	NIL	NIL
Deposits	NIL	NIL	413.00	413.00
Other Financial Liabilities	NIL	NIL	132.25	132.25
Total	**NIL**	**NIL**	**560.35**	**560.35**

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

As at April 1, 2018 **₹ in lakhs**

Particulars	Carrying Value / Fair Value			
	Fair value through of Profit or Loss	Fair value through OCI	Amortised Cost / Cost	Total
Financial Assets				
Cash and Cash Equivalents	NIL	NIL	320.94	320.94
Bank Balance other than Cash and Cash Equivalents	NIL	NIL	34.20	34.20
Trade Receivables	NIL	NIL	134.90	134.90
Loans	NIL	NIL	3,699.86	3,699.86
Investments	23,685.40	12,271.56	NIL	35,956.96
Other Financial Assets	NIL	NIL	181.19	181.19
Total	**23,685.40**	**12,271.56**	**4,371.09**	**40,328.05**
Financial Liabilities				
Trade Payables	NIL	NIL	97.16	97.16
Borrowings (other than Debt Securities)	NIL	NIL	4.78	4.78
Deposits	NIL	NIL	425.21	425.21
Other Financial Liabilities	NIL	NIL	121.76	121.76
Total	**NIL**	**NIL**	**648.91**	**648.91**

44.2 Fair Value Hierarchy

Analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, is as described below:

₹ in lakhs

Particulars	Fair Value Measurements			
	Level 1	Level 2	Level 3	Total
As at March 31, 2020				
Financial Assets				
Investments in Units of Mutual Funds	10,961.81	NIL	NIL	**10,961.81**
Investments in Equity Instruments	13,763.23	NIL	NIL	**13,763.23**
As at March 31, 2019				
Financial Assets				
Investments in Units of Mutual Funds	13,106.37	NIL	NIL	**13,106.37**
Investments in Equity Instruments	18,756.79	NIL	NIL	**18,756.79**
As at April 1, 2018				
Financial Assets				
Investments in Units of Mutual Funds	23,685.40	NIL	NIL	**23,685.40**
Investments in Equity Instruments	12,271.56	NIL	NIL	**12,271.56**

i. Other financial assets and financial liabilities are stated at carrying value which is approximately equal to their fair value.

ii. Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Group could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

iii. There have been no transfers between Level 1, Level 2 and Level 3 for the years ended March 31, 2020, March 31, 2019 and April 1, 2018.

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

44.3 Financial Risk Management Objectives and Policies

The Group's activities expose it to market risk, credit risk and liquidity risk. The Holding Company's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the consolidated financial statements.

I. Market Risk

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in interest rates, foreign currency exchange rates, equity price fluctuations, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

a. Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Since the Group does not have any borrowings, it is not exposed to cash flow interest rate risk.

b. Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities. The Group's exposure to foreign currency changes from operating activities is not material.

II. Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Financial instruments that are subject to credit risk and concentration thereof principally consist of trade receivables, loans, investments, cash and cash equivalents and other bank balances.

The carrying value of financial assets represents the maximum credit risk. The maximum exposure to credit risk was ₹ 9,209.99 lakhs, ₹ 9,438.02 lakhs and ₹ 3,857.28 lakhs, as at March 31, 2020, March 31, 2019 and April 1, 2018, respectively, being the total carrying value of trade receivables and loans.

₹ in lakhs

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Trade Receivables	180.22	186.13	157.42
Loans	9,029.77	9,251.89	3,699.86

Credit risk from balances with bank and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

III. Liquidity Risk

Liquidity risk is defined as the risk that the company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the company might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Group invests its surplus funds in fixed deposit, mutual funds and equity instruments, which carry no or low market risk.

The Group manages the liquidity risk by maintaining adequate funds in cash and cash equivalents.Working capital requirements are adequately addressed by internally generated funds. Trade Receivables are kept within manageable levels.

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

Maturity analysis of undiscounted cash flows of the Group's financial assets and financial liabilities :

₹ in lakhs

Particulars	Less than 1 year	1 year to 5 years	More than 5 years	Total
As at March 31, 2020				
Financial Assets				
Cash and Cash Equivalents	125.94	NIL	NIL	**125.94**
Bank Balances other than Cash and Cash Equivalents	45.24	NIL	NIL	**45.24**
Trade Receivables	155.08	NIL	NIL	**155.08**
Loans	0.91	9,028.86	NIL	**9,029.77**
Investments	NIL	24,725.04	NIL	**24,725.04**
Other Financial Assets	14.26	NIL	NIL	**14.26**
Financial Liabilities				
Trade Payables	34.85	NIL	NIL	**34.85**
Borrowings (other than Debt Securities)	22.10	NIL	NIL	**22.10**
Deposits	NIL	375.00	NIL	**375.00**
Lease Liabilities	NIL	NIL	51.82	**51.82**
Other Financial Liabilities	120.45	NIL	NIL	**120.45**
As at March 31, 2019				
Financial Assets				
Cash and Cash Equivalents	465.44	NIL	NIL	**465.44**
Bank Balances other than Cash and Cash Equivalents	42.75	NIL	NIL	**42.75**
Trade Receivables	155.52	NIL	NIL	**155.52**
Loans	251.89	9,000.00	NIL	**9,251.89**
Investments	NIL	31,863.16	NIL	**31,863.16**
Other Financial Assets	35.73	NIL	NIL	**35.73**
Financial Liabilities				
Trade Payables	15.10	NIL	NIL	**15.10**
Borrowings (other than Debt Securities)	NIL	NIL	NIL	**NIL**
Deposits	NIL	413.00	NIL	**413.00**
Other Financial Liabilities	132.25	NIL	NIL	**132.25**
As at April 1, 2018				
Financial Assets				
Cash and Cash Equivalents	320.94	NIL	NIL	**320.94**
Bank Balances other than Cash and Cash Equivalents	34.20	NIL	NIL	**34.20**
Trade Receivables	134.90	NIL	NIL	**134.90**
Loans	NIL	3,699.86	NIL	**3,699.86**
Investments	NIL	35,956.96	NIL	**35,956.96**
Other Financial Assets	181.19	NIL	NIL	**181.19**
Financial Liabilities				
Trade Payables	97.16	NIL	NIL	**97.16**
Borrowings (other than Debt Securities)	4.78	NIL	NIL	**4.78**
Deposits	NIL	425.21	NIL	**425.21**
Other Financial Liabilities	121.76	NIL	NIL	**121.76**

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

Note 45
Employee Benefits Expense

45.1 Defined Contribution Plans

Contribution Funds

Retirement benefit in the form of Provident Fund, Employee State Insurance Corporation (ESIC) and Pension Fund are defined contribution schemes. The Group has no obligation, other than the contribution payable to these funds / schemes. The Group recognises contribution payable to such schemes as an expense, when an employee renders the related service.

The Group has recognised the following amounts in the Statement of Profit and Loss under Contribution to Provident and Other Funds as under:

₹ in lakhs

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Employer's Contribution to Employees' Provident Fund	31.36	32.94
Employer's Contribution to Employee Pension Fund	3.45	4.25
Employer's Contribution to ESIC	0.53	1.44
Total	**35.34**	**38.63**

45.2 Defined Benefit Plans

Retirement Gratuity

The Group provides annual contributions as a non-funded Defined Benefit Plan for qualifying employees. The Gratuity Scheme provides for payment to vested employees as under.

i. On normal retirement / early retirement /withdrawal / resignation :
As per the provisions of the Payment of Gratuity Act, 1972 with a vesting period of 5 years of service.

ii. On death while in service
As per the provisions of the Payment of Gratuity Act, 1972 without any vesting period.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity was carried out as at March 31, 2020 by an Actuary using the Projected Unit Credit Method.

The following tables summarise the components of net benefit expenses recognised in the Statement of Profit and Loss and the funded status and amounts recognised in the Balance Sheet for the respective plans:

₹ in lakhs

Sr. No.	Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
		(Unfunded)	(Unfunded)	(Unfunded)
I	**Change in Present Value of Defined Benefit Obligation during the year**			
	Present Value of Defined Benefit Obligation at the beginning of the year	**120.45**	**145.64**	**166.02**
	Interest cost	8.81	9.49	10.28
	Current Service Cost	11.70	11.82	9.58
	Past Service Cost	NIL	NIL	11.33
	Benefit Payments from Employer	(7.92)	(48.05)	(58.00)
	Remeasurements - Due to Financial Assumptions	3.98	0.86	(0.95)
	Remeasurements - Due to Experience Adjustments	(8.58)	0.70	7.38
	Present Value of Befined Benefit Obligation at the end of the year	**128.44**	**120.45**	**145.64**

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

₹ in lakhs

Sr. No.	Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
		(Unfunded)	(Unfunded)	(Unfunded)
II	**Net (Asset) / Liability recognised in the Balance Sheet**			
	Present Value of Befined Benefit Obligation at the beginning of the year	128.44	120.45	145.64
	Fair value of plan assets at the end of the year	NIL	NIL	NIL
	Funded Status	128.44	120.45	145.64
	Net (Asset) / Liability recognised in the Balance Sheet	**128.44**	**120.45**	**145.64**

₹ in lakhs

Sr. No.	Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
		(Unfunded)	(Unfunded)	(Unfunded)
III	**Net Interest Cost for the year**			
	Present Value of Benefit Obligation at the Beginning of the Period	120.45	145.64	166.02
	Fair Value of Plan Assets at the Beginning of the Period	NIL	NIL	NIL
	Net Liability/(Asset) at the Beginning	**120.45**	**145.64**	**166.02**
	Interest Cost	8.81	9.49	9.58
	Interest Income	NIL	NIL	NIL
	Net Interest Cost for the year	**8.81**	**9.49**	**9.58**

₹ in lakhs

Sr. No.	Particulars	As at March 31, 2020	As at March 31, 2019
		(Unfunded)	(Unfunded)
IV	**Expenses recognised in the Statement of Profit and Loss**		
	Current Service Cost	11.70	11.82
	Interest Expense on Defined Benefit Obligation (Net)	8.81	9.49
	Expected Contributions by the Employees	NIL	NIL
	(Gains)/Losses on Curtailments And Settlements	NIL	NIL
	Total Expenses recognised in Statement of Profit and Loss	**20.51**	**21.31**

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

₹ in lakhs

Sr. No.	Particulars	As at March 31, 2020 (Unfunded)	As at March 31, 2019 (Unfunded)
V	**Expenses recognised in the Other Comprehensive Income**		
	Remeasurements - Due to Demographic Assumptions	NIL	NIL
	Remeasurements - Due to Financial Assumptions	3.98	0.86
	Remeasurements - Due to Experience Adjustments	(8.58)	0.70
	Return on Plan Assets (Excluding Interest Income)	NIL	NIL
	Change in Asset Ceiling	NIL	NIL
	Total Expenses recognised in Other Comprehensive Income	**(4.60)**	**1.56**

₹ in lakhs

Sr. No.	Particulars	As at March 31, 2020 (Unfunded)	As at March 31, 2019 (Unfunded)	As at April 1, 2018 (Unfunded)
VI	**Cash Flow Projection: From the Fund**			
	Within the next 12 months			
	next annual reporting period)	60.51	63.28	95.29
	2nd following year	19.68	1.81	8.97
	3rd following year	19.99	19.37	1.11
	4th following year	1.40	17.21	22.98
	5th following year	0.85	1.10	8.19
	Sum of years 6 to 10	34.97	36.13	17.04

The average duration of the defined benefit plan obligation as at March 31, 2020 is 6.6 years (March 31, 2019: 7.02 years and April 1, 2018: 5.35 years).

₹ in lakhs

Sr. No.	Particulars	As at March 31, 2020 (Unfunded)	As at March 31, 2019 (Unfunded)	As at April 1, 2018 (Unfunded)
VII	**Quantitative sensitivity analysis for significant assumption**			
	Projected Benefit Obligation on current assumptions	128.44	120.45	145.64
	Delta Effect of +1% Change in Rate of Salary Increase	132.23	124.38	149.24
	Delta Effect of -1% Change in Rate of Salary Increase	124.57	116.86	142.28
	Delta Effect of +1% Change in Rate of Employee Turnover	128.86	120.96	146.19
	Delta Effect of -1% Change in Rate of Employee Turnover	127.96	119.85	145.02
	Delta Effect of +1% Change in Rate of Discounting	124.67	117.00	142.67
	Delta Effect of -1% Change in Rate of Discounting	132.71	124.33	148.95
	Usefulness and Methodology adopted for Sensitivity Analysis Sensitivity Analysis is an analysis which will give the movement in liability if the assumption were not proved to be true on different count. This only signifies the change in the liability if the difference between the assume and the actual is not following the parameters of the sensitivity analysis.			

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

Sr. No.	Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
		(Unfunded)	(Unfunded)	(Unfunded)
VIII	**Actuarial Assumptions**			
	Discount rate	6.50%	7.56%	7.80%
	Salary escalation	5%	5%	5%
	Mortality rate during employment	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)
	Rate of Employee Turnover	1%	1%	1%

IX Risk to the Plan

Actuarial Risk :

The plan is subject to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employee in future.

Asset Liability Matching Risk :

The plan faces the ALM risk as to the matching cash flow. The Company manages the cash flow based on its own liquidity as and when it becomes due.

Liquidity Risk :

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign / retire from the company there can be strain on the cash flows.

Market Risk :

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits and vice versa. This assumption depends on the yields on the corporate / government bonds and hence, the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

Mortality Risk :

Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Legislative Risk :

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation / regulation. The Government may amend the Payment of Gratuity Act, 1972; thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognised immediately in the year when any such amendment is effective.

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

Note 46
Disclosure pursuant to Ind AS 24 on "Related Party Disclosures"

46.1 List of Related Parties:

Holding Company	New India Exports Private Limited	
Key Management Personnel	Smt. Vineeta Kanoria	: Whole Time Director
	Dr. Anurag Kanoria	: Whole Time Director
	Shri Vinod K. Lohia	: Whole Time Director
	Shri Raj Kumar Jhunjhunwala	: Independent Director
	Shri Bimalkumar Kanodia	: Independent Director
	Smt. Shobha Sharma	: Company Secretary
Relatives of Key Management Personnel	Shri Arvind K. Kanoria	: Husband of Smt. Vineeta Kanoria
	Smt. Aruna Kanoria	: Mother of Dr. Anurag Kanoria
	Shri Arvind K. Kanoria	: Brother of Dr. Anurag Kanoria
Entities over which KMP and Relatives exercise significant influence	Bombay Wire Ropes Limited	
	Temple Garment Manufacturing Company Private Limited	
	Sparkk Organics Private Limited	
	Kanoria Charitable Trust	

46.2 Transactions and Balances with Related Parties :

I Transactions with Related Parties :

₹ in lakhs

Particulars	**Year ended March 31, 2020**	**Year ended March 31, 2019**
Key Management Personnel Compensation		
Short-term Employee Benefits [Refer Note 34]		
Smt. Vineeta Kanoria	102.27	97.97
Dr. Anurag Kanoria	24.07	24.85
Shri Vinod K. Lohia	15.67	15.67
Relative of Key Management Personnel		
Advisory Fees paid to Shri Arvind K. Kanoria	180.00	90.00
Transactions with New India Exports Private Limited		
Opening Receivable	2,792.28	1,655.04
Loans given during the year	332.00	1,471.23
Repayment of Loan given	509.00	334.00
Interest Received	216.80	127.40
Closing Receivable	2,810.40	2,792.28
Transaction with Bombay Wire Ropes Limited		
Rent Paid	7.20	7.20
Transactions with Temple Garment Manufacturing CompanyPrivate Limited		
Purchase of Goods	2.60	34.39
Rent Received	2.76	2.76
Transaction with Kanoria Charitable Trust		
Donation Paid	3.81	NIL

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

II Outstanding Balances as at the year-end **₹ in lakhs**

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Balance with Key Management Personnel			
Remuneration payable to Smt. Vineeta Kanoria	4.75	NIL	NIL
Remuneration payable to Dr. Anurag Kanoria	4.20	NIL	NIL
Remuneration payable to Shri Vinod K. Lohia	0.91	NIL	NIL
Balance with Temple Garment Manufacturing Company Private Limited			
Advance against purchase of goods	63.97	34.16	NIL

III Terms and conditions of transactions and balances with related parties

a. The transactions with related parties are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions.

b. There have been no guarantees provided or received for any related party transaction.

Note 47
Disclosures under Ind AS 116 on "Leases"

47.1 Transition to Ind AS 116

The Group has adopted Ind AS 116 on "Leases" with effect from April 1, 2019 and applied the Standard to its leases existing on April 1, 2019, by using modified retrospective approach and accordingly, comparative information for the year ended March 31, 2019 have not been restated. The Group has recognised and measured the Right-of-Use (ROU) assets and the lease liabilities for the remaining lease term and payments discounted using the incremental borrowing rate as at the date of initial application. As a result, on the date of transition, the Group has recognised ROU assets of ₹ 54.60 lakhs and a corresponding lease liabilities of ₹ 54.60 lakhs for the remaining lease term which is considered as remaining economic useful life of the underlying asset i.e. Buidling. For year ended March 31, 2020, the nature of expenses in respect of operating leases has changed from lease rent in previous periods to depreciation for the ROU assets and finance costs for interest accrued on lease liabilities. The impact of this adoption is ₹ 1.78 lakhs on the Statement of Profit or Loss for the period and consequentially, that on earnings per share. Segment results have been arrived after considering interest expense on lease liabilities.

47.2 As a Lessee :

I The following is the movement in lease liabilities during the year ended March 31, 2020 :

₹ in lakhs

Particulars	Amount
Balance as at April 1, 2019	**NIL**
Transition on account of adoption of Ind AS 116	54.60
Additions	NIL
Interest Expenses	4.42
Deletions	NIL
Payment of Lease Liabilities	(7.20)
Balance as at March 31, 2020	**51.82**

The aggregate interest expense amounting to ₹ 4.42 lakhs on Lease Liabilities is disclosed separately under Finance Costs [Refer Note 29]

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

II The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis :

₹ in lakhs

Particulars	As at March 31, 2020
Less than one year	**7.20**
One to five years	**36.00**
More than five years	**43.20**
	86.40

The Group does not face a liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

III The following amounts are recognised in the Statement of Profit and Loss :

₹ in lakhs

Particulars	Year ended March 31, 2020
Depreciation charge on Right-of-Use Assets	**4.56**
Interest expense on Lease Liabilities	**4.42**
Expense relating to Short-term Leases	**21.72**
Expense relating to leases of low-value assets, excluding Short term Leases of Low value Assets	**NIL**

IV Total cash outflow for leases from Financing Activites recognised in the Statement of Cash Flows for the year ended March 31, 2020 is ₹ 7.20 lakhs.

47.3 As a Lessor :

I The Group has given commercial space on operating lease. The particulars in respect of such leases are as follows:-

₹ in lakhs

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Lease Rental Income		
i. Maturity Analysis of Lease Payments		
Less than one year	2.76	2.76
One to 5 years	8.28	11.04
More than 5 years	NIL	NIL
Total undiscounted lease payment receivables	**11.04**	**13.80**
ii. Lease Income recognised in the Statement of Profit and Loss for the year	2.76	2.76

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

Note 48

Segment Reporting as per Ind AS 108 on "Operating Segments"

The Group has determined following reporting segments based on the information reviewed by the Company's Chief Operating Decision Maker ('CODM') :

– Segment-1 : Textile
– Segment-2 : Home Decor
– Segment-3 : Treasury

The above business segments have been identified considering :

a. the nature of products and services
b. the differing risks and returns
c. the internal organisation and management structure, and
d. the internal financial reporting system

The CODM of the Company reviews and monitors the operating results of the operating segment for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profits or losses and is measured consistently with operating profits or losses in the Consolidated Financial Statements.

The Group generates revenue primarily from lending and investment activities, Sale of Yarn and Home Decor items. Other Operating Revenue include sale of scrap.

₹ in lakhs

Particulars	Year Ended March 31, 2020			Year Ended March 31, 2019		
	External	Inter-Segment	Total	External	Inter-Segment	Total
Segment Revenue						
Textile	1,017.21	NIL	1,017.21	962.01	NIL	962.01
Home Décor	220.76	NIL	220.76	415.68	NIL	415.68
Treasury	1,386.76	NIL	1,386.76	1,437.08	NIL	1,437.08
Revenue from Operations	**2,624.73**	**NIL**	**2,624.73**	**2,814.77**	**NIL**	**2,814.77**
Segment Results						
Textile	(910.06)	NIL	(910.06)	(1,198.65)	NIL	(1,198.65)
Home Décor	(406.12)	NIL	(406.12)	(409.74)	NIL	(409.74)
Treasury	1,386.30	NIL	1,386.30	1,436.65	NIL	1,436.65
Total	**70.12**	**NIL**	**70.12**	**(171.74)**	**NIL**	**(171.74)**
Unallocated Income net of unallocated expense			146.10			184.05
Profit Before Interest & Taxation			**216.22**			**12.31**
Finance Costs			(41.42)			(24.22)
Profit Before Tax			**174.80**			**(11.91)**
Tax Expense			1,829.65			(171.55)
Profit After Tax			**(1,654.85)**			**159.64**

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

Other Information ₹ in lakhs

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Segment Assets			
Textile	991.41	1,251.52	1,285.75
Home Décor	1,732.86	1,711.21	1,758.85
Treasury	33,839.27	41,223.56	39,725.80
Unallocable Asset	477.16	1,806.85	1,436.75
Total Assets	**37,040.70**	**45,993.14**	**44,207.15**
Segment Liabilities			
Textile	467.36	409.84	348.87
Home Décor	498.38	487.94	604.37
Treasury	NIL	NIL	NIL
Unallocable Liabilities	71.84	545.91	22.72
Total Liabilities	**1,037.58**	**1,443.69**	**975.96**
Capital Employed	**36,003.12**	**44,549.45**	**43,231.19**

₹ in lakhs

Particulars	Year Ended March 31, 2020			Year Ended March 31, 2019		
	Capital Expenditure	Non Cash Expenditure Other Than Depreciation	Depreciation and Amortisation	Capital Expenditure	Non Cash Expenditure Other Than Depreciation	Depreciation and Amortisation
Textile	94.13	NIL	110.35	34.73	NIL	116.15
Home Décor	10.93	NIL	9.07	2.11	NIL	11.78
Treasury	NIL	NIL	NIL	NIL	NIL	NIL
Total	**105.06**	**NIL**	**119.42**	**36.84**	**NIL**	**127.93**

Additional Information by Geographies ₹ in lakhs

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Carrying Amount of Segment Assets			
India	37,040.70	45,993.14	44,207.15
Outside India	NIL	NIL	NIL
Total	**37,040.70**	**45,993.14**	**44,207.15**

₹ in lakhs

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Cost incurred during the year to acquire Fixed Assets		
India	105.06	36.84
Outside India	NIL	NIL
Total	**105.06**	**36.84**

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

₹ in lakhs

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Revenue by Geographial Segment		
India	1,237.49	1,372.15
Outside India	0.48	5.54
Total	**1,237.97**	**1,377.69**

Note 49
Disclosure pursuant to Ind AS 101 on "First-time Adoption of Indian Accounting Standards"

These Consolidated Financial Statements, for the year ended March 31, 2020, are the first financial statements, the Group has prepared in accordance with Ind AS. For the periods upto March 31, 2019, the Group prepared its financial statements in accordance with Accounting Standards notified under Section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and amendments thereof ('Previous GAAP').

The Holding Company, *inter alia*, is engaged in lending and investments activites. Its revenue from financial assets have interest income, dividend income and profit on sale of investments which is 72.60% of its total income and its financial assets include loans and investments, which is 88.26% of the total assets as at March 31, 2019. Lending and Investment activities carried out by the Holding Company which attracts the provisions of Non Banking Financial Companies (NBFC) and accordingly, the Holding Company is in the process of completing the formalities related to the same.

In terms of Rule 4(1)(iv) of the Companies (Indian Accounting Standards) (Amendments) Rules, 2016, the Holding Company which is carrying on the activity of NBFC but not registered with RBI will also be subject to the roadmap for the applicability of Ind AS as applicable to any other NBFC. Since, the Holding Company is carrying out NBFC activities and its net worth is ₹ 39,120.85 lakhs as on March 31, 2019, the Holding Company is required to comply with Ind AS applicability.

Accordingly, the Group has prepared Consolidated Financial Statements which comply with Ind AS applicable for the year ended March 31, 2020, together with the comparative period data as at and for the year ended March 31, 2019, as described in the summary of significant accounting policies. In preparing these Consolidated Financial Statements, the Group's opening Balance Sheet was prepared as at April 1, 2018, the Group's date of transition to Ind AS. This note explains the principal adjustments made by the Group in restating its Previous GAAP financial statements, including the Balance Sheet as at April 1, 2018 and the financial statements as at and for the year ended March 31, 2019.

Exemptions applied :
Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Group has applied the following material exemptions:

Exemptions:

Estimates
The estimates at April 1, 2018 and March 31, 2019 are consistent with those made for the same dates in accordance with previous GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items where application of previous GAAP did not require estimation :

a. Impairment of financial assets based on Expected Credit Loss Model.

b. Fair Value Through Other Comprehensive Income (FVTOCI) of Equity Instruments and

c. Fair Value through Profit and Loss of Investments in units of Mutual Funds

The estimates used by the Group to present these amounts in accordance with Ind AS reflect conditions as at April 1, 2018, the date of transition to Ind AS and as at March 31, 2019.

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

Classification and Measurement of Financial Assets

The Group has classified the financial assets in accordance with Ind AS 109 on “Financial Instruments” on the basis of facts and circumstances that exist at the date of transition to Ind AS.

Deemed cost of Property, Plant and Equipment and Intangible Assets

The Group has elected to avail exemption under Ind AS 101 to use previous GAAP carrying value as deemed cost at the date of transition for all items of Property, Plant and Equipment and Intangible Assets as per the Balance Sheet prepared in accordance with previous GAAP.

Fair Value Measurement of Financial Assets or Liabilities

Under Previous GAAP the financial assets and liabilities were being carried at transaction value. First time adopters may apply Ind AS to day-one gain or loss provision prospectively to transactions occurring on or after the date of transition to Ind AS. Further, unless a first time adopter elects to apply Ind AS 109 retrospectively to day-one gain or loss, transactions that occurred prior to the date of transition to Ind AS do not need to be retrospectively restated.

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

49.1 Effect of Ind AS adoption on Consolidated Balance Sheet as at March 31, 2019 and April 1, 2018

₹ in lakhs

Particulars	Note	As at March 31, 2019			As at April 1, 2018		
		Previous GAAP	Effect of transition to Ind AS	Ind AS	Previous GAAP	Effect of transition to Ind AS	Ind AS
ASSETS							
1. Financial Assets							
a. Cash and Cash Equivalents		465.44	NIL	465.44	320.94	NIL	320.94
b. Bank Balance other than Cash and Cash Equivalents		42.75	NIL	42.75	34.20	NIL	34.20
c. Trade Receivables	3 and 4	191.07	(35.55)	155.52	157.42	(22.52)	134.90
d. Loans		9,251.89	NIL	9,251.89	3,699.86	NIL	3,699.86
e. Investments	1 and 5	26,144.50	5,718.66	31,863.16	28,853.96	7,103.00	35,956.96
f. Other Financial Assets		35.73	NIL	35.73	181.19	NIL	181.19
2. Non-Financial Assets							
a. Inventories	4	1,459.28	4.95	1,464.23	1,500.54	NIL	1,500.54
b. Current Tax Assets (Net)		336.67	NIL	336.67	535.78	NIL	535.78
c. Deferred Tax Assets (Net)	6	1,470.18	NIL	1,470.18	900.96	NIL	900.96
d. Property, Plant and Equipment		697.08	NIL	697.08	782.79	NIL	782.79
e. Other Intangible Assets		7.80	NIL	7.80	13.76	NIL	13.76
f. Other Non-Financial Assets		202.69	NIL	202.69	145.27	NIL	145.27
Total Assets		**40,305.08**	**5,688.06**	**45,993.14**	**37,126.67**	**7,080.48**	**44,207.15**
LIABILITIES AND EQUITY							
LIABILITIES							
1. Financial liabilities							
a. Trade Payables							
i. Total outstanding dues of Micro Enterprises and Small Enterprises		NIL	NIL	NIL	NIL	NIL	NIL
ii. Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		15.10	NIL	15.10	97.16	NIL	97.16
b. Borrowings (Other than Debt Securities)		NIL	NIL	NIL	4.78	NIL	4.78
c. Deposits		413.00	NIL	413.00	425.21	NIL	425.21
d. Other Financial Liabilities		132.25	NIL	132.25	121.76	NIL	121.76
2. Non-Financial Liabilities							
a. Current Tax Liabilities (Net)		505.36	NIL	505.36	NIL	NIL	NIL
b. Provisions		310.35	NIL	310.35	198.23	NIL	198.23
c. Other Non-Financial Liabilities		67.63	NIL	67.63	128.82	NIL	128.82
EQUITY							
a. Equity Share Capital		1,808.60	NIL	1,808.60	1,808.60	NIL	1,808.60
b. Other Equity	1 to 6	37,052.79	5,688.06	42,740.85	34,342.11	7,080.48	41,422.59
Total Liabilities and Equity		**40,305.08**	**5,688.06**	**45,993.14**	**37,126.67**	**7,080.48**	**44,207.15**

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

49.2 Effect of Ind AS adoption on the Consolidated Statement of Profit and Loss for the year ended March 31, 2019

₹ in lakhs

Particulars	Note	Previous GAAP to Ind AS	Effect of transition	Ind AS
Revenue from Operations				
i. Interest Income		435.05	NIL	435.05
ii. Dividend Income		99.96	NIL	99.96
iii. Net Gain on Fair Value Changes	1	3,577.06	(2,674.99)	902.07
iv. Sale of Products	4	1,382.64	(4.95)	1,377.69
I Total Revenue from Operations		**5,494.71**	**(2,679.94)**	**2,814.77**
II Other Income		184.05	NIL	184.05
III Total Income (I + II)		**5,678.76**	**(2,679.94)**	**2,998.82**
Expenses				
i. Finance Costs		24.22	NIL	24.22
ii. Impairment on Financial Instruments	3	NIL	8.09	8.09
iii. Cost of Materials Consumed		656.18	NIL	656.18
iv. Purchases of Stock-in-trade		168.67	NIL	168.67
v. Changes in inventories of Finished Goods, Stock-in-trade and Work-in- progress	4	21.07	(4.95)	16.12
vi. Employee Benefits Expense		764.02	NIL	764.02
vii. Depreciation and Amortisation		127.93	NIL	127.93
viii. Other Expenses		1,245.50	NIL	1,245.50
IV Total Expenses		**3,007.59**	**3.14**	**3,010.73**
V Profit / (Loss) before tax (III - IV)		**2,671.17**	**(2,683.08)**	**(11.91)**
VI Tax Expense :				
i. Current Tax		560.00	NIL	560.00
ii. Deferred Tax	6	(560.00)	(171.55)	(731.55)
Total Tax Expense		NIL	(171.55)	(171.55)
VII Profit / (Loss) for the year (V-VI)		**2,671.17**	**(2,511.53)**	**159.64**
VIII Other Comprehensive Income				
i. Items that will not be reclassified to profit or loss				
a. Remeasurement Gain / (Loss) on Defined Benefit Plans		(1.56)	NIL	(1.56)
b. Equity Instruments through Other Comprehensive Income	5	41.07	1,290.66	1,331.73
ii. Income tax relating to above	6	NIL	(171.55)	(171.55)
Total Other Comprehensive Income for the year		39.51	1,119.11	1,158.62
IX Total Comprehensive Income for the year (VII+VIII)		**2,710.68**	**(1,392.42)**	**1,318.26**

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

49.3 Effect of Ind AS adoption on Consolidated Statement of Cash Flows for the year ended March 31, 2019

₹ in lakhs

Particulars	**Previous GAAP**	**Effect of transition to Ind AS**	**Ind AS**
I Net Cash Generated / (Used) from Operating Activities	6,112.59	(7491.96)	(1,379.37)
II Net Cash Generated / (Used) from Investing Activities	6,865.58	(5336.93)	1,528.65
III Net Cash Generated / (Used) from Financing Activities	599.94	(604.72)	(4.78)
Net Increase / (Decrease) in Cash and Cash Equivalents	**13,578.11**	**(13,433.61)**	**144.50**
Cash and Cash Equivalents at the beginning of the year	355.14	(34.20)	320.94
Cash and Cash Equivalents at the end of the year	508.19	(42.75)	465.44

49.4 Statement of reconciliation of Total Equity reported under Previous GAAP and under Ind AS

₹ in lakhs

Particulars	**Notes**	**As at March 31, 2019**	**As at April 1, 2018**
Total Equity as per Previous GAAP		**38,861.39**	**36,150.71**
Add / (Less) : Ind AS Adjustments			
Fair Value of Mutual Funds through Profit and Loss	1	5,221.16	4,671.59
Loss on Sale of units of Mutual Funds	1	(3,224.56)	NIL
Fair Value of Equity Instruments through OCI	5	3,700.47	2,431.41
Profit on Sale of Equity Instruments	5	21.60	NIL
Impairment Loss Allowance	3	(30.61)	(22.52)
Deferred Tax Adjustments	6	NIL	NIL
Total Ind AS Adjustments		**5,688.06**	**7,080.48**
Total Equity as per Ind AS		**44,549.45**	**43,231.19**

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

49.5 Statement of reconciliation of Total Comprehensive Income for the year ended March 31, 2019

₹ in lakhs

Particulars	Notes	Year Ended March 31, 2019
Profit / (Loss) after tax under Previous GAAP		**2,710.68**
Add / (Less) : Ind AS Adjustments		
Fair Value of Mutual Funds through Profit and Loss	1	549.57
Reversal of Profit on Sale of units of Mutual Funds	1	(3,224.56)
Reversal of Profit on Sale of Equity Instruments	5	(41.07)
Remeasurement Gain / (Loss) on Defined Benefit Plans	2	1.56
Impairment Loss Allowance	3	(8.09)
Deferred Tax Adjustments	6	171.55
Profit / (Loss) after tax for the year as per Ind AS		**159.64**
Other Comprehensive Income		
Remeasurement Gain / (Loss) on Defined Benefit Plans	2	(1.56)
Fair Value of Equity Instruments through OCI	5	1,269.06
Profit on Sale of Equity Instruments	5	62.67
Deferred Tax Adjustments	6	(171.55)
Total Comprehensive Income / (Loss) for the year under Ind AS		**1,318.26**

49.6 Notes to the reconciliation

1. **Fair Value of Mutual Funds through Profit and Loss**
Under previous GAAP, the Group accounted for long term investments in units of mutual funds at cost less provision for other than temporary diminution in the value of investments. Under Ind AS, the Group has measured investments in units of mutual funds at FVTPL category. The difference between fair value and the previous GAAP carrying amount has been recognised in other equity on the date of transition. On disposal, differrence between the fair value and sale price is recorded as profit or loss on sale of investments.

2. **Re-measurements of post-employment benefit plans**
Both under previous GAAP and Ind AS, the Group recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under previous GAAP, the entire cost, including actuarial gain and losses, were charged to the Statement of Profit and Loss. Under Ind AS, remeasurements (comprising of actuarial gains and losses, the effect of assets ceiling, excluding amounts included in net interest on the net defined benefit liability and return on plan assets excluding amount included in net interest on the net defined benefit liability) are recognised in OCI.

3 **Impairment Loss Allowance on Trade Receivables**
Under previous GAAP, loss provision for trade receivables was created based on credit risk assessment. Under Ind AS, these provisions are created based on risk of default and timing of collection.

4 **Provision for Sales Return**
Under previous GAAP, revenue is recognised when the entity has transferred the property in the goods to the buyer for a consideration. Under Ind AS, the entity recognises provision for sales return, based on the historical experience, measured on net basis of the margin of the sale.

5 **Fair Value of Equity Instruments through OCI**
Under previous GAAP, the Group accounted for long term investments in units of mutual funds at cost less provision for other than temporary diminution in the value of investments and there was no concept of OCI. Under Ind AS, for equity instruments other than held for trading, the Group has exercised irrevocable option to recognise in OCI subsequent changes in the fair value and on disposal, the cumulative fair value changes on the said instruments are reclassified to Retained Earnings.

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

6 **Deferred Tax Adjustments**

Under previous GAAP, deferred tax accounting was under the Income Statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 on "Income Taxes" requires the Group to account for deferred taxes using the Balance Sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the Balance Sheet and its tax base. The application of Balance Sheet approach has resulted in recognition of deferred tax on new temporary differences which was not required under previous GAAP. Deferred Tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or profit and loss or OCI respectively.

7 **Other Comprehensive Income**

Under previous GAAP, the Group has not presented OCI separately. Hence, it has reconciled previous GAAP profit or loss to Ind AS profit or loss. Further, previous GAAP profit or loss is reconciled to Total Comprehensive Income as per Ind AS.

Note 50

Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprise consolidated as Subsidiary

₹ in lakhs

FY 2019-20								
	Net Assets (Total Assets minus Total Liabilities)		Share in Profit & Loss		Share in Other Compre hensive Income		Share in Total Comprehensive Income	
As % of Name of the Enterprise	Consolidated Net Assets	As % of Amount	Profit and Loss	As % of Amount	Consolidated Other Comprehensive Income	As % of Amount	Consolidated Comprehensive	Amount
Parent								
New Great Eastern Spinning & Weaving Company Limited	100.68%	36,248.36	100.86%	(1,669.06)	100.00%	(6,891.48)	100.17%	(8,560.54)
Subsidiary								
Indian								
Kanoria Udyog Limited	(0.67%)	(240.24)	(0.86%)	14.21	NIL	NIL	(0.17%)	14.21
Inter Company Elimination	(0.01%)	(5.00)	NIL	NIL	NIL	NIL	NIL	NIL
Total	**100.00%**	**36,003.12**	**100.00%**	**(1,654.85)**	**100.00%**	**(6,891.48)**	**100.00%**	**(8,546.33)**

₹ in lakhs

FY 2018-19								
	Net Assets (Total Assets minus Total Liabilities)		Share in Profit & Loss		Share in Other Compre hensive Income		Share in Total Comprehensive Income	
As % of Name of the Enterprise	Consolidated Net Assets	As % of Amount	Profit and Loss	As % of Amount	Consolidated Other Comprehensive Income	As % of Amount	Consolidated Comprehensive	Amount
Parent								
New Great Eastern Spinning & Weaving Company Limited	100.58%	44,808.89	99.55%	158.92	100.00%	1,158.62	99.95%	1,317.54
Subsidiary								
Indian								
Kanoria Udyog Limited	(0.57%)	(254.44)	0.45%	0.72	NIL	NIL	0.05%	0.72
Inter Company Elimination	(0.01%)	(5.00)	NIL	NIL	NIL	NIL	NIL	NIL
Total	**100.00%**	**44,549.45**	**100.00%**	**159.64**	**100.00%**	**1,158.62**	**100.00%**	**1,318.26**

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

Note 51

The scheme sanctioned by AAIFR as modified from time to time has been under implementation. With effect from December 1, 2016, The Sick Industrial Companies (Special Provisions) Act, 1985 (SICA) has, however, been repealed by The Sick Industrial Companies (Special Provisions) Repeal Act, 2003 ("Repeal Act"). This has resulted in the dissolution of the BIFR/AAIFR under SICA. Irrespective, as at the year-end, the Net Worth of the Holding Company is positive.

Note 52

The comparatives given in the Consolidated Financial Statements have been complied after making necessary Ind AS adjustments to the respective audited Consolidated Financial Statements under previous GAAP to give a true and fair view in accordance with Ind AS.

Note 53

The applicability of provisions of Non Banking Financial Companies (NBFC) to the Group :

a. The Holding Company has been engaged in lending and investment activities and hence, the provisions of Non Banking Financial Companies (NBFC) under the Reserve Bank of India Act, 1934 are applicable to it. The Holding Company is in the process of completing the formalities for registration as NBFC with Reserve Bank of India.

b. The Subsidiary Company has been engaged in lending and investment activities and hence, the provisions of Non Banking Financial Companies (NBFC) under the Reserve Bank of India Act, 1934 are applicable to it. The Subsidiary Company is in the process of completing the formalities for registration as NBFC with Reserve Bank of India.

Note 54

The accumulated losses of the Subsidiary Company have resulted in complete erosion of its net worth. Such erosion in net worth indicates that a material uncertainty exists that may cast significant doubt on the ability of the Subsidiary Company to continue as a going concern. The Subsidiary Company's management is, however, of the view that the said erosion is temporary in nature as the Subsidiary Company is in the process of evaluating alternative business opportunities which the company may choose to enter into the future, the proceeds of which, when fructified, are expected to result in a turnaround of the Subsidiary Company as also may resort to restructuring of the Subsidiary Company. Hence, the Subsidiary Company, does not consider the erosion of its net worth as an impediment to its status as a going concern.

Note 55

The spread of COVID-19 has severely impacted business around the globe. In many countries including India, there has been severe disruption to regular business operations due to lock-down, disruptions in transportation, supply chain, travel bans, quarantines, social distancing and other emergency measures. Capital markets and banking services have been declared as essential services and accordingly, the Company has been continuing the operations with minimal permitted staff at branches. However other employees were encouraged to work from home.

The Group has made detailed assessment of its liquidity position for the next one year and of the recoverability and carrying values of its assets comprising Property, Plant and Equipment, intangible assets, Trade Receivables, and Inventory as at the balance sheet date and has concluded that there is no material adjustments required in the Consolidated Financial Statements.

Management believes that it has considered all the possible impact of known events arising from COVID-19 pandemic in the preparation of the Consolidated Financial Statements. However, the impact assessment of COVID-19 is a continuous process given the uncertainties associated with its nature and duration. The Group continues to monitor any material changes required in the future economic conditions.

As per our report of even date	For and on behalf of the Board of Directors		
For **BANSI S. MEHTA & CO.** Chartered Accountants Firm Registration No. 100991W	**THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED**		
	Vinod Jiwanram Lohia	**Dr. Anurag Kanoria**	**Raj Kumar Jhunjhunwala**
Paresh H. Clerk Partner Membership No. 36148	Whole Time Director and CFO and General Manager (Works) DIN : 01509730	Whole Time Director DIN : 00200630	Director DIN : 01527573
Place : Mumbai Date : November 12, 2020	Place : Mumbai Date : November 12, 2020		