



148th
Annual Report
2022-2023

The New Great
Eastern Spinning
& Weaving
Company Limited



THE NEW GREAT EASTERN SPINNING AND 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 & General Manager (Works) | DIN 01509730 |
| SHRI RAJ KUMAR JHUNJHUNWALA | Non Executive Independent Director | DIN 01527573 |
| SHRI BIMAL KUMAR KANODIA | Independent Director | DIN 00819671 |

KEY MANAGERIAL PERSONNEL

| | |
|---------------------------|-------------------------|
| SMT. NISHA CHOPRA | Company Secretary |
| SHRI KRISHNA KUMAR KUNWAR | Chief Financial Officer |

AUDITORS

M/S. BANSI S. MEHTA & CO.
Chartered Accountants

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.



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NOTICE OF MEETING

NOTICE is hereby given that the 148th Annual General Meeting of the members of **THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED** will be held at Kilachand Conference Room, 2nd Floor, IMC Chamber of Commerce and Industry, IMC Building, IMC Marg, Churchgate, Mumbai - 400 020 on Saturday, 30th September, 2023 at 10.00 AM (IST) 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, 2023, 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, 2023 and Auditors Report thereon.
2. To appoint a Director in place of Smt. Vineeta Kanoria (DIN 00775298) who retires by rotation and, being eligible, offers herself 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, 2024 till 31st March, 2027, 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 30th June, 2023 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



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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 2023 till 31st July 2026, 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 meetings dated 30th June, 2023 and 6th January, 2023 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. **Appointment of Shri Vinod Jiwanram Lohia as a Whole Time Director and 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 appointment of Shri Vinod Jiwanram Lohia (DIN 01509730) whose office is liable to retire by rotation, as a Whole Time Director and General Manager (Works) of the Company for a further term of three (3) consecutive years, commencing from 15th May, 2023 till 14th May, 2026, 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 30th June, 2023 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 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 appointment of Shri Vinod Jiwanram Lohia (DIN 01509730) as a Whole Time Director and General Manager (Works) even after he attains the age of 72 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.”



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“**RESOLVED FURTHER THAT** any Director and/or the Company Secretary of the Company be and is hereby authorized 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. Reappointment of Shri Bimal Kumar Kanodia as an Independent Non Executive Director

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act, Shri Bimal Kumar Kanodia (DIN 00819671), Independent Non-Executive Director of the Company who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and who is eligible for reappointment, be and is hereby reappointed as an Independent Non-Executive Director of the Company to hold office for second term of five consecutive years for a term upto the conclusion of the 153rd AGM of the Company in the calendar year 2028 notwithstanding that he has attained the age of 88 years on 31st March, 2023 and whose office shall not be liable to retire by rotation”.

RESOLVED FURTHER THAT any Director and/or the Company Secretary of the Company be and is hereby authorized 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”.

7. To make investments, give loans, guarantees and provide securities under section 186 of the Companies Act, 2013.

To consider and, if thought fit, to pass the following resolution as a **Special Resolution.**

“**RESOLVED THAT** in supersession of the earlier resolution passed by the Members in their meeting held on 30th September, 2019 and pursuant to the provisions of section 186 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Meeting of Board and its Powers) Rules, 2014, (including any Statutory modification or re-enactment thereof, for the time being in force), consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “Board” which term shall include any committee constituted by the Board or any person(s) authorized by the Board to exercise the power conferred on the Board by this resolution) to make loans or investments from time to time on such terms and conditions as it may deem expedient to anybody, any person or corporate/ persons/entities by way of subscription, purchase or otherwise in subsidiary(ies)/Bodies Corporate in India or abroad (existing or which may be promoted/ incorporated), in any kind of securities, or by providing of guarantee or security in connection with a loan made by any other person to any subsidiary(ies)/entities/Body Corporate in India or abroad (existing or which may be promoted or incorporated) in excess of limit prescribed in section 186 of Companies Act, 2013 but subject to aggregate limit of Rs. 800 Crore (Rupees One Thousand Crores Only) including Investment/Loan/ Guarantee/Security so far made at any given point of time.”

“**RESOLVED FURTHER THAT** Board be and is hereby authorized to negotiate and finalize the terms and conditions of the said investments, loans, guarantees and provision of security on behalf of the Company as it may deem fit in the interest of the Company, to take all such actions and to settle all matters arising out of and incidental thereto, and to sign and execute all deeds, applications documents and such investments, loans, guarantees and provisions of security and generally to do all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution.”

By order of the Board of Directors

Mumbai, September 1, 2023

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
General Manager (Works)
DIN : 01509730

Dr. Anurag Kanoria
Whole Time Director
DIN: 00200630



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NOTES

1. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 (“Act”) relating to the Ordinary/Special Business(es) to be transacted at the 148th Annual General Meeting of the Company (the “Meeting” or “AGM”) under items Nos. 3 to 7 is annexed hereto.
2. A member entitled to attend and vote is entitled to appoint one or more proxy(ies) to attend and vote on his/her behalf and such proxy(ies) need not be member(s) of the Company.
3. A Proxy Form, in prescribed format (Form MGT-11), is being sent herewith, with instructions for filling, signing and submitting the same. The instrument of proxy, in order to be effective, must be deposited with the Company at its registered office not less than forty-eight (48) hours before the commencement time of the 148th Annual General Meeting (“Meeting”) of the Company. The Proxy Form, if not complete in all respects, will be considered invalid.
4. A person can act as a proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than ten percent (10%) of the total share capital of the Company carrying voting rights. A Member holding more than ten percent (10%) of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other person or Member. Proxy(ies) submitted on behalf of limited companies, societies etc. must be supported by an appropriate resolution/ authority as applicable.
5. The proxy holder shall prove his/her identity at the time of attending the meeting.
6. When a member appoints a proxy and both the member and proxy attend the meeting, the proxy stands automatically revoked.
7. In case of joint holders, only the member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
8. The Register of Members and Share Transfer Books of the Company will remain closed from the **23rd September, 2023 to 30th September, 2023** (both days inclusive).
9. Corporate members are requested to send a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the AGM.
10. Members attending the AGM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
11. A copy of the financial statements of the Company for the financial year ended 31st March 2023 together with the Auditors’ and Directors’ Report thereon are enclosed.
12. 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).
13. 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.
14. In compliance with the MCA Circulars, Notice of the AGM along with the Annual Report for the FY 2022-23 are being sent only through electronic mode to those Members whose email addresses are registered with the Company or Registrar and Share Transfer Agent and Depositories. Members may note that the Notice and Annual Report for the FY 2022-23 are also available on the Company’s website www.newgreat.in and on the website of CDSL i.e. www.evotingindia.com.



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15. As required under the Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, relevant information in respect of Directors seeking appointment/ reappointment at the Annual General Meeting is provided herein below and forms a part of this Notice.
16. Shareholders holding share in physical form, may, please address all correspondence including requests for change of address etc. to the Registrar and Share Transfer Agent of the Company.
17. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before 20th September, 2023 through email on nge@newgreat.in. The same will be replied by the Company suitably.
18. 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 at the registered office of the Company on all working days, except Saturdays from 11.00 A.M. to 1.00 P.M.
19. An electronic copy of the Notice of the Meeting along with the Attendance Slip and the Proxy Form and the Annual Report 2022-2023 is being sent to all the Members (except those who have requested for a physical copy of the same) whose email addresses are registered with the Registrar and Share Transfer Agent/Depository Participant(s) of the Company. Physical copies of the Notice of the Meeting inter alia with an Attendance Slip and a Proxy Form and the Annual Report 2022-2023 is being sent (through a permitted mode) to all those members of the Company who have not registered their email addresses or have requested for a physical copy. However, any member may request for a physical copy of the Notice of the Meeting, Attendance Slip, Proxy Form and the Annual Report 2022-2023 which will be sent by the Company to the said member free of cost. In keeping with the Ministry of Corporate Affairs' Green Initiative measures, the Company hereby requests its Members who have not registered their email addresses so far, to register their email addresses for receiving all communication including annual report, notices, circulars etc. from the Company electronically.
20. A route map and prominent landmark for easy location of the venue of the Meeting is enclosed with this Notice. Members may also note that the Notice of the Meeting along with the route map and the Annual Report 2022-2023 will also be available on the website of the Company www.newgreat.in for download.
21. For convenience of the Members and for proper conduct of the Meeting, entry to the place of the Meeting will be regulated by way of Attendance Slip, which is annexed to this Notice. Members are requested to bring their Attendance Slip, fill up and sign the same at the place provided and hand it over at the entrance of the venue of the Meeting.
22. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under section 170 of the Act and the Register of Contracts or Arrangements in which Directors are interested, maintained under section 189 of the Act read with Rules made thereunder will be available for inspection by the Members at the Meeting.
23. 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.
24. Details required under Secretarial Standards on General Meetings (SS-2) issued by The Institute of Company Secretaries of India, in respect of Directors seeking appointment / reappointment at this AGM is provided in "Annexure-A" of this notice. Directors seeking appointment / reappointment have furnished requisite declarations under Section 164(2) and other applicable provisions of the Act including rules framed thereunder.
25. To prevent fraudulent transactions, shareholders are advised to exercise due diligence and notify the Company of any change in address or demise of any Shareholder as soon as possible. Shareholders are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.



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26. The Board of Directors of the Company have appointed Mrs. Zankhana Bhanshali (Membership No. FCS 9261 / CP No. 10513), Practicing Company Secretary to scrutinize the remote e-voting process and voting through electronic voting system at the AGM in a fair and transparent manner.
27. The Scrutinizer will, after the conclusion of e-voting at the Meeting, scrutinize the votes cast at the Meeting and votes cast through remote e-voting, make a consolidated Scrutinizer's Report and submit the same to the Chairman or a person authorized by him in writing, who shall countersign the same and declare results (consolidated) within two days from the conclusion of the AGM.
28. The result declared along with the Scrutinizers Report will be placed on the Company's website www.newgreat.in and on the website of CDSL e-voting(www.evotingindia.com) immediately after the declaration of result.
29. Instructions for e-voting and joining the AGM are as follows

INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER

- (i) The voting period begins at **9:00 a.m. (IST) on Wednesday, 27th September, 2023** and ends at **5:00 p.m. (IST) on Friday, 29th September, 2023**. During this period, Members of the Company, holding shares either in physical form, if any, or in dematerialized form, as on the cut-off date (record date) of **23rd September, 2023** 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 her/his vote by sending a request for remote e-voting.

- (ii) Members who have cast their vote by remote e-voting prior to the AGM may also participate in the AGM but shall not be entitled to cast their vote again.
- (iii) Pursuant to various circulars entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

- (iv) In terms of various circulars on e-Voting facility provided by Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.



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Pursuant to the abovesaid SEBI Circular, login method for e-Voting and joining virtual meetings for individual shareholders holding securities in demat mode is given below

| Type of shareholders | Login Method |
|---|---|
| Individual Shareholders holding securities in Demat mode with CDSL | <ol style="list-style-type: none">1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi.2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/ NSDL/KARVY/ LINKINTIME, so that the user can visit the e-Voting service providers' website directly.3) If the user is not registered for Easi / Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers. |
| Individual Shareholders holding securities in demat mode with NSDL | <ol style="list-style-type: none">1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/Ideas DirectReg. jsp.3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |



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| Individual Shareholders (holding securities in demat mode) login through their Depository Participants | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |
|---|--|

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

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

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

- (v) Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders holding in Demat form & physical shareholders.
- (vi) The shareholders should log on to the e-voting website www.evotingindia.com.
- (vii) Click on "Shareholders" module.
- (viii) 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.

- (ix) Next enter the Image Verification as displayed and Click on Login.
- (x) 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.



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

| For Shareholders holding shares in Demat Form other than individual and Physical Form | |
|--|--|
| PAN* | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none">Members who have not updated their PAN with the Company/Depository Participant are requested to use the Sequence member sent by Company/RTA or contract Company RTA Letters of their name and the last 8 digits of the demat account/folio number 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). |

- (xii) After entering these details appropriately, click on “SUBMIT” tab.
- (xiii) 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.
- (xiv) 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.
- (xv) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xvi) 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.
- (xvii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xviii) 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.
- (xix) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xx) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xxi) 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.
- (xxii) 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



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

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 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 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.
3. 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 authorized signatory who are authorized 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 at (022-23058738) and (022-23058543 / 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.

By order of the Board of Directors

Mumbai, September 1, 2023

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
General Manager (Works)

DIN : 01509730

Dr. Anurag Kanoria

Whole Time Director

DIN: 00200630



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 2024. The Board of Directors at their meeting held on 30th June 2023, 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, 2024 and upto 31st March, 2027 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 thought 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, 2024 to 31st March, 2027.

2. Remuneration

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

b) PERQUISITES : Smt. Vineeta Kanoria will be entitled to the following perquisites in addition to her salary 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 ₹ 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 ₹ 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.



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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's primary business is manufacturing, trading / marketing activities and other business as per Memorandum of Association of the Company. The Company owns substantial financial investments in the form of shares, mutual funds, other financial securities.
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 2022-23 | F.Y 2021-22 |
|-----|---|-------------|-------------|
| 1. | Revenue from Operations | 2,456.33 | 3,092.83 |
| 2. | Other Income | 234.92 | 105.19 |
| 3. | Profit before Depreciation and Tax | 187.32 | 426.80 |
| 4. | Provision for Depreciation | 94.01 | 104.53 |
| 5. | Profit / (Loss) before Tax | 93.31 | 322.27 |
| 6. | Current Tax/MAT | 384.00 | 96.01 |
| 7. | Earlier Period Taxation | 6.17 | - |
| 8. | Deferred Tax | 44.64 | 388.66 |
| 9. | Profit / (Loss) for the year | (341.50) | (162.40) |
| 10. | Total Other Comprehensive Income/(Loss) for the year | 1,924.90 | 10,802.29 |
| 11. | Income Tax relating to Other Comprehensive Income / (Loss) for the year | 50.89 | (1,114.65) |
| 12. | Total Comprehensive Income/(Loss) for the year | 1,634.29 | 9,525.24 |



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

II. Information about the Appointee

1. Background Details : Smt. Vineeta Kanoria, aged about 61 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 : ₹ 10,00,000/- per month plus perquisites including retirement benefits and House Rent Allowance of Rs. 4,00,000/- per month. Total Remuneration for the year 2022-2023 was ₹ 1,68,07,000/- 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 ₹ 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 his 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 7,31,510 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 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, 2024 to 31st March, 2027 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



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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 and 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, 2023. The Board of Directors at their meeting held on 30th June, 2023, 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, 2023 and upto 31st July, 2026 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 regarding 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 thought 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



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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, 2023 to 31st July, 2026.

2. Remuneration

- a) SALARY : ₹ 2,80,000 (Rupees Two Lakhs Eighty 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. 1,20,000/- 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 ₹ 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.



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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's primary business is manufacturing, trading / marketing activities and other business as per Memorandum of Association of the Company. The Company owns substantial financial investments in the form of shares, mutual funds, other financial securities. |
| 2. Date or expected date of commencement of commercial production | : The Company is carrying its business since more than 100 years. |



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

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

(in Lakhs)

| Sl. | Particulars | F.Y 2022-23 | F.Y 2021-22 |
|-----|---|-------------|-------------|
| 1. | Revenue from Operations | 2,456.33 | 3,092.83 |
| 2. | Other Income | 234.92 | 105.19 |
| 3. | Profit before Depreciation and Tax | 187.32 | 426.80 |
| 4. | Provision for Depreciation | 94.01 | 104.53 |
| 5. | Profit / (Loss) before Tax | 93.31 | 322.27 |
| 6. | Current Tax/MAT | 384.00 | 96.01 |
| 7. | Earlier Period Taxation | 6.17 | – |
| 8. | Deferred Tax | 44.64 | 388.66 |
| 9. | Profit / (Loss) for the year | (341.50) | (162.40) |
| 10. | Total Other Comprehensive Income/(Loss) for the year | 1,924.90 | 10,802.29 |
| 11. | Income Tax relating to Other Comprehensive Income / (Loss) for the year | 50.89 | (1,114.65) |
| 12. | Total Comprehensive Income/(Loss) for the year | 1,634.29 | 9,525.24 |

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

II. Information about the Appointee

1. Background Details : Dr. Anurag Kanoria, aged about 55 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 : ₹ 2,80,000/- per month plus perquisites including retirement benefits and House Rent Allowance of ₹ 1,20,000/- per month. Total Remuneration for the year 2022-2023 was ₹ 39,07,000/- 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: ₹ 2,80,000/- per month plus perquisites and House Rent Allowance of ₹ 1,20,000/- 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 his 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.



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7. Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any : Dr. Anurag Kanoria is a Director holding 2,37,630 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 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, 2023 to 31st July, 2026 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

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

The Board of Directors at their meeting held on 30th June, 2023, have recommended to appoint Shri Vinod Jiwanram Lohia as Whole Time Director and General Manager (Works) of the Company for a period of three (3) consecutive years, commencing from 15th May, 2023 and upto 14th May, 2026 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 regarding his 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 thought fit from time to time, during the tenure of his 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 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 appointment and remuneration payable to him, are as follows:

a) Period of Appointment

Three (3) years commencing from 15th May, 2023 to 14th May, 2026.

b) Remuneration

- a) SALARY : ₹ 76,000 (Rupees Seventy-Six 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.



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- 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 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 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's primary business is manufacturing, trading/marketing activities and other business as per Memorandum of Association of the Company. The Company owns substantial financial investments in the form of shares, mutual funds, other financial securities.



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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 2022-23 | F.Y 2021-22 |
|-----|---|-------------|-------------|
| 1. | Revenue from Operations | 2,456.33 | 3,092.83 |
| 2. | Other Income | 234.92 | 105.19 |
| 3. | Profit before Depreciation and Tax | 187.32 | 426.80 |
| 4. | Provision for Depreciation | 94.01 | 104.53 |
| 5. | Profit / (Loss) before Tax | 93.31 | 322.27 |
| 6. | Current Tax/MAT | 384.00 | 96.01 |
| 7. | Earlier Period Taxation | 6.17 | – |
| 8. | Deferred Tax | 44.64 | 388.66 |
| 9. | Profit / (Loss) for the year | (341.50) | (162.40) |
| 10. | Total Other Comprehensive Income/(Loss) for the year | 1,924.90 | 10,802.29 |
| 11. | Income Tax relating to Other Comprehensive Income / (Loss) for the year | 50.89 | (1,114.65) |
| 12. | Total Comprehensive Income/(Loss) for the year | 1,634.29 | 9,525.24 |

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

II. Information about the Appointee

1. Background Details : Shri Vinod Jiwanram Lohia, aged about 72 years, holding B.Com, LLB & DBM degrees and is an able administrator with an experience of over 48 years in the corporate world. He was a Director of the Company from 1st August, 2011 upto 30th April, 2023. His Director Identification Number is 01509730.
2. Past Remuneration : NIL
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. 76,000/- 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 his 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.



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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 50 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 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. 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 appointment of Shri Vinod Jiwanram Lohia for the period 15th May, 2023 to 14th May, 2026 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 appointment of Shri Vinod Jiwanram Lohia as Whole Time Director and General Manager (Works) of the Company, as he will be attaining the age of 72 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 avail the services of Shri Vinod Jiwanram Lohia as a Whole Time Director and General Manager (Works) of the Company.

Approval of members is sought for appointment of Shri Vinod Jiwanram Lohia as a Whole Time Director 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

Reappointment of Shri Bimal Kumar Kanodia as an Independent Non-Executive Director

Shri Bimal Kumar Kanodia was appointed as an Independent Non-Executive Director of the Company by the members at the 143rd AGM of the Company held on 28th September, 2018 for a period of five consecutive years commencing from 29th September, 2018 upto 30th June 2023.

As per Section 149(10) of the Act, an Independent Director shall hold office for a term of upto five consecutive years on the Board of a Company but shall be eligible for re-appointment on passing a special resolution by the Company for another term of upto five consecutive years on the Board of a Company.

Based on recommendation of Nomination and Remuneration Committee and in terms of the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Act, Shri Bimal Kumar Kanodia, being eligible for re-appointment as an Independent Director and offering himself for re-appointment, is proposed to be re-appointed as an Independent Director for second term of five consecutive years from 1st July, 2023 upto 30th June, 2028.

The Company has received declaration from him stating that he meets the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013. He has also given his consent to continue to act as Director of the Company, if so appointed by the members.

In the opinion of the Board, Shri Bimal Kumar Kanodia fulfils the conditions specified under Section 149 (6) of the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 for his re-appointment as an Independent Non-Executive Director of the Company and is independent of the management. Copy of the draft letter for appointment of Shri Bimal Kumar Kanodia as an Independent Non-Executive Director setting out terms and conditions will be available for inspection by the members at the Registered Office of the Company during normal business hours (3:00 pm to 5:00 pm) on any working day, except Saturday, and including the date of AGM of the Company.

Accordingly, considering the significant benefits reaped by the Company from his experience, expertise and mature advice to the business of the Company during his tenure as a Non-Executive Independent Director and based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors recommends the re-appointment of Shri Bimal Kumar Kanodia as a Non-Executive Independent Director of the Company for a second term effective from 1st July, 2023 upto 30th June, 2028.

The Board recommends passing of the Special Resolution in relation to re-appointment of Shri Bimal Kumar Kanodia as an Independent Director for another term of five consecutive years with effect from 1st July, 2023 upto 30th June, 2028, for the approval by the shareholders of the Company.

None of the Directors except Shri Bimal Kumar Kanodia and his relatives, and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the accompanying Notice of the AGM. Shri Bimal Kumar Kanodia is not related to any Director of the Company.

ITEM NO. 7

To make investments, give loans, guarantees and provide securities under section 186 of the Companies Act, 2013

As per provisions of section 186 of the Companies Act, 2013, the Board of Directors of a company can give any loan, guarantee or provide security in connection with a loan to any body corporate or person or entity and acquire securities by way of subscription, purchase or otherwise to any person or body corporate to the extent of sixty percent of its paid up share capital, free reserves and securities premium or one hundred per cent of its free reserves and securities premium account, whichever is more, and that for giving any loan or providing guarantee and security in excess of the limit specified above, the approval of the members of the company in a General Meeting by way of Special Resolution has to be obtained.



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

And as you are aware that for business and investment purposes of the company, the Company may invest and/or give loans and/or guarantees to any person/entity and make investments by acquiring securities by way of purchase or subscription or otherwise from time to time. It is proposed to increase the limit to invest or give loan or guarantee or provide security to a body corporate or any other person and to invest funds upto Rs. 800 crores and the Board recommends the passing of this resolution by way of a Special Resolution.

None of the directors, key managerial personnel and relatives of directors and / or key managerial personnel (as defined in the Companies Act, 2013) are concerned or interested, financially or otherwise in the proposed resolution, except in the ordinary course of business and extent to their shareholding.

Mumbai, September 1, 2023

By order of the Board of Directors
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 Jivanram Lohia
Whole Time Director and
General Manager (Works)
DIN : 01509730

Dr. Anurag Kanoria
Whole Time Director
DIN: 00200630



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

ANNEXURE “A”

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 | Shri Bimal Kumar Kanodia |
|--|--|---|---|---|
| Date of Birth | 27th May, 1962 | 19th September, 1968 | 26th January, 1951 | 04th January, 1935 |
| Date of Appointment | 25th March, 2015 | 1st August, 2011 | 15th May 2023 | 29th September, 2018 |
| Qualification | Master of Arts from Bombay University | M.A-Literature (North Eastern University), PHD (University of Bombay) | B.Com, LLB, DBM | Intermediate in Arts (Calcutta University) |
| 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 48 years in the field of Technical, Commercial, Finance and Legal areas. | Able businessman and administrator with a experience of over 35 years in industry and business. |
| Last Remuneration drawn | Salary ₹ 10,00,000/- per month plus perquisites including retirement benefits and House Rent Allowance of ₹ 4,00,000/- per month | Salary ₹ 2,80,000/- per month plus perquisites including retirement benefits and House Rent Allowance of ₹ 1,20,000/- per month | NIL | NIL |
| Proposed Remuneration | Salary ₹ 10,00,000/- per month plus perquisites including retirement benefits and House Rent Allowance of ₹ 4,00,000/- per month | Salary ₹ 2,80,000/- per month plus perquisites including retirement benefits and House Rent Allowance of ₹ 1,20,000/- per month | Salary Rs. 76,000/- per month plus perquisites including retirement benefits. | NIL |
| Directorship in other Indian Companies | 1. Bombay Wire Ropes Limited 2. New India Exports Private Limited | 1. Bombay Wire Ropes Limited 2. New India Exports Private Limited 3. The United Provinces Sugar Company Limited | 1. Bombay Wire Ropes Limited | 1. Kanoria Udyog Limited |
| Number of meetings of the Board attended during the Financial Year 2022-23 | Four (4) | Four (4) | Five (4) | Five (4) |
| 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 | NIL |
| Chairman/ Member of any committee of the board of directors | NIL | NIL | Audit Committee and Nomination and Remuneration Committee - Member | Audit Committee and Nomination and Remuneration Committee - Member |
| Shareholding, if any in the Company | 7,31,510 equity shares of the paid-up and subscribed capital of the Company | 2,37,630 equity shares of the paid-up and subscribed capital of the Company | 50 equity shares of the paid-up and subscribed capital of the Company | NIL |

By order of the Board of Directors

For The New Great Eastern Spinning And Weaving Company Limited

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

Dr. Anurag Kanoria
Whole Time Director
DIN: 00200630

Place : Mumbai
Date : September 1, 2023



ROUTE MAP FOR THE AGM VENUE



AGM Venue

Kilachand Conference Room, 2nd Floor, IMC Chamber of Commerce and Industry, IMC Building, IMC Marg, Churchgate, Mumbai - 400 020

Prominent landmark:

Near Churchgate Railway Station



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

DIRECTORS' REPORT

TO THE MEMBERS

The Directors of the Company are pleased to present the One Hundred Forty-Eighth Annual Report of the Company along with the Audited Financial Statements for the Financial Year ended 31st March, 2023.

FINANCIAL RESULTS

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

| Sl. | Particulars | F.Y 2022-23 Standalone | F.Y 2021-22 Standalone | F.Y 2022-23 Consolidated | F.Y 2021-22 Consolidated |
|-----|--|---------------------------|---------------------------|-----------------------------|-----------------------------|
| 1. | Revenue from Operations | 2,456.33 | 3,092.83 | 2,442.32 | 3,128.99 |
| 2. | Other Income | 234.92 | 105.19 | 243.84 | 107.33 |
| 3. | Profit before Depreciation and Tax | 187.32 | 426.80 | 181.01 | 463.23 |
| 4. | Provision for Depreciation | 94.01 | 104.53 | 94.01 | 104.53 |
| 5. | Profit / (Loss) before Tax | 93.31 | 322.27 | 87.00 | 358.70 |
| 6. | Current Tax / MAT | 384.00 | 96.01 | 384.00 | 96.01 |
| 7. | Earlier Period Taxation | 6.17 | - | 11.76 | - |
| 8. | Deferred Tax | 44.64 | 388.66 | 44.64 | 391.30 |
| 9. | Profit / (Loss) for the Year | (341.50) | (162.40) | (353.40) | (128.61) |
| 10. | Total Other Comprehensive Income/ (Loss) for the Year | 1,924.90 | 10,802.29 | 1,917.31 | 10,802.29 |
| 11. | Income Tax relating to Other Comprehensive Income/(Loss) for the Year | 50.89 | (1,114.65) | 50.89 | (1,114.65) |
| 12. | Total Comprehensive Income / (Loss) for the Year | 1,634.29 | 9,525.24 | 1,614.80 | 9,559.03 |

MANAGEMENT DISCUSSION AND ANALYSIS

During the year under review, the consolidated profit before depreciation and tax was ₹ 181.01 lakhs against a consolidated profit of ₹ 463.23 lakhs in the previous year.

The organised textile sector has continued to remain under pressure during the period under review. The home decor division has also been under pressure during the year due to a very challenging business environment post Covid and a consequent slowdown in demand from end users.

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 loss of 57.39 lakhs on investments made by the Company in debt mutual funds / alternative investment funds and an unrealized profit of 2708.16 lakhs on investments made by the Company in the equity share market.

CHANGE IN NATURE OF THE BUSINESS OF THE COMPANY

There is no change in the nature of business of the Company.

INDIAN ACCOUNTINGS STANDARD

The Ministry of Corporate Affairs (MCA) has, 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. Ind As was accordingly applicable to the Company from 1st April, 2019.



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

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

Four (4) Board Meetings were convened and held during the year. The meetings were held on 2nd June, 2022, 25th July, 2022, 10th September, 2022 and 6th January, 2023. There has not been any instance during the year where a recommendation of the Audit Committee has not been 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 are given in “**Annexure A**” of the report.

DIVIDEND

The Board of Directors has not recommended declaration of any dividend for the year.

TRANSFER TO RESERVES

The profit earned during the year has been transferred by the Company to its reserves.

SHARE CAPITAL

The paid-up equity share capital of the Company as on 31st March, 2023 is ₹ 16.82 crores. During the year under review, the Company has not issued any shares including shares with differential voting rights or as employee stock options or as sweat equity nor does it have any scheme to fund its employees to purchase the shares of the Company. As on 31st March, 2023, none of the directors of the Company hold instruments which are convertible into equity shares of the Company.

During the year under review, the Board of Directors of the Company at its meeting held on 10th September, 2022, approved a buyback of its equity shares from its existing shareholders on a proportionate basis up to 12,66,023 fully paid up equity shares (representing 7.00% of the total paid-up equity share capital of the Company as on 31st March, 2022) of the face value of ₹ 10/- (Rupee Ten Only) each at a price of ₹ 255.75/- (Rupees Two Hundred Fifty-Five and Seventy-Five Paise Only) per equity share payable in cash for a maximum aggregate consideration not exceeding ₹ 3,238 Lakhs (Rupees Three Thousand Two Hundred Thirty Eight Lakhs Only), representing 5.51% of the fully paid-up equity share capital and free reserves of the Company as per its latest Audited Financial Statements as on 31st March, 2022 which buyback size did not include transaction costs viz. brokerage, applicable taxes such as buyback tax, securities transaction tax, GST, stamp duty as well as, expenses incurred or to be incurred for the buyback like filing fees, advisors/legal fees, public announcement publication expenses, printing and dispatch expenses and any other incidental and related expenses. Under the aforesaid buyback, the Company has bought back 12,66,023 (Twelve Lakhs Sixty-Six Thousand Twenty-Three) equity shares at a price of ₹ 255.75/- (Rupees Two Hundred Fifty-Five and Seventy-Five Paise Only) per equity share.

Post which, the equity share capital of the Company stand at ₹ 16,82,00,170 consisting of 1,68,20,017 equity shares of ₹ 10 each as on 31st March, 2023.

SUBSIDIARY COMPANIES AND CONSOLIDATED FINANCIAL STATEMENTS

The Board of Directors has reviewed the affairs of the subsidiary viz. Kanoria Udyog Limited of the Company during the year.

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 a 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 statements of the subsidiary and other necessary details in the prescribed format AOC-1 is at “**Annexure B**” and forms a 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 form a part of the Notes to the Financial Statements.

DEPOSITS

The Company has not accepted any deposit from the public during the financial year 2022-23 within the meaning of Sections 73 and 76 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014 as amended, 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 or commitments entered into 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

Smt. Vineeta Kanoria (DIN 00775298) Director, retires by rotation and being eligible and offers herself for reappointment. A brief resume of Smt. Vineeta Kanoria, who is proposed to be reappointed, is provided in the Notice of the 148th 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, 2023. A brief resume of Dr. Anurag Kanoria, who is proposed to be reappointed, is provided in the Notice of the 148th 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, 2023. A brief resume of Smt. Vineeta Kanoria, who is proposed to be reappointed, is provided in the Notice of the 148th Annual General Meeting of the Company.

Shri Vinod Jiwanram Lohia (DIN 01509730) is appointed as an Additional Director to be designated as Whole Time Director and General Manager (Works). A brief resume of Shri Vinod Jiwanram Lohia, who is proposed to be appointed, is provided in the Notice of the 148th Annual General Meeting of the Company.

Shri Bimalkumar Kanodia (DIN 00819671) was appointed as Independent Director and whose period of office expires on the ensuing 148th AGM. A brief resume of Shri Bimalkumar Kanodia, who is proposed to be reappointed, is provided in the Notice of the 148th 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 the 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 2023,



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

- 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.

ANNUAL RETURN

Pursuant to Section 92(3) and 134(3)(a) of the Companies Act, 2013 the Annual return of the Company prepared in accordance with Section 92(1) of the Act read with Rule 11 of the Companies (Management and Administration) Rules, 2014 (as amended), is placed on the website of the Company and is accessible at the weblink www.newgreat.in/Annual Return.

The extract of the 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 & Company, Chartered Accountants (Firm registration no. 100991W) has been appointed as Statutory Auditors of the Company for a further terms of 5(five) consecutive years, who shall hold office from the conclusion of this 147th Annual General Meeting till the conclusion of the 152nd Annual General Meeting (to be held in calendar year 2027), on such remuneration as may be decided by the Board of Directors of the Company on the recommendation of the Audit Committee from time to time.

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, 2023 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 2022-23 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.



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

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 ₹ 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 2021-2022, no complaints were received by the Company in relation to any incident of sexual harassment.

THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR.

No application has been made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable.

THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF.

The requirement to disclose the details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable.

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.

Mumbai, September 1, 2023

By order of the Board of Directors
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
General Manager (Works)
DIN : 01509730

Dr. Anurag Kanoria
Whole Time Director
DIN: 00200630



ANNEXURE “A” TO THE DIRECTORS’ REPORT

1. Board of Directors

The Board of Directors comprised of Five (5) Directors as on 31st March, 2023 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 Directors on the Board of the Company 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 the Directors, is 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 | 2 | 731510 | 4 |
| Anurag Kantikumar Kanoria | 00200630 | Director | 3 | 237630 | 4 |
| Vinod Jiwanram Lohia | 01509730 | Director | 1 | 50 | 4 |
| Raj Kumar Gulzarilal Jhunjhunwala | 01527573 | Independent Director | 2 | 50 | 4 |
| Bimal Kumar Kanodia | 00819671 | Independent Director | 1 | NIL | 4 |

* 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 four times on 2nd June, 2022, 25th July, 2022, 10th September, 2022 and 6th January, 2023. The necessary quorum was present for all the meetings.



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

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 | 4 |
| Raj Kumar Gulzarilal Jhunjunwala | Chairperson | Independent Director | 4 |
| Bimal Kumar Kanodia | Member | Independent Director | 4 |

Brief Description of Term of Reference

The terms of reference of the 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;



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

- 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 executive as it may consider appropriate as well as representative 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 | 3 |
| Raj Kumar Gulzarilal Jhunjhunwala | Chairperson | Independent Director | 3 |
| Bimal Kumar Kanodia | Member | Independent Director | 3 |

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;



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

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

C. Stakeholders 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 | 2 |
| Raj Kumar Gulzarilal Jhunjunwala | Chairperson | Independent Director | 2 |
| Bimal Kumar Kanodia | Member | Independent Director | 2 |

II. Term of Reference

The following is term of reference of Stakeholders' Relationship Committee

- i. Efficient transfer of shares; including review of cases for the refusal of transfer / transmission of shares and debentures
- ii. Redressal of shareholders/investors 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



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

- 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 complaint was received during the year under review.

Mumbai, September 1, 2023

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

Registered Office:

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CIN: U17110MH1873PLC000015

Tel: 91 22 22003231 / 4325

Email: nge@newgreat.in

Vinod Jiwanram Lohia
Whole Time Director 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 ₹ 100/- each fully paid-up. |
| Other Equity | (210.45) |
| Total Assets | 14,982.15 |
| Total Liabilities | 15,187.60 |
| Investments | 2154.07 |
| Turnover | Nil |
| Income | 1,130.00 |
| Expense | 1,136.33 |
| Profit/ (Loss) before Tax | (6.33) |
| Income Tax for earlier years | (5.59) |
| Profit/(Loss) for the period | (11.92) |
| Other Comprehensive Income | (7.59) |
| Total Comprehensive Income | (19.51) |
| 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, 2023.

Mumbai, September 1, 2023

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

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Vinod Jiwanram Lohia
Whole Time Director 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 | New India Exports Private Limited | Shri Arvind Kanoria |
| b) | Nature of contracts/arrangements/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 2022-23 | Nil | Rs. 2,40,00,000 |
| 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, September 1, 2022

For The New Great Eastern Spinning And Weaving Company Limited

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Mumbai - 400 027.

CIN: U17110MH1873PLC000015

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Vinod Jiwanram Lohia
Whole Time Director 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 load throughout the day and increasing efficiency of the 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 2022-2023 | FY 2021-2022 |
|-----------|--|---------------------|---------------------|
| | Particulars with respect to Conservation of Energy | | |
| A. | Power & Fuel Consumption | | |
| | 1. Electricity | | |
| | a) Purchased Units (KWH) | 20,63,086 | 24,41,965 |
| | Total Amount (₹) | 1,43,84,501 | 1,39,42,901 |
| | Rate / Unit ₹ | 6.97 | 5.71 |
| | b) Own Generation | | |
| | From Diesel Generators (units) | | |
| | Diesel oil consumption (Ltrs.) | | |
| | Units per Litre of Diesel Oil | | |
| | Cost per Unit (₹) | | |
| | 2. Coal / Per Coke | | |
| | 3. Furnace Oil Quantity in K. Ltr. | | |
| | Total Cost (₹) | | |
| | Average rate / Ltr (₹) | | |
| | 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. | | |



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

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 2022-2023 | Financial Year 2021-2022 |
|---|-------------------------------------|-----------------------------|
| Earnings : Export of Goods (₹) | 4,89,449 | 33,99,497 |
| Outgo: Import of materials & other expenses (₹) | 1,25,90,856 | 26,99,271 |

By order of the Board of Directors

Mumbai, September 1, 2023

For The New Great Eastern Spinning And Weaving Company Limited

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Vinod Jiwanram Lohia

Whole Time Director and

General Manager (Works)

DIN : 01509730

Dr. Anurag Kanoria

Whole Time Director

DIN: 00200630



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

ANNEXURE “E” TO THE DIRECTORS’ REPORT

FORM MGT - 9
EXTRACT OF ANNUAL RETURN
as on the financial year ended March 31, 2023

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/Textiles | 551120 / 551341 | 88.83 |
| 2 | Home Decor Items | 52333 | 11.17 |

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 PRIVATE LIMITED 401/405, Jolly Bhavan No. 1, 10, New Marine Lines, Mumbai - 400 020. | U51900MH1972PTC015770 | HOLDING COMPANY | 87.87 | SECTION 2(46) |
| 2 | KANORIA UDYOG LIMITED 25-29, Dr. Ambedkar Road, Byculla, Mumbai - 400027. | U18492MH1961PLC018492 | SUBSIDIARY COMPANY | 100 | SECTION 2(87) |



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

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 01-04-2022) | | | | No. of Shares held at the end of the year (As on 31-03-2023) | | | | % Change during the year |
|--|--|-----------------|--------------------|-------------------|--|-----------------|--------------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual/HUF | 10,93,300 | — | 10,93,300 | 6.04 | 10,93,300 | — | 10,93,300 | 6.50 | 0.45 |
| b) Central Govt | | | | | | | | | |
| c) State Govt(s) | | | | | | | | | |
| d) Bodies Corporates | 1,60,05,820 | — | 1,60,05,820 | 88.50 | 1,47,79,262 | — | 1,47,79,262 | 87.87 | (0.63) |
| e) Bank/FI | | | | | | | | | |
| f) Any Other | | | | | | | | | |
| Sub-total : (A) (1) | 1,70,99,120 | — | 1,70,99,120 | 94.54 | 1,58,72,562 | — | 1,58,72,562 | 94.37 | (0.18) |
| (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) | 1,70,99,120 | — | 1,70,99,120 | 94.54 | 1,58,72,562 | — | 1,58,72,562 | 94.37 | (0.18) |
| B. Public Shareholding | | | | | | | | | |
| (1) Institutions | | | | | | | | | |
| a) Mutual Funds | | | | | | | | | |
| b) Banks/FI | — | 16,670 | 16,670 | 0.09 | — | 16,670 | 16,670 | 0.10 | 0.01 |
| c) Central Govt | | | | | | | | | |
| d) State Govt(s) | | | | | | | | | |
| e) Venture Capital Fund | | | | | | | | | |
| f) Insurance Companies | 83,600 | — | 83,600 | 0.46 | 79,554 | — | 79,554 | 0.47 | 0.01 |
| g) FIs | | | | | | | | | |
| h) Foreign Venture Capital Funds | | | | | | | | | |
| i) Others (specify) | | | | | | | | | |
| Sub-total : (B) (1) | 83,600 | 16,670 | 100,270 | 0.55 | 79,554 | 16,670 | 96,224 | 0.57 | 0.02 |
| (2) Non Institutions | | | | | | | | | |
| a) Bodies Corporate | | | | | | | | | |
| i) Indian | 20 | 1,740 | 1,760 | 0.01 | 20 | 1,740 | 1,760 | 0.01 | 0.00 |
| ii) Overseas | | | | | | | | | |
| b) Individuals | | | | | | | | | |
| i) Individual shareholders holding nominal share capital upto ₹ 1 lakh | 26,540 | 2,70,520 | 2,97,060 | 1.64 | 32,526 | 2,87,020 | 3,19,546 | 1.90 | 0.26 |
| ii) Individuals shareholders holding nominal share capital in excess of ₹ 1 lakh | 4,55,090 | 1,04,210 | 5,59,300 | 3.09 | 4,20,215 | 81,180 | 5,01,395 | 2.98 | (0.11) |
| c) Others (specify) | | | | | | | | | |
| i) Non Resident Indian | — | — | — | — | — | — | — | 0.00 | |
| ii) H.U.F | 3,930 | 24,600 | 28,530 | 0.16 | 3,930 | 24,600 | 28,530 | 0.17 | 0.01 |
| Sub-total : (B) (2) | 4,85,580 | 4,01,070 | 8,86,650 | 4.90 | 4,56,691 | 3,94,540 | 8,51,231 | 5.06 | 0.16 |
| Total Public Shareholding (B)= (B)(1)+(B)(2) | 5,69,180 | 4,17,740 | 9,86,920 | 5.46 | 5,36,245 | 4,11,210 | 9,47,455 | 5.63 | 0.18 |
| C. Shares held by Custodian for GDRs & ADRs | | | | | | | | | |
| Grand Total (A+B+C) | 1,76,68,300 | 4,17,740 | 1,80,86,040 | 100.00 | 1,64,08,807 | 4,11,210 | 1,68,20,017 | 100.00 | — |



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

ii) Share Holding of Promoters

| Sl. No. | Shareholder's Name | Shareholding at the beginning of the year (As on 01-04-2022) | | | Shareholding at the end of the year (As on 31-3-2023) | | | % 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 | New India Exports Pvt Ltd | 1,60,05,820 | 88.50 | - | 1,47,79,262 | 87.87 | - | (0.63) |
| 2 | Smt. Aruna Kanoria | 9,160 | 0.05 | - | 9,160 | 0.05 | - | 0.00 |
| 3 | Smt. Vineeta Kanoria | 7,31,510 | 4.04 | - | 7,31,510 | 4.35 | - | 0.30 |
| 4 | Shri Anurag Kanoria | 2,37,630 | 1.31 | - | 2,37,630 | 1.41 | - | 0.10 |
| 5 | Shri Paritosh Kanoria | 1,15,000 | 0.64 | - | 1,15,000 | 0.68 | - | 0.05 |
| | Total | 1,70,99,120 | 94.54 | | 1,58,72,562 | 94.37 | | (0.18) |

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 | 1,70,99,120 | 94.54 | 1,70,99,120 | 94.54 |
| | Buyback on 11.12.2022 | — | — | -12,26,558 | -6.78 |
| | At the end of the year | 1,70,99,120 | 94.54 | 1,58,72,562 | 94.37 |



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

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 Wadhvani | 4,55,090 | 2.52 | | |
| | Buyback | | | -34,875 | |
| | 31-03-2023 | | | 4,20,215 | 2.50 |
| 2 | General Insurance Corporation of India | 40,400 | 0.22 | | |
| | Buyback | | | -3,096 | |
| | 31-03-2023 | | | 37,304 | 0.22 |
| 3 | Life Insurance Corporation of India | 30,800 | 0.17 | | |
| | 31-03-2023 | | | 30,800 | 0.18 |
| 4 | Purushottam G Ruia | 25,440 | 0.14 | | |
| | 31-03-2023 | | | 25,440 | 0.15 |
| 5 | Anil Agarwal HUF | 23,030 | 0.13 | | |
| | 31-03-2023 | | | 23,030 | 0.14 |
| 6 | Suresh Bhoorchand Shah | 15,660 | 0.09 | | |
| | 31-03-2023 | | | 15,660 | 0.09 |
| 7 | Draupati Banwarilal | 14,150 | 0.08 | | |
| | 31-03-2023 | | | 14,150 | 0.08 |
| 8 | Purshottam Gopiram Ruia | 13,930 | 0.08 | | |
| | 31-03-2023 | | | 13,930 | 0.08 |
| 9 | Bindu N.Seth | 12,000 | 0.07 | | |
| | 31-03-2023 | | | 12,000 | 0.07 |
| 10 | United India Insurance Company Ltd | 12,400 | 0.07 | | |
| | Buyback | | | -950 | |
| | 31-03-2023 | | | 11,450 | 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 | 7,31,510 | 4.04 | | |
| | 31-03-2023 | | | 7,31,510 | 4.35 |
| 2 | Shri Anurag Kanoria | 2,37,630 | 1.31 | | |
| | 31-03-2023 | | | 2,37,630 | 1.41 |
| 3 | Shri Vinod Jiwanram Lohia | 50 | 0.00 | | |
| | 31-03-2023 | | | 50 | 0.00 |
| 4 | Shri Rajkumar Gulzarilal Jhunjunwala | 50 | 0.00 | | |
| | 31-03-2023 | | | 50 | 0.00 |



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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 | - | - | 3,75,00,000 | 3,75,00,000 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | - | - | - | - |
| Total (i+ii+iii) | - | - | 3,75,00,000 | 3,75,00,000 |
| Change in Indebtedness during the financial year | | | | |
| Additions | - | - | - | - |
| Reduction | - | - | - | - |
| Net Change | - | - | - | - |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | - | - | 3,75,00,000 | 3,75,00,000 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | - | - | - | - |
| Total (i+ii+iii) | - | - | 3,75,00,000 | 3,75,00,000 |

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 |
|--------------|--|-----------------------------------|----------------------------------|-----------------------------|---------------------|
| | | Dr. Anurag Kanoria | Shri Vinod Jiwanram Lohia | Smt. Vineeta Kanoria | |
| 1 | Gross Salary | | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961. | ₹ 39,07,000/- | ₹ 18,07,000/- | ₹ 1,68,07,000/- | ₹ 2,25,21,000/- |
| | (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 | - | - | - | - |
| 5 | Others (specify) | - | - | - | - |
| | Total (A) | ₹ 39,07,000/- | ₹ 18,07,000/- | ₹ 1,68,07,000/- | ₹ 2,25,21,000/- |



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B. Remuneration to other Directors

| S. No. | Particulars of Remuneration | Name of the Directors | | Total Amount |
|--------|--|--|---------------------|-----------------|
| | | Rajkumar Jhunjunwala | 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) | - | - | ₹ 2,25,21,000/- |
| | 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 |
|---------|--|--------------------------|--|-----|------------|
| | | CEO | Company Secretary Ms. Shobha Sharma | CFO | |
| 1 | Gross Salary | | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961. | - | ₹ 2,40,000 | - | ₹ 2,40,000 |
| | (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 | - | ₹ 2,40,000 | - | ₹ 2,40,000 |



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

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 | – | – | – | – | – |

Mumbai, September 1, 2023

By order of the Board of Directors
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
General Manager (Works)
DIN : 01509730

Dr. Anurag Kanoria
Whole Time Director
DIN: 00200630



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

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 2023

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 | 1,68,07,000 | Contractual | M.A. (25 years) | 01-04-2015 | 27-05-1962 | 61 | New India Exports Pvt. Ltd | Anurag Kanoria |
| 2 | Anurag Kanoria | Whole Time Director | 39,07,000 | Contractual | M.A (Boston Univ.) (40 years) | 01-03-1998 | 19-09-1988 | 54 | None | Vineeta Kanoria |
| 3 | Suman Shah | Store Manager | 22,90,000 | Full Time | B.A (29 years) | 01-05-2014 | 16-08-1966 | 57 | STPI Ltd | Not Applicable |
| 4 | Vinod Jiwanram Lohia | Whole Time Director and General Manager (Works) | 18,07,000 | Contractual | B.Com,LLB,DBM (60 years) | 01-10-1996 | 26-01-1951 | 72 | Bombay Wire Ropes Ltd | Not Applicable |
| 5 | Krishna Kumar Kunwar | Chief Financial Officer | 16,72,000 | Full Time | B.Com (H), MBA-Fin. (19 years) | 06-11-2013 | 24-12-1977 | 45 | Nippo Batteries | Not Applicable |
| 6 | Santosh Devi Panchbhai | Senior Manager | 15,19,000 | Full Time | Higher Secondary (41 years) | 01-04-2021 | 01-07-1960 | 63 | The United Provinces Sugar Company Ltd. | Not Applicable |
| 7 | Suresh Gangaprasad Gupta | Adminstration Manager | 13,00,900 | Full Time | B.Com (21 years) | 01-04-2018 | 18-07-1960 | 63 | The United Provinces Sugar Company Ltd. | Not Applicable |
| 8 | Hiren K. Shah | Manager (Finance & Accounts) | 12,17,140 | Full Time | B.Com (21 years) | 01-04-2018 | 28-09-1978 | 44 | The United Provinces Sugar Company Ltd. | Not Applicable |
| 9 | Nilofur M Lohiwala | Deputy Store Manager | 10,69,379 | Full Time | B.Sc. (23 years) | 01-04-2014 | 04-12-1956 | 66 | Citibank | Not Applicable |
| 10 | Vijay Panchbhai | Sales Officer | 9,67,000 | Full Time | PGDM-Marketing, B.Com (6 years) | 01-04-2021 | 19-11-1988 | 34 | The United Provinces Sugar Company Ltd. | 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: September 1, 2023

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

Dr. Anurag Kanoria
Whole Time Director
DIN : 00200630



FINANCIAL STATEMENTS



INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **The New Great Eastern Spinning and Weaving Company Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, 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 Financial Statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, 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, 2023, 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 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 Financial Statements" section of our report. We are independent of the Company in accordance with the "Code of Ethics" issued by The Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act, and the Rules 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 financial statements.

Emphasis of Matter

Attention is invited to Note 51 to the standalone financial statements, which states that the size of the lending and investment activities carried out by the Company attract the applicability of the provisions of the regulations governing Non-Banking Financial Companies ("NBFC") under the Reserve Bank of India Act, 1934 requiring the Company to register itself as an NBFC; in these circumstance, the Company has decided to apply for the registration to RBI, and also intimate RBI about steps it would take in this regard, including merging by way of absorption its Wholly Owned Subsidiary Kanoria Udyog Limited ("KUL") with it in terms of the provisions of the Companies Act, 2013.

Our opinion is not modified in respect of this matter.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, 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 Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 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



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

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

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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

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 financial statements dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid standalone 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, 2023 taken on record by the Board of Directors, none of the directors of the Company is disqualified as on March 31, 2023 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", our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
 - g. With respect to the 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 NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

- 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 financial statements – Refer Note 38 to the standalone 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, 2023.
 - iv.
 - a. The management has represented that, to the best of its knowledge and belief, except as disclosed in the Note 48 (viii) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries")
 - b. The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other person(s) or entity(ies) identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - c. Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided in (a) and (b) above, contain any material misstatement.
 - v. Since the Company has neither declared nor paid any dividend during the year, the question of commenting on whether the same is in accordance with Section 123 of the Companies Act, 2013 does not arise.
 - vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
2. As required by the Companies (Auditor's Report) Order, 2020 ("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 : September 1, 2023

PARESH H. CLERK
Partner
Membership No. 036148
UDIN : 23036148BGWTK4793



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 Financial Statements for the year ended March 31, 2023.

Report on the Internal Financial Controls with reference to standalone 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 financial statements of **The New Great Eastern Spinning and Weaving Company Limited** ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The 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 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;



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

- 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 financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, 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 : September 1, 2023

PARESH H. CLERK
Partner
Membership No. 036148
UDIN : 23036148BGWTK4793



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 financial statements for the year ended March 31, 2023.

Report on the Companies (Auditors' Report) Order, 2020, 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.
 - A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment ("PPE") and relevant details of Right-of-use Assets.
 - B. The Company has maintained proper records showing full particulars of Intangible Assets.
 - b. The management of the Company verifies PPE and Right-of-use Assets according to a phased programme designed to cover all items over a period of one year, which, in our opinion, is at reasonable intervals. Pursuant to the programme, certain items of PPE have been verified by the management during the year, and no material discrepancies have been noticed on such verification.
 - 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 (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.
 - d. According to the information and explanations given to us and on the basis of records examined by us, the Company has neither revalued any of its Property, Plant and Equipment (including Right-of-use Assets) nor its Intangible Assets during the year. Accordingly, reporting under clause 3(i)(d) of the Order is not applicable.
 - e. According to the information and explanations given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 (as amended in 2016) and Rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable.
- ii.
 - a. Physical verification of inventories has been conducted by the management during the year which, in our opinion, is at reasonable intervals; and, in our opinion, the coverage and procedure of such verification by the management is appropriate. The discrepancies noticed on verification between physical stock and book records were not 10% or more in aggregate for each class of inventories.
 - b. According to the information and explanations given to us and on the basis of records examined by us, during the year, the Company has not been sanctioned any working capital facility from banks or financial institutions on the basis of security of current assets. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable.
- iii. According to the information and explanations given to us and on the basis of the books and records of the Company examined by us, the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to firms, Limited Liability Partnerships or any other parties during the year. The Company has made investments only in companies, mutual fund schemes and Alternate Investment Funds and granted interest-bearing unsecured loans to companies, including its subsidiary company, during the year.



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

According to the information and explanations given to us and based on the audit procedures conducted by us,

- a. As given in Note 51 to the financial statements, the Company is engaged in lending and investment activities. Accordingly, clause 3(iii)(a) of the Order is not applicable to the Company.
- b. The terms and conditions of the grant of loans or advances in the nature of loans are not *prima facie* prejudicial to the interest of the Company.
- c. Loans granted by the Company are maintained in the nature of current account and/or are repayable on demand after six months from the date of disbursement. However, the terms for payment of interest is stipulated and the receipts for interest are regular. In terms of the stipulation, no amount of repayment of loan was due during the year or at the year-end.
- d. In respect of loans granted by the Company, based on the stipulation as mentioned in (c) above, there is no overdue amount remaining outstanding at the balance sheet date. Accordingly, reporting under clause 3(iii)(d) is not applicable.
- e. As given in Note 51 to the financial statements, the Company is engaged in lending and investment activities. Accordingly, clauses 3(iii)(e) of the Order is not applicable to the Company.
- f. As indicated in (c) above, the Company has granted loans to companies which are repayable on demand after six months from the date of disbursement, details as required are given herein below. The Company has not granted any loan to Promoters.

| Particulars | Amount ₹ in Lakhs |
|--------------------------------------|------------------------------|
| Loans: | |
| - Related Party – Subsidiary Company | 1,456 |
| | |
| Percentage of loans given: | |
| - Related Party – Subsidiary Company | 75% |

- iv. According to the information and explanations given to us and on the basis of the books and records of the Company examined by us, the Company has not advanced any loan or given any guarantee or provided any security for loan taken by directors, etc as specified under Section 185 of the Act. Further, in respect of loans and investments made, in our opinion, the Company has complied with the provisions of Section 186 of the Act.
- v. In our opinion and according to the information and explanations given to us and on the basis of the books and records of the Company examined by us, the Company has not accepted deposits or amounts which are deemed to be deposits under the Act and Rules made thereunder from the public. Accordingly, reporting under clause 3(v) of the Order is not applicable.
- vi. According to the information and explanations given to us, the maintenance of cost records has not been specified by the Central Government under Section 148 (l) of the Act for the lending and investment activities carried out by the Company. Accordingly, clause 3(vi) of the Order is not applicable to the Company.
- 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 Goods and Service Tax (GST), Employees' State Insurance, Income Tax, Professional Tax, Provident Fund, Tax Deducted at Source, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other Statutory dues as applicable to it, though there have been slight delays in a few cases of Tax Deducted at Source and Professional Tax. Except for the details for arrears



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given below, there are no other arrears of outstanding statutory dues on the last date of financial year, for a period of more than 6 months from the date they become payable.

| Name of the Statute | Nature of the Dues | Amount (₹) | Period to which the amount relates | Due Date | Date of Payment |
|---------------------|--------------------|------------|-------------------------------------|-----------------------------------|-----------------|
| Provident Fund | PF | 10,800 | April 1, 2022 to September 30, 2022 | May 15, 2022. to October 15, 2022 | Not paid |

- 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, details of statutory dues referred to in sub-clause (a) above, which have not been deposited on account of disputes as at March 31, 2023 and the forum where the dispute is pending are given below:

| Sr. No. | 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 | 39,17,129* (7,83,430) |
| 2. | The Income-tax Act, 1961 | Commissioner of Income Tax (Appeals) | Income tax and interest | Assessment Year 2017-18 | 51,59,705* (10,30,000) |
| 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 | 7,87,317 |
| 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 |

*Indicates amount deposited or paid under dispute.

- viii. According to the information and explanations given to us, the Company did not have any transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961.
- ix. a. 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 taken any loan or has borrowings from any party. Accordingly, reporting under clauses 3(ix)(a), 3(ix)(c), 3(ix)(e) and 3(ix)(f) of the order are not applicable.
- b. According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company is not declared willful defaulter by any bank or financial institution or government or any government authority.
- c. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that funds raised on short-term basis, if any, have not been utilised for long-term purposes.
- x. 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 not raised any money by way of initial public offer or further public



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- offer (including debt instruments) during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable.
- b. 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 any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable.
- xi. a. On the basis of books and records of the Company examined by us and according to the information and explanations given to us, we report that no material fraud by the Company or no material fraud on the Company has been noticed or reported during the year in the course of our audit.
- b. According to the information and explanations given to us, no report under section 143(12) of the Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- c. As represented to us by the management, the Company has not received any whistle-blower complaint during the year and upto the date of this report.
- xii. The Company is not a Nidhi company. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us and on the basis of books and records of the Company examined by us, 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 financial statements as required by the applicable accounting standards.
- xiv. Since the Company is a unlisted public company and its paid up share capital is less than ₹ 50 Crore, its turnover is less than ₹ 200 Crore, its outstanding deposits is less than ₹ 25 Crore and it did not have any outstanding loans or borrowings at any time during the previous financial year, as per Section 138 of the Act, the Company is not mandatorily required to have an internal audit system and accordingly, the Company does not have any internal audit system so as to report under clause 3(xiv)(a) and 3(xiv)(b) of the Order.
- xv. 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 entered into non-cash transactions with its directors or persons connected to its directors. Accordingly, reporting under clause 3(xv) of the Order is not applicable.
- xvi. a. As given in Note 51 to the financial statements, the Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 ("RBI Act") and as per the information and explanations given to us, the Company has decided to apply for the registration to RBI, and also intimate RBI about steps it would take in this regard, including merging by way of absorption its Wholly Owned Subsidiary Kanoria Udyog Limited ("KUL") with it in terms of the provisions of the Companies Act, 2013.
- 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 conducted non – banking financial activities for which it is required to obtain a valid Certificate of Registration ("CoR") from Reserve Bank of India ("RBI") as per the RBI Act and accordingly, the Company has decided to apply for the registration to RBI, and also intimate RBI about steps it would take in this regard, including merging by way of absorption its Wholly Owned Subsidiary Kanoria Udyog Limited ("KUL") with it in terms of the provisions of the Companies Act, 2013. Further, the Company has not conducted any housing finance activities and is not required to obtain CoR for such activities from the RBI.
- c. The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

- d. According to the information and explanations provided by the management of the Company, the Company does not have CIC as part of the Group. Accordingly, reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. The Company has not incurred cash losses in the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation by the statutory auditors of the Company during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable.
- xix. According to the information and explanations given to us and on the basis of financial ratios [Refer Note 47 to the Standalone Financial Statements] ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. As per the information and explanations given to us and on basis of the books and records examined by us, we report that since the Company has average net losses during the immediately preceding three financial years calculated in terms of the provisions of Section 198 of the Act, it is not required to spend any money under sub-section (5) of Section 135 of the Act and accordingly, any reporting under clause (xx) of the Order is not applicable to the Company for the year.

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

PLACE : Mumbai
DATED : September 1, 2023

PARESH H. CLERK
Partner
Membership No. 036148
UDIN : 23036148BGWTK4793



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

STANDALONE BALANCE SHEET AS AT MARCH 31, 2023

₹ in lakhs

| Particulars | Note | As at March 31, 2023 | As at March 31, 2022 |
|--|------|-------------------------|-------------------------|
| ASSETS | | | |
| 1. Financial Assets | | | |
| a. Cash and Cash Equivalents | 3 | 180.98 | 945.59 |
| b. Bank Balance other than Cash and Cash Equivalents | 4 | 50.75 | 47.92 |
| c. Trade Receivables | 5 | 138.55 | 254.27 |
| d. Loans | 6 | 15,560.46 | 15,483.34 |
| e. Investments | 7 | 40,206.47 | 41,431.70 |
| f. Other Financial Assets | 8 | 38.69 | 33.11 |
| | | 56,175.90 | 58,195.93 |
| 2. Non Financial Assets | | | |
| a. Inventories | 9 | 1,549.48 | 1,515.43 |
| b. Current Tax Assets (Net) | 10 | 232.31 | 442.44 |
| c. Deferred Tax Assets (Net) | 11 | NIL | NIL |
| d. Property, Plant and Equipment | 12 | 434.85 | 497.09 |
| e. Right-of-Use Assets | 13 | 29.37 | 27.46 |
| f. Other Intangible Assets | 14 | 6.58 | 3.76 |
| g. Other Non-Financial Assets | 15 | 210.57 | 239.06 |
| | | 2,463.16 | 2,725.24 |
| Total Assets | | 58,639.06 | 60,921.17 |
| LIABILITIES AND EQUITY | | | |
| LIABILITIES | | | |
| 1. Financial Liabilities | | | |
| a. Trade Payables | 16 | NIL | NIL |
| i. Total outstanding dues of micro enterprises and small enterprises | | NIL | NIL |
| ii. Total outstanding dues of creditors other than micro enterprises and small enterprises | | 79.11 | 52.46 |
| b. Deposits | 17 | 375.00 | 375.00 |
| c. Lease Liabilities | 18 | 31.44 | 28.47 |
| d. Other Financial Liabilities | 19 | 48.11 | 4.89 |
| | | 533.66 | 460.82 |
| 2. Non Financial Liabilities | | | |
| a. Deferred Tax Liabilities (Net) | 11 | 1,497.06 | 1503.31 |
| b. Provisions | 20 | 165.25 | 202.34 |
| c. Other Non-Financial Liabilities | 21 | 41.03 | 24.29 |
| | | 1,703.34 | 1,729.94 |
| EQUITY | | | |
| a. Equity Share Capital | 22 | 1,682.00 | 1,808.60 |
| b. Other Equity | 23 | 54,720.06 | 56,921.81 |
| | | 56,402.06 | 58,730.41 |
| Total Liabilities and Equity | | 58,639.06 | 60,921.17 |

The accompanying Significant Accounting Policies and Notes form an integral part of the Standalone Financial Statements

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As per our attached report of even date

For and on behalf of the Board of Directors of

For **BANSI S. MEHTA & CO.**

THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Chartered Accountants

Firm Registration No. 100991W

Vinod Jivanram Lohia

Whole Time Director & General Manager (Works)

DIN : 01509730

Dr. Anurag Kanoria

Whole Time Director

DIN : 00200630

Raj Kumar Jhunjunwala

Non Executive Independent Director

DIN : 01527573

Nisha Chopra

Company Secretary

M.No. A41450

Krishna Kumar Kunwar

Chief Financial Officer

Paresh H. Clerk

Partner

Membership No. 36148

Place : Mumbai

Place : Mumbai

Date : September 1, 2023

Date : September 1, 2023



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023

₹ in lakhs

| Particulars | Note | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|------|------------------------------|------------------------------|
| Revenue from Operations | | | |
| i. Interest Income | 24 | 1,146.74 | 1,044.09 |
| ii. Dividend Income | 25 | 482.97 | 207.25 |
| iii. Net Gain on Fair Value Changes | 26 | (46.13) | 10.92 |
| iv. Sale of Products | 27 | 872.75 | 1,830.57 |
| I Total Revenue from Operations | | 2,456.33 | 3,092.83 |
| II Other Income | 28 | 234.92 | 105.19 |
| III Total Income (I + II) | | 2,691.25 | 3,198.02 |
| Expenses | | | |
| i. Finance Costs | 29 | 18.04 | 6.06 |
| ii. Fees and Commission Expense | 30 | 2.56 | 4.80 |
| iii. Impairment on Financial Instruments | 31 | 18.63 | 105.75 |
| iv. Cost of Materials Consumed | 32 | 646.23 | 780.16 |
| v. Purchases of Stock-in-Trade | 33 | 21.40 | 229.35 |
| vi. Changes in inventories of Finished Goods, Stock-in-Trade and Work-in-Progress | 34 | (107.23) | 22.77 |
| vii. Employee Benefits Expense | 35 | 605.13 | 587.08 |
| viii. Depreciation and Amortisation | 36 | 94.01 | 104.53 |
| ix. Other Expenses | 37 | 1,299.17 | 1,035.25 |
| IV Total Expenses | | 2,597.94 | 2,875.75 |
| V Profit / (Loss) before Tax (III-IV) | | 93.31 | 322.27 |
| VI Tax Expense : | 42 | | |
| i. Current Tax | | 384.00 | 96.01 |
| ii. (Excess) / Short Provision for Tax of earlier Years | | 6.17 | NIL |
| iii. Deferred Tax | | 44.64 | 388.66 |
| Total Tax Expense | | 434.81 | 484.67 |
| VII Profit / (Loss) for the Year (V-VI) | | (341.50) | (162.40) |
| VIII Other Comprehensive Income | | | |
| i. Items that will not be reclassified to profit or loss | | | |
| a. Remeasurement Gain / (Loss) on Defined Benefit Plans | | 1.61 | 44.08 |
| b. Fair Value Changes on Equity Instruments through Other Comprehensive Income | | 1,923.29 | 10,758.21 |
| ii. Income tax relating to above | | | |
| a. Remeasurement Gain / (Loss) on Defined Benefit Plans | | (0.41) | (11.09) |
| b. Fair Value Changes on Equity Instruments through Other Comprehensive Income | | 51.30 | (1,103.56) |
| Total Other Comprehensive Income for the Year | | 1,975.79 | 9,687.64 |
| IX Total Comprehensive Income for the Year (VII+VIII) | | 1,634.29 | 9,525.24 |
| X Earnings per equity share of face value of ₹ 10 each | 40 | | |
| Basic (in ₹) | | (1.96) | (0.90) |
| Diluted (in ₹) | | (1.96) | (0.90) |

The accompanying Significant Accounting Policies and Notes form an integral part of the Standalone Financial Statements

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As per our attached report of even date

For and on behalf of the Board of Directors of

For **BANSI S. MEHTA & CO.**

THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Chartered Accountants

Firm Registration No. 100991W

Vinod Jiwanram Lohia

Whole Time Director & General Manager (Works)

DIN : 01509730

Dr. Anurag Kanoria

Whole Time Director

DIN : 00200630

Raj Kumar Jhunjunwala

Non Executive Independent Director

DIN : 01527573

Nisha Chopra

Company Secretary

M.No. A41450

Krishna Kumar Kunwar

Chief Financial Officer

Paresh H. Clerk

Partner

Membership No. 36148

Place : Mumbai

Place : Mumbai

Date : September 1, 2023

Date : September 1, 2023



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2023

₹ in lakhs

| Particulars | | Year ended March 31, 2023 | For Year ended March 31, 2022 |
|--|--------------------|------------------------------|----------------------------------|
| A. Cash Flow from Operating Activities | | | |
| Profit / (Loss) before Tax | | 93.31 | 322.27 |
| Adjustments for: | | | |
| Depreciation and Amortisation Expense | | 94.01 | 104.53 |
| Excess balances and liabilities written back | | (1.25) | (1.47) |
| Provision for Trade Receivables and Advances / (Reversal of Provision for Trade Receivables and Advances) | | 18.63 | 105.75 |
| Interest Income | | (1,146.74) | (1,044.09) |
| Dividend Income | | (482.97) | (207.25) |
| Sundry balances Written-off | | 6.96 | 3.66 |
| Gain on Lease modification | | NIL | (4.63) |
| Finance Costs | | 2.96 | 2.46 |
| Net Gain on Fair Value Changes | | 46.13 | (10.92) |
| Operating Profit before Working Capital Changes | | (1,368.96) | (729.69) |
| Working Capital Changes | | | |
| (Increase) / decrease in Trade Receivables | | 115.72 | (98.95) |
| (Increase) / decrease in Other Financial Assets | | (5.58) | (9.74) |
| (Increase) / decrease in Inventories | | (34.05) | (67.46) |
| (Increase) / decrease in Other Non-financial Assets | | 28.49 | 19.58 |
| Increase / (decrease) in Trade Payables | | 26.65 | (13.14) |
| Increase / (decrease) in Other Financial Liabilities | | 43.22 | (48.39) |
| Increase / (decrease) in Other Non-financial Liabilities | | 16.74 | (8.17) |
| Increase / (decrease) in Provisions | | (37.09) | (91.28) |
| Cash Generated / (Used) from Operations | | (1,214.86) | (1,047.24) |
| Income Taxes paid (net) | | (195.63) | (36.96) |
| Net Cash Generated / (Used) from Operating Activities | (A) | (1,410.49) | (1,084.20) |
| B. Cash Flow from Investing Activities | | | |
| Purchase of Property, Plant and Equipment | | (21.78) | (8.01) |
| Purchase of Other Intangible Assets | | (4.80) | NIL |
| Loans Given | | (1,941.15) | (3,722.66) |
| Loans Repaid | | 1,864.03 | 1,607.77 |
| Purchase of Investments | | (8,893.01) | (9,886.84) |
| Proceeds from Sale of Investments | | 11,994.31 | 12,604.09 |
| Bank Deposit under lien | | (2.83) | (2.13) |
| Dividend received from Investments | | 482.97 | 207.25 |
| Interest received | | 1,140.69 | 1,045.23 |
| Net Cash Generated / (Used) from Investing Activities | (B) | 4,618.43 | 1,844.70 |
| C. Cash Flow from Financing Activities | | | |
| Payment of Principal Portion of Lease Liabilities | | (6.94) | (2.04) |
| Payment of Interest Portion of Lease Liabilities | | (2.96) | (2.46) |
| Payment for Buy-back of Equity Shares | | (3,237.85) | NIL |
| Taxes paid on Buyback of Equity Shares | | (724.80) | NIL |
| Net Cash Generated / (Used) from Financing Activities | (C) | (3,972.55) | (4.50) |
| Net (Decrease) / Increase in Cash and Cash Equivalents | [A + B + C] | (764.61) | 756.00 |
| Cash and Cash Equivalents at the Beginning of the Year | | 945.59 | 189.59 |
| Cash and Cash Equivalents at the End of the Year | | 180.98 | 945.59 |
| Net (Decrease) / Increase in Cash and Cash Equivalents | | (764.61) | 756.00 |



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Notes to the Standalone Statement of Cash Flows for the year ended March 31, 2023

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, 2023 | As at March 31, 2022 |
|---------------------|---------------------------------|---------------------------------|
| Cash on hand | NIL | 0.04 |
| Balances with Banks | 180.98 | 945.55 |
| Total | 180.98 | 945.59 |

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

₹ in lakhs

| Particulars | As at April 1, 2022 | Cash Changes | Non-cash Changes | As at March 31, 2023 |
|--------------------|--------------------------------|-------------------------|-----------------------------|---------------------------------|
| Lease Liabilities | 28.47 | (9.91) | 12.88 | 31.44 |

| Particulars | As at April 1, 2021 | Cash Changes | Non-cash Changes | As at March 31, 2022 |
|--------------------|--------------------------------|-------------------------|-----------------------------|---------------------------------|
| Lease Liabilities | 97.23 | (4.50) | (64.26) | 28.47 |

- iv. Figures in the brackets are outflows/deductions.

The accompanying Significant Accounting Policies and Notes form an integral part of the Standalone Financial Statements

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As per our attached report of even date

For and on behalf of the Board of Directors of

For **BANSI S. MEHTA & CO.**

THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Chartered Accountants

Firm Registration No. 100991W

Vinod Jiwanram Lohia

Whole Time Director & General Manager (Works)

DIN : 01509730

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Non Executive Independent Director

DIN : 01527573

Nisha Chopra

Company Secretary

M.No. A41450

Krishna Kumar Kunwar

Chief Financial Officer

Paresh H. Clerk

Partner

Membership No. 36148

Place : Mumbai

Date : September 1, 2023

Place : Mumbai

Date : September 1, 2023



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023

A. Equity Share Capital

₹ in lakhs

| Particular | Number of shares | Amount |
|--|--------------------|-----------------|
| Balance as at April 1, 2022 | 1,80,86,040 | 1,808.60 |
| Changes in Equity Share Capital due to prior period errors | NIL | NIL |
| Restated balance at the beginning of the current reporting period | 1,80,86,040 | 1,808.60 |
| Changes in Equity Share Capital during the year | | |
| Buy-back of Equity Shares [Refer Note 22.1 (b)] | (12,66,023) | (126.60) |
| Balance as at March 31, 2023 | 1,68,20,017 | 1,682.00 |

| Particular | Number of shares | Amount |
|--|--------------------|-----------------|
| Balance as at April 1, 2021 | 18,08,604 | 1,808.60 |
| Changes in Equity Share Capital due to prior period errors | NIL | NIL |
| Restated balance at the beginning of the current reporting period | 18,08,604 | 1,808.60 |
| Changes in Equity Share Capital during the year | | |
| Adjustment for Sub-Division of Equity Share* | 1,62,77,436 | NIL |
| Balance as at March 31, 2022 | 1,80,86,040 | 1,808.60 |

* Pursuant to the approval of the shareholders through Postal Ballot Resolutions passed on March 31, 2022, each equity share of face value of ₹ 100/- per share was sub-divided into ten equity shares of face value of ₹ 10/- per share.

B. Other Equity

₹ in lakhs

| Particulars | Reserves and Surplus | | Equity Instruments through Other Comprehensive Income | Total |
|---|----------------------------|-------------------|---|-------------------|
| | Capital Redemption Reserve | Retained Earnings | | |
| As at April 1, 2022 | NIL | 40,411.58 | 16,510.23 | 56,921.81 |
| Changes in accounting policy or prior period item | NIL | NIL | NIL | NIL |
| Restated balance at the beginning of the current reporting period | NIL | 40,411.58 | 16,510.23 | 56,921.81 |
| Profit/(Loss) for the year | NIL | (341.50) | NIL | (341.50) |
| Buy-back of equity shares | 126.60 | (3,237.85) | NIL | (3,111.25) |
| Tax on buy-back of equity shares | NIL | (724.80) | NIL | (724.80) |
| Other Comprehensive Income for the year, net of income tax | | | | |
| – Remeasurement Gain / (Loss) on Defined Benefit Plans | NIL | 1.20 | NIL | 1.20 |
| – Net fair value changes on Equity Instruments through Other Comprehensive Income | NIL | NIL | 1,974.59 | 1,974.59 |
| – Realised Gain on Sale of Equity Instruments reclassified to Retained Earnings | NIL | 2,513.93 | (2,513.93) | NIL |
| Total Comprehensive Income for the year | 126.60 | (1,789.02) | (539.34) | (2,201.76) |
| As at March 31, 2023 | 126.60 | 38,622.56 | 15,970.89 | 54,720.06 |



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023

₹ in lakhs

| Particulars | Reserves and Surplus | | Equity Instruments through Other Comprehensive Income | Total |
|---|----------------------------|-------------------|---|------------------|
| | Capital Redemption Reserve | Retained Earnings | | |
| As at April 1, 2021 | NIL | 39,552.43 | 7,844.14 | 47,396.57 |
| Changes in accounting policy or prior period item | NIL | NIL | NIL | NIL |
| Restated balance at the beginning of the current reporting period | NIL | 39,552.43 | 7,844.14 | 47,396.57 |
| Profit/(Loss) for the year | NIL | (162.40) | NIL | (162.40) |
| Other Comprehensive Income for the year, net of income tax | | | | |
| – Remeasurement Gain / (Loss) on Defined Benefit Plans | NIL | 32.99 | NIL | 32.99 |
| – Net fair value changes on Equity Instruments through Other Comprehensive Income | NIL | NIL | 9,654.65 | 9,654.65 |
| – Realised Gain on Sale of Equity Instruments reclassified to Retained Earnings | NIL | 988.56 | (988.56) | NIL |
| Total Comprehensive Income for the year | NIL | 859.15 | 8,666.09 | 9,525.24 |
| | | | | |
| As at March 31, 2022 | NIL | 40,411.58 | 16,510.23 | 56,921.81 |

The accompanying Significant Accounting Policies and Notes form an integral part of the Standalone Financial Statements

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As per our attached report of even date

For and on behalf of the Board of Directors of

For **BANSI S. MEHTA & CO.**

THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Chartered Accountants

Firm Registration No. 100991W

Paresh H. Clerk

Partner

Membership No. 36148

Place : Mumbai

Date : September 1, 2023

Vinod Jiwanram Lohia

Dr. Anurag Kanoria

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Nisha Chopra

Krishna Kumar Kunwar

Place : Mumbai

Date : September 1, 2023

Whole Time Director & General Manager (Works)

Whole Time Director

Non Executive Independent Director

Company Secretary

Chief Financial Officer

DIN : 01509730

DIN : 00200630

DIN : 01527573

M.No. A41450



Notes to the Standalone Financial Statements for the year ended March 31, 2023

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’s primary business is manufacturing and trading/marketing activities. The Company owns substantial financial investments in the form of shares, mutual funds and other financial securities. 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 September 1, 2023.

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 standalone financial statements have been prepared and presented on the basis of going concern, under historical cost convention, except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies below.

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.

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



Notes to the Standalone Financial Statements for the year ended March 31, 2023

- 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 scarp.

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 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.



Notes to the Standalone Financial Statements for the year ended March 31, 2023

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.

Deferred tax assets and liabilities are measured 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.



Notes to the Standalone Financial Statements for the year ended March 31, 2023

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 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 at their 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 asset 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.

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.



Notes to the Standalone Financial Statements for the year ended March 31, 2023

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 or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net 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 as either finite or indefinite. Finite-life intangible assets are amortised 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 |
| Website | 5 years |

2.8. Leases

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



Notes to the Standalone Financial Statements for the year ended March 31, 2023

- 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.

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 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 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.



Notes to the Standalone Financial Statements for the year ended March 31, 2023

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 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.



Notes to the Standalone Financial Statements for the year ended March 31, 2023

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.

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 recognition of financial asset or financial



Notes to the Standalone Financial Statements for the year ended March 31, 2023

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 subsidiary are 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.

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 that do not contain a significant financing component are measured at transaction price. 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.



Notes to the Standalone Financial Statements for the year ended March 31, 2023

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.

Derecognition 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.

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.



Notes to the Standalone Financial Statements for the year ended March 31, 2023

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. 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



Notes to the Standalone Financial Statements for the year ended March 31, 2023

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 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.



Notes to the Standalone Financial Statements for the year ended March 31, 2023

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 noncancelable 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 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-cancellable 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

The Ministry of Corporate Affairs ("MCA") notifies new standards or amends the existing standards under the Companies (Indian Accounting Standards) Rules as issued and amended from time to time. MCA, through a notification of March 31, 2023, introduced the Companies (Indian Accounting Standards) Amendment Rules, 2023 to amend the Companies (Indian Accounting Standards) Rules, 2015, which come into force with effect from April 1, 2023. The following are the amendments:

Ind AS 1 - Presentation of Financial Statements

The amendment specifies that the entities disclose material accounting policy information rather than their significant accounting policies. Accounting policy information, when considered together with other



Notes to the Standalone Financial Statements for the year ended March 31, 2023

information included in an entity's financial statements, is material, if it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The Company has evaluated the amendment and does not expect this amendment to have any significant impact in its standalone financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

This amendment introduces the definition of 'accounting estimates'. An accounting policy may require items to be measured involving measurement uncertainty and such items for its measurement, instead of being observed directly are to be estimated and therefore, an entity requires to develop an accounting estimate for the accounting policy. Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. Other amendments provide mainly relates to changes in accounting estimates and how to apply changes in accounting policies so as to distinguish the two.

The Company has evaluated the amendment and it does not expect to have any impact on its financial statements.

Ind AS 12 - Income Taxes

These amendments have narrowed the scope of application of the exemption when temporary differences arise on the initial recognition of an asset or liability in a transaction. As per the amendments, the exemption in paragraphs 15 and 24 of Ind AS 12) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences and the exemption applies only when the taxable and deductible temporary differences are unequal.

The Company is evaluating the impact, if any, in its financial statements.

Note 3

Cash and Cash Equivalent

₹ in lakhs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| Cash on Hand | NIL | 0.04 |
| Balances with Banks in Current Accounts | 180.98 | 945.55 |
| Total | 180.98 | 945.59 |

Note 4

Bank Balance other than Cash and Cash Equivalents

₹ in lakhs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| Bank Deposits under Lien (Refer Note 4.1) | 50.75 | 47.92 |
| Total | 50.75 | 47.92 |

- 4.1 Bank Deposits under lien towards security for guarantees issued to the Company against DNH Power and Employee State Insurance Corporation amounting to ₹ 16.40 lakhs and ₹ 15.00 lakhs, respectively (March 31, 2022 : ₹ 16.40 lakhs and ₹ 15.00 lakhs.)



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Notes to the Standalone Financial Statements for the year ended March 31, 2023

Note 5

Trade Receivables

₹ in lakhs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| Unsecured | | |
| Considered Good | 138.55 | 254.27 |
| Credit Impaired | 146.50 | 122.32 |
| | 285.05 | 376.59 |
| Less : Allowance for expected credit loss | (146.50) | (122.32) |
| Total | 138.55 | 254.27 |

Ageing of Trade Receivables

As at March 31, 2023

₹ in lakhs

| Outstanding for following periods from due date of payment | Considered Good | Trade Receivables which have significant increase in credit risk | Credit Impaired |
|--|-----------------|--|-----------------|
| Undisputed Trade Receivables | | | |
| Less than 6 months | 8.93 | NIL | 0.12 |
| 6 months - 1 year | NIL | NIL | NIL |
| 1-2 Years | NIL | NIL | 137.68 |
| 2-3 Years | NIL | NIL | NIL |
| More than 3 years | 129.62 | NIL | 8.70 |
| Disputed Trade Receivables | NIL | NIL | NIL |
| Total | 138.55 | NIL | 146.50 |

Ageing of Trade Receivables

As at March 31, 2022

₹ in lakhs

| Outstanding for following periods from due date of payment | Considered Good | Trade Receivables which have significant increase in credit risk | Credit Impaired |
|--|-----------------|--|-----------------|
| Undisputed Trade Receivables | | | |
| Less than 6 months | 124.69 | NIL | 113.59 |
| 6 months - 1 year | 1.47 | NIL | 0.10 |
| 1-2 Years | NIL | NIL | NIL |
| 2-3 Years | NIL | NIL | 0.37 |
| More than 3 years | 128.11 | NIL | 8.26 |
| Disputed Trade Receivables | NIL | NIL | NIL |
| Total | 254.27 | NIL | 122.32 |

5.1 Under Franchisee Agreement of Home Decor division of the Company, 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 NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Notes to the Standalone Financial Statements for the year ended March 31, 2023

the Consumer Price Index as released by RBI which is 6.20% and at every reporting date, the default rates are reassessed and the necessary adjustments are made, if required.

5.2 In case of Trade Receivables pertaining to Textile division and Home Decor division other than Franchise Agreement, 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 Allowance for expected Credit Loss

₹ in lakhs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| Balance at the beginning of the year | 122.32 | 22.12 |
| Allowance for expected credit loss | 24.18 | 100.20 |
| Balance at the end of the year | 146.50 | 122.32 |

The amount of impairment loss allowance of ₹ 146.50 lakhs (March 31, 2022: ₹ 122.32 lakhs) of which ₹ 8.70 lakhs (March 31, 2022: ₹ 8.77 lakhs) pertains to Home Decor division (Refer Note 5.1) and remaining ₹ 137.80 lakhs (March 31, 2022: ₹ 113.55 lakhs) pertaining to Textile and Home Decor division (Refer Note 5.2) is estimated based on the following provision matrix.

₹ in lakhs

| Particulars | Default Rate (A) | As at March 31, 2023 | |
|--------------------|------------------------|------------------------------|--|
| | | Gross Carrying Amount (B) | Lifetime expected Credit loss allowance (A X B) |
| Not Due | 0% | NIL | NIL |
| 0-45 Days | 1% | 8.44 | 0.05 |
| 45-90 Days | 25% | NIL | NIL |
| 90-180 Days | 64% | 0.10 | 0.07 |
| 180-360 Days | 100% | NIL | NIL |
| More than 360 Days | 100% | 137.68 | 137.68 |
| Total | | 146.22 | 137.80 |

₹ in lakhs

| Particulars | Default Rate (A) | As at March 31, 2022 | |
|--------------------|------------------------|------------------------------|--|
| | | Gross Carrying Amount (B) | Lifetime expected Credit loss allowance (A X B) |
| Not Due | 0% | NIL | NIL |
| 0-45 Days | 1% | 43.19 | 0.27 |
| 45-90 Days | 25% | 42.61 | 10.86 |
| 90-180 Days | 64% | 160.73 | 102.42 |
| 180-360 Days | 100% | NIL | NIL |
| More than 360 Days | 100% | NIL | NIL |
| Total | | 246.53 | 113.55 |



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Notes to the Standalone Financial Statements for the year ended March 31, 2023

Note 6

Loans

₹ in lakhs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| Unsecured and Considered Good Measured at Amortised Cost | | |
| Loan to Related Parties [Refer Note 45.2(II)] | 15,073.96 | 15,281.84 |
| Loans to Others | 486.50 | 201.50 |
| Total | 15,560.46 | 15,483.34 |
| Percentage to the total Loans and Advances in the nature of loans | | |
| Loans to Related Parties | 96.87% | 98.70% |
| Loans in India | | |
| Public Sector Companies | NIL | NIL |
| Other than Public Sector Companies | 15,560.46 | 15,483.34 |
| | 15,560.46 | 15,483.34 |
| Loans outside India | NIL | NIL |
| Total | 15,560.46 | 15,483.34 |



Notes to the Standalone Financial Statements for the year ended March 31, 2023

Note 7 : Investments

₹ in lakhs

| Particulars | As at March 31, 2023 | | | | | | As at March 31, 2022 | | | | | | |
|--|----------------------|------------------------------------|------------------------|---------------|---------------|--------------------|----------------------|------------------------------------|------------------------|---------------|---------------|------------|---------------|
| | Number | Fair Value | | | Total | Others (At Cost) | Number | Fair Value | | | Total | | |
| | | Through Other Comprehensive Income | Through Profit or Loss | Sub-total | | | | Through Other Comprehensive Income | Through Profit or Loss | Sub-total | | | |
| A. Investments in Units of Mutual Funds | | | | | | | | | | | | | |
| Debt Oriented Mutual Funds | | | | | | | | | | | | | |
| Franklin India Ultra Short Bond Fund - Super Institutional Plan - Growth | NIL | NIL | NIL | NIL | NIL | 28,458.52 | NIL | 9.56 | NIL | 9.56 | 9.56 | NIL | 9.56 |
| HDFC Overnight Fund Direct Plan Growth | 791.84 | NIL | 26.36 | 26.36 | 26.36 | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| Total (A) | 791.84 | NIL | 26.36 | 26.36 | 26.36 | 28,458.52 | NIL | 9.56 | NIL | 9.56 | 9.56 | NIL | 9.56 |
| B. Investments in Alternate Investment Funds | | | | | | | | | | | | | |
| Marcellus Rising Giants Fund | 3,49,492.52 | NIL | 265.43 | 265.43 | 265.43 | 3,49,492.52 | NIL | 323.17 | NIL | 323.17 | 323.17 | NIL | 323.17 |
| Total (B) | 3,49,492.52 | NIL | 265.43 | 265.43 | 265.43 | 3,49,492.52 | NIL | 323.17 | NIL | 323.17 | 323.17 | NIL | 323.17 |



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Notes to the Standalone Financial Statements for the year ended March 31, 2023

Note 7 : Investments (Contd...)

₹ in lakhs

| Particulars | As at March 31, 2023 | | | | | | As at March 31, 2022 | | | | | |
|---|----------------------|------------------------------------|------------------------|-----------|-------|------------------|----------------------|------------------------------------|------------------------|-----------|-----------|----------|
| | Number | Fair Value | | | Total | Others (At Cost) | Number | Fair Value | | | Total | |
| | | Through Other Comprehensive Income | Through Profit or Loss | Sub-total | | | | Through Other Comprehensive Income | Through Profit or Loss | Sub-total | | |
| C. Investments in Equity Instruments | | | | | | | | | | | | |
| Subsidiary | | | | | | | | | | | | |
| Unquoted | | | | | | | | | | | | |
| Kanoria Udyog Limited | 5,000 | NIL | NIL | NIL | 5.00 | 5,000 | NIL | NIL | NIL | 5.00 | 5,000 | 5.00 |
| Others | | | | | | | | | | | | |
| Quoted | | | | | | | | | | | | |
| Bharti Airtel Limited | 5,36,443 | 3,878.64 | NIL | 3,878.64 | NIL | 5,36,443 | 3,919.05 | NIL | 3,919.05 | NIL | 5,36,443 | 3,919.05 |
| Can Fin Homes Limited | NIL | NIL | NIL | NIL | NIL | 1,00,000 | 631.45 | NIL | 631.45 | NIL | 1,00,000 | 631.45 |
| Colgate Palmolive (India) Limited | 1,00,000 | 1,507.35 | NIL | 1,507.35 | NIL | 1,00,000 | 1,542.25 | NIL | 1,542.25 | NIL | 1,00,000 | 1,542.25 |
| Craftsman Automation Ltd | 50,000 | 1,627.65 | NIL | 1,627.65 | NIL | 50,000 | 1,179.20 | NIL | 1,179.20 | NIL | 50,000 | 1,179.20 |
| Dalmia Bharat Limited | 2,00,000 | 3,936.50 | NIL | 3,936.50 | NIL | 2,00,000 | 2,991.20 | NIL | 2,991.20 | NIL | 2,00,000 | 2,991.20 |
| Gujarat Fluorochemicals Limited | 3,24,905 | 9,812.78 | NIL | 9,812.78 | NIL | 3,50,055 | 9,600.43 | NIL | 9,600.43 | NIL | 3,50,055 | 9,600.43 |
| GFL Limited* | 1,75,054 | 83.33 | NIL | 83.33 | NIL | 1,75,054 | 138.12 | NIL | 138.12 | NIL | 1,75,054 | 138.12 |
| HDFC Bank Limited | 4,43,001 | 7,130.32 | NIL | 7,130.32 | NIL | 4,25,000 | 6,248.99 | NIL | 6,248.99 | NIL | 4,25,000 | 6,248.99 |
| HDFC Life Insurance Limited | NIL | NIL | NIL | NIL | NIL | 1,75,000 | 941.85 | NIL | 941.85 | NIL | 1,75,000 | 941.85 |
| ICICI Lombard General Insurance Company Limited | NIL | NIL | NIL | NIL | NIL | 75,000 | 996.23 | NIL | 996.23 | NIL | 75,000 | 996.23 |
| IndusInd Bank | 2,00,000 | 2,135.90 | NIL | 2,135.90 | NIL | 2,00,000 | 1,870.80 | NIL | 1,870.80 | NIL | 2,00,000 | 1,870.80 |
| IDFC Limited | 17,50,000 | 1,374.63 | NIL | 1,374.63 | NIL | 17,50,000 | 1,080.63 | NIL | 1,080.63 | NIL | 17,50,000 | 1,080.63 |
| Inox Wind Energy Ltd | 17,505 | 192.41 | NIL | 192.41 | NIL | 17,505 | 124.30 | NIL | 124.30 | NIL | 17,505 | 124.30 |
| Jindal Steel and Power Limited | NIL | NIL | NIL | NIL | NIL | 5,00,000 | 2,664.25 | NIL | 2,664.25 | NIL | 5,00,000 | 2,664.25 |
| Kotak Mahindra Bank Limited | 1,78,000 | 3,084.47 | NIL | 3,084.47 | NIL | 50,000 | 876.93 | NIL | 876.93 | NIL | 50,000 | 876.93 |
| Nippon Life India Asset Management Limited | NIL | NIL | NIL | NIL | NIL | 2,75,000 | 956.04 | NIL | 956.04 | NIL | 2,75,000 | 956.04 |
| Somany Ceramics Limited | 1,41,262 | 690.56 | NIL | 690.56 | NIL | 1,50,001 | 972.46 | NIL | 972.46 | NIL | 1,50,001 | 972.46 |
| Somany Home Innovation Limited* | 2,00,242 | 711.56 | NIL | 711.56 | NIL | 2,00,242 | 727.08 | NIL | 727.08 | NIL | 2,00,242 | 727.08 |
| Sterilite Technologies Limited | 5,00,000 | 737.75 | NIL | 737.75 | NIL | 2,00,000 | 448.90 | NIL | 448.90 | NIL | 2,00,000 | 448.90 |
| Sun Pharmaceutical Industries Limited | 2,00,000 | 1,966.20 | NIL | 1,966.20 | NIL | 2,00,000 | 1,829.50 | NIL | 1,829.50 | NIL | 2,00,000 | 1,829.50 |
| Sun TV Network Limited | 2,50,000 | 1,039.63 | NIL | 1,039.63 | NIL | 2,50,000 | 1,224.63 | NIL | 1,224.63 | NIL | 2,50,000 | 1,224.63 |
| Investment Through Portfolio Management Services | | | | | | | | | | | | |
| Marcellus Consistent Compurers | NIL | NIL | NIL | NIL | NIL | 276 | 8.50 | NIL | 8.50 | NIL | 276 | 8.50 |
| Asian Paints Ltd | NIL | NIL | NIL | NIL | NIL | 98 | 7.11 | NIL | 7.11 | NIL | 98 | 7.11 |
| Bajaj Finance Ltd | NIL | NIL | NIL | NIL | NIL | 427 | 2.99 | NIL | 2.99 | NIL | 427 | 2.99 |
| Berger Paints India Ltd | NIL | NIL | NIL | NIL | NIL | 47 | 2.07 | NIL | 2.07 | NIL | 47 | 2.07 |
| Divis Laboratories Ltd | NIL | NIL | NIL | NIL | NIL | | | NIL | | NIL | | |



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Notes to the Standalone Financial Statements for the year ended March 31, 2023

Note 7 : Investments (Contd...)

₹ in lakhs

| Particulars | As at March 31, 2023 | | | | | | As at March 31, 2022 | | | | | |
|---|----------------------|------------------------------------|------------------------|------------------|-------------|---------------------|------------------------------------|------------------------|---------------|------------------|------------------|------------------|
| | Number | Fair Value | | | Total | Number | Fair Value | | | Total | Others (At Cost) | Total |
| | | Through Other Comprehensive Income | Through Profit or Loss | Sub-total | | | Through Other Comprehensive Income | Through Profit or Loss | Sub-total | | | |
| Dr. Lal Pathlabs Ltd | NIL | NIL | NIL | NIL | NIL | 153 | 3.99 | NIL | NIL | 3.99 | NIL | 3.99 |
| HDFC Bank Ltd | NIL | NIL | NIL | NIL | NIL | 356 | 5.23 | NIL | NIL | 5.23 | NIL | 5.23 |
| HDFC Life Insurance Company Ltd | NIL | NIL | NIL | NIL | NIL | 611 | 3.29 | NIL | NIL | 3.29 | NIL | 3.29 |
| ICICI Lombard General Insurance Co.Ltd | NIL | NIL | NIL | NIL | NIL | 210 | 2.79 | NIL | NIL | 2.79 | NIL | 2.79 |
| Kotak Mahindra Bank Ltd | NIL | NIL | NIL | NIL | NIL | 226 | 3.96 | NIL | NIL | 3.96 | NIL | 3.96 |
| Nestle India Ltd | NIL | NIL | NIL | NIL | NIL | 20 | 3.48 | NIL | NIL | 3.48 | NIL | 3.48 |
| Page Industries Ltd | NIL | NIL | NIL | NIL | NIL | 13 | 5.61 | NIL | NIL | 5.61 | NIL | 5.61 |
| Pidilite Industries Ltd | NIL | NIL | NIL | NIL | NIL | 261 | 6.41 | NIL | NIL | 6.41 | NIL | 6.41 |
| Tata Consultancy Services Ltd | NIL | NIL | NIL | NIL | NIL | 76 | 2.84 | NIL | NIL | 2.84 | NIL | 2.84 |
| Titan Company Ltd | NIL | NIL | NIL | NIL | NIL | 183 | 4.64 | NIL | NIL | 4.64 | NIL | 4.64 |
| Cash and Cash Equivalents | NIL | NIL | NIL | NIL | NIL | NIL | 0.12 | NIL | NIL | 0.12 | NIL | 0.12 |
| Marcellus Kings of Capital | | | | | | | | | | | | |
| Aavas Financiers Ltd | NIL | NIL | NIL | NIL | NIL | 184 | 4.73 | NIL | NIL | 4.73 | NIL | 4.73 |
| Axis Bank Ltd | NIL | NIL | NIL | NIL | NIL | 817 | 6.22 | NIL | NIL | 6.22 | NIL | 6.22 |
| Bajaj Finance Ltd | NIL | NIL | NIL | NIL | NIL | 164 | 11.91 | NIL | NIL | 11.91 | NIL | 11.91 |
| Cholamandalam Investment & Finance Co.Ltd | NIL | NIL | NIL | NIL | NIL | 823 | 5.91 | NIL | NIL | 5.91 | NIL | 5.91 |
| HDFC Asset Management Company Ltd | NIL | NIL | NIL | NIL | NIL | 118 | 2.53 | NIL | NIL | 2.53 | NIL | 2.53 |
| HDFC Bank Ltd | NIL | NIL | NIL | NIL | NIL | 661 | 9.72 | NIL | NIL | 9.72 | NIL | 9.72 |
| HDFC Life Insurance Company Ltd | NIL | NIL | NIL | NIL | NIL | 827 | 4.45 | NIL | NIL | 4.45 | NIL | 4.45 |
| ICICI Lombard General Insurance Company Ltd | NIL | NIL | NIL | NIL | NIL | 437 | 5.80 | NIL | NIL | 5.80 | NIL | 5.80 |
| ICICI Securities Ltd | NIL | NIL | NIL | NIL | NIL | 413 | 2.57 | NIL | NIL | 2.57 | NIL | 2.57 |
| Info Edge Inida Ltd | NIL | NIL | NIL | NIL | NIL | 110 | 4.96 | NIL | NIL | 4.96 | NIL | 4.96 |
| Kotak Mahindra Bank Ltd | NIL | NIL | NIL | NIL | NIL | 425 | 7.45 | NIL | NIL | 7.45 | NIL | 7.45 |
| Cash and Cash Equivalents | NIL | NIL | NIL | NIL | NIL | NIL | 0.40 | NIL | NIL | 0.40 | NIL | 0.40 |
| Total (C) | 5,271,412 | 39,909.68 | NIL | 39,909.68 | 5.00 | 5,992,236 | 41,093.97 | NIL | NIL | 41,093.97 | 5.00 | 41,093.97 |
| Grand Total (A+B+C) | 56,21,696.36 | 39,909.68 | 291.79 | 40,201.47 | 5.00 | 63,70,187.04 | 41,093.97 | 332.73 | 332.73 | 41,426.70 | 5.00 | 41,431.70 |
| Investments in India | 56,21,696.36 | 39,909.68 | 291.79 | 40,201.47 | 5.00 | 40,206.47 | 41,093.97 | 332.73 | 332.73 | 41,426.70 | 5.00 | 41,431.70 |
| Investments outside India | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| Total | 56,21,696.36 | 39,909.68 | 291.79 | 40,201.47 | 5.00 | 40,206.47 | 41,093.97 | 332.73 | 332.73 | 41,426.70 | 5.00 | 41,431.70 |

* The equity shares allotted pursuant to the Scheme of Demerger.



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Notes to the Standalone Financial Statements for the year ended March 31, 2023

Note 8

Other Financial Assets

₹ in lakhs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| Unsecured and Considered Good | | |
| Deposits | 30.22 | 30.28 |
| Interest Receivable on Fixed Deposits with banks | 2.42 | 2.83 |
| Interest Receivable on Loans | 6.05 | NIL |
| Total | 38.69 | 33.11 |

Note 9

Inventories

₹ in lakhs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|------------------|-------------------------|-------------------------|
| Raw Materials | 61.18 | 134.36 |
| Work-in-Progress | 38.05 | 35.12 |
| Finished Goods | | |
| Yarn | 146.50 | 1.22 |
| Home Decor Items | 1,303.75 | 1,344.73 |
| Total | 1,549.48 | 1,515.43 |

9.1 The cost of inventories [Aggregate of amounts of Cost of Materials Consumed (Note 32), Purchases of Stock-in-Trade (Note 33) and Changes in inventories of Finished goods, Stock-in-Trade and Work-in-progress (Note 34) recognised as an expense during the year is ₹ 560.40 lakhs (March 31, 2022 : ₹ 1032.28 lakhs)].

9.2 For mode of valuation of inventories (Refer Note 2.5)

9.3 The write down of Inventories to net realisable value during the year is ₹ 70.00 lakhs (March 31, 2022 : NIL) which pertains to the Finished Goods of Textile division.

Note 10

Current Tax Assets (Net)

₹ in lakhs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--------------------------|-------------------------|-------------------------|
| Advance Income Tax | 616.31 | 538.45 |
| Less : Provision for Tax | (384.00) | (96.01) |
| Total | 232.31 | 442.44 |



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Notes to the Standalone Financial Statements for the year ended March 31, 2023

Note 11

Component of Deferred Tax (Net) [Refer Note 42]

₹ in lakhs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| Deferred Tax Liabilities | | |
| Investments in Units of Mutual Funds | 0.09 | 0.44 |
| Fair Value changes of Equity Instruments through OCI | 1,617.16 | 1,668.46 |
| Right-of-Use Assets | 7.39 | 6.90 |
| Lease Liabilities | 5.00 | 3.03 |
| Total Deferred Tax Liabilities | 1,629.64 | 1,678.83 |
| Deferred Tax Assets | | |
| Investments in Subsidiary | 2.64 | 2.64 |
| Investments in Units of Alternate Investment Funds | 31.72 | 13.99 |
| Impairment Loss Allowance | 36.87 | 32.27 |
| Provision for Employee Benefits | 40.93 | 30.24 |
| Property, Plant and Equipment and Other Intangible Assets | 20.42 | 19.34 |
| Unabsorbed Depreciation | NIL | 49.16 |
| Short Term Capital Loss | NIL | 27.88 |
| Total Deferred Tax Assets | 132.58 | 175.52 |
| | | |
| Net Deferred Tax (Liabilities) / Assets | (1,497.06) | (1,503.31) |

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 |
|---------------------------------|-------------|---------------|---------------------|------------------------|------------------|--------------|------------------|-------------------------|---------------|---------------|
| Cost | | | | | | | | | | |
| As at April 1, 2021 | 0.28 | 377.61 | 368.73 | 6.81 | 13.17 | 9.07 | 9.99 | 31.66 | 114.44 | 931.76 |
| Additions | NIL | NIL | 0.81 | 2.81 | 1.54 | 2.85 | NIL | NIL | NIL | 8.01 |
| Disposals | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | - | NIL |
| As at March 31, 2022 | 0.28 | 377.61 | 369.54 | 9.62 | 14.71 | 11.92 | 9.99 | 31.66 | 114.44 | 939.77 |
| Additions | NIL | NIL | NIL | 0.85 | 7.90 | 11.12 | 1.91 | NIL | NIL | 21.78 |
| Disposals | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| As at March 31, 2023 | 0.28 | 377.61 | 369.54 | 10.47 | 22.61 | 23.04 | 11.90 | 31.66 | 114.44 | 961.55 |
| Accumulated Depreciation | | | | | | | | | | |
| As at April 1, 2021 | NIL | 98.34 | 163.24 | 4.04 | 8.23 | 5.73 | 6.08 | 13.05 | 46.85 | 345.56 |
| Charge for the year | NIL | 26.61 | 37.31 | 1.42 | 2.67 | 2.67 | 0.52 | 4.82 | 21.10 | 97.12 |
| Disposals | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| As at March 31, 2022 | NIL | 124.95 | 200.55 | 5.46 | 10.90 | 8.40 | 6.60 | 17.87 | 67.95 | 442.68 |
| Charge for the year | NIL | 24.04 | 30.62 | 1.16 | 2.68 | 6.84 | 0.60 | 3.57 | 14.51 | 84.02 |
| Disposals | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| As at March 31, 2023 | NIL | 148.99 | 231.17 | 6.62 | 13.58 | 15.24 | 7.20 | 21.44 | 82.46 | 526.70 |
| Net Block | | | | | | | | | | |
| As at March 31, 2023 | 0.28 | 228.62 | 138.37 | 3.85 | 9.03 | 7.80 | 4.70 | 10.22 | 31.98 | 434.85 |
| As at March 31, 2022 | 0.28 | 252.66 | 168.99 | 4.16 | 3.81 | 3.52 | 3.39 | 13.79 | 46.49 | 497.09 |



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Notes to the Standalone Financial Statements for the year ended March 31, 2023

Note 13

Right of Use Assets

₹ in lakhs

| Description of Asset | Buildings |
|-----------------------------------|---------------|
| Gross Block | |
| As at April 1, 2021 | 106.42 |
| Additions | NIL |
| Disposal | 70.22 |
| As at March 31, 2022 | 36.20 |
| Additions | 9.92 |
| Disposal | NIL |
| As at March 31, 2023 | 46.12 |
| Accumulated Depreciation | |
| As at April, 2021 | 13.82 |
| Depreciation expense for the year | 3.04 |
| Disposal | 8.12 |
| As at March 31, 2022 | 8.74 |
| Depreciation expense for the year | 8.01 |
| Disposal | NIL |
| As at March 31, 2023 | 16.75 |
| Net Block | |
| As at March 31, 2023 | 29.37 |
| As at March 31, 2022 | 27.46 |

Note 14

Other Intangible Assets

₹ in lakhs

| Particulars | Trademark |
|---------------------------------|--------------|
| Cost | |
| As at April 1, 2021 | 23.56 |
| Additions | NIL |
| Disposals | NIL |
| As at March 31, 2022 | 23.56 |
| Additions | 4.80 |
| Disposals | NIL |
| As at March 31, 2023 | 28.36 |
| Accumulated Depreciation | |
| As at April 1, 2021 | 15.43 |
| Charge for the year | 4.37 |
| Disposals | NIL |
| As at March 31, 2022 | 19.80 |
| Charge for the year | 1.98 |
| Disposals | NIL |
| As at March 31, 2023 | 21.78 |
| Net Block | |
| As at March 31, 2023 | 6.58 |
| As at March 31, 2022 | 3.76 |



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Notes to the Standalone Financial Statements for the year ended March 31, 2023

Note 15

Other Non-Financial Assets

₹ in lakhs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--------------------------------------|-------------------------|-------------------------|
| Unsecured | | |
| Considered Good | | |
| Prepaid expenses | 6.01 | 8.78 |
| Advances to Employees | 6.48 | 6.00 |
| Advances against expenses | 1.05 | 6.39 |
| Advances against purchase of goods | 0.67 | 87.55 |
| Balances with Government Authorities | 162.64 | 130.34 |
| Investment in Work of Art (at cost) | 33.72 | NIL |
| Credit Impaired | | |
| Advances against purchase of goods | NIL | 5.55 |
| Less : Impairment Loss Allowance | NIL | (5.55) |
| Total | 210.57 | 239.06 |

Note 16

Trade Payables

₹ in lakhs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| Total outstanding dues of micro enterprises and small enterprises | NIL | NIL |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 79.11 | 52.46 |
| Total | 79.11 | 52.46 |

Ageing of Trade Payables

₹ in lakhs

| Outstanding for following periods from due date of payment | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| Undisputed Trade Payables | NIL | NIL |
| Less than 1 Year | 79.11 | 52.46 |
| 1-2 Years | NIL | NIL |
| 2-3 Years | NIL | NIL |
| More than 3 years | NIL | NIL |
| Disputed Trade Payables | NIL | NIL |
| Total | 79.11 | 52.46 |

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.



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Notes to the Standalone Financial Statements for the year ended March 31, 2023

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, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| i. Principal amount due to suppliers and remaining unpaid under MSMED Act, 2006 | NIL | NIL |
| ii. Interest accrued and due and unpaid to suppliers under MSMED Act, on the above amount | NIL | NIL |
| iii. Interest paid | NIL | NIL |
| iv. Payment made to suppliers (other than interest) beyond the appointed day, during the year | NIL | NIL |
| v. Interest due and payable to suppliers under MSMED Act, for payments already made for the period of delay | NIL | NIL |
| vi. Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act | NIL | NIL |
| vii. Amount of further interest remaining due and payable in succeeding year | NIL | NIL |

Note 17

Deposits

₹ in lakhs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|-----------------------------------|-------------------------|-------------------------|
| Measured at Amortised Cost | | |
| From Others | 375.00 | 375.00 |
| Total | 375.00 | 375.00 |

Note 18

Lease Liabilities

₹ in lakhs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|-------------------|-------------------------|-------------------------|
| Lease Liabilities | 31.44 | 28.47 |
| Total | 31.44 | 28.47 |

Note 19

Other Financial Liabilities

₹ in lakhs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---------------------------|-------------------------|-------------------------|
| Employee Benefits Payable | 48.11 | 4.89 |
| Total | 48.11 | 4.89 |



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Notes to the Standalone Financial Statements for the year ended March 31, 2023

Note 20

Provisions

₹ in lakhs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---------------------------------|-------------------------|-------------------------|
| Provision for Employee Benefits | | |
| Gratuity [Refer Note 44] | 112.62 | 101.65 |
| Ex-Gratia | 49.99 | 78.83 |
| Leave Encashment | 2.59 | 21.26 |
| Others | 0.05 | 0.60 |
| Total | 165.25 | 202.34 |

Note 21

Other Non Financial Liabilities

₹ in lakhs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|----------------------------------|-------------------------|-------------------------|
| Advances Received from Customers | 13.83 | 5.21 |
| Statutory Dues Payable | 27.20 | 19.08 |
| Total | 41.03 | 24.29 |

Note 22

Equity Share Capital

₹ in lakhs

| Particulars | As at March 31, 2023 | | As at March 31, 2022 | |
|---|----------------------|-----------------|----------------------|-----------------|
| | Number of shares | ₹ in lakhs | Number of shares | ₹ in lakhs |
| Authorised Share Capital: | | | | |
| Equity shares of ₹ 10 each | 2,00,00,000 | 2,000.00 | 2,00,00,000 | 2,000.00 |
| 5.5 % Cumulative Preference Shares of ₹ 200 each | 4,000 | 8.00 | 4,000 | 8.00 |
| Total | 2,00,04,000 | 2,008.00 | 2,00,04,000 | 2,008.00 |
| Issued, Subscribed and Paid-Up Share Capital | | | | |
| Equity Shares of ₹ 10 each [Refer Note 22.1] | 1,68,20,017 | 1,682.00 | 1,80,86,040 | 1,808.60 |
| Total | 1,68,20,017 | 1,682.00 | 1,80,86,040 | 1,808.60 |

Note 22.1

- Pursuant to the approval of the shareholders through Postal Ballot Resolutions passed on March 31, 2022, each equity share of face value of ₹ 100 per share was sub-divided into ten equity shares of face value of ₹ 10 per share.
- During the year ended March 31, 2023 the Company concluded the buyback of 12,66,023 equity shares as approved by the Board of Directors on September 10, 2022. This has resulted in a total cash outflow ₹ 3,962.65 Lakhs (including tax on buyback of ₹ 724.80 Lakhs).

In line with the requirement of the Companies Act, 2013 an amount of ₹ 3,111.25 Lakhs has been utilised from retained earnings. Further, capital redemption reserve of ₹ 126.60 Lakhs (representing the nominal value of the shares bought back) has been created as an apportionment from retained earnings. Consequent to such buyback, the paid up equity share capital has been reduced by ₹ 126.60 Lakhs.



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Notes to the Standalone Financial Statements for the year ended March 31, 2023

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

₹ in lakhs

| Particulars | As at March 31, 2023 | | As at March 31, 2022 | |
|---|----------------------|-----------------|----------------------|-----------------|
| | Number of shares | ₹ in lakhs | Number of shares | ₹ in lakhs |
| Balance at the beginning of the year | 1,80,86,040 | 1,808.60 | 18,08,604 | 1,808.60 |
| Add: Adjustment for Sub-division of Equity Shares [Refer Note 22.1.(a)] | NIL | NIL | 1,62,77,436 | NIL |
| Less: Buyback of Shares [Refer Note 22.1.(b)] | (12,66,023) | (126.60) | NIL | NIL |
| Balance at the end of the year | 1,68,20,017 | 1,682.00 | 1,80,86,040 | 1,808.60 |

b. Terms / Rights attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹ 10 per share [March 31, 2022 : ₹ 10 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.

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, 2023 | | As at March 31, 2022 | |
|--|----------------------|---------------|----------------------|---------------|
| | Number of shares | % of Holding | Number of shares | % of Holding |
| New India Exports Private Limited - Holding Company | | | | |
| Balance at the beginning of the year | 1,60,05,820 | 88.50% | 16,00,582 | 88.50% |
| Adjustment for Sub-division of Equity Shares | NIL | NIL | 1,44,05,238 | NIL |
| Buy-back of Equity Shares | (12,26,558) | (0.63%) | NIL | NIL |
| Balance at the end of the year | 1,47,79,262 | 87.87% | 1,60,05,820 | 88.50% |

d. Shares held by promoters at the end of the year

As at March 31, 2023

| Promoters' Name | No. of Shares | % of Total Shares | % Change during the year |
|-----------------------------|--------------------|-------------------|--------------------------|
| Aruna Kanoria | 9,160 | 0.05% | 0.00% |
| Vineeta Kanoria | 7,31,510 | 4.35% | 0.31% |
| Anurag Kanoria | 2,37,630 | 1.41% | 0.10% |
| Paritosh Kanoria | 1,15,000 | 0.68% | 0.04% |
| New India Exports Pvt. Ltd. | 1,47,79,262 | 87.87% | -0.63% |
| Total | 1,58,72,562 | 94.37% | -0.17% |



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Notes to the Standalone Financial Statements for the year ended March 31, 2023

As at March 31, 2022

| Promoters' Name | No. of Shares | % of Total Shares | % Change during the year |
|-----------------------------|--------------------|-------------------|--------------------------|
| Aruna Kanoria | 9,160 | 0.05% | NIL |
| Vineeta Kanoria | 7,31,510 | 4.04% | NIL |
| Anurag Kanoria | 2,37,630 | 1.31% | NIL |
| Paritosh Kanoria | 1,15,000 | 0.64% | NIL |
| New India Exports Pvt. Ltd. | 1,60,05,820 | 88.50% | NIL |
| Total | 1,70,99,120 | 94.54% | NIL |

Note 23

Other Equity

₹ in lakhs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| Capital Redemption Reserve | | |
| Balance at the beginning of the year | NIL | NIL |
| Buy-back of Equity Shares | 126.60 | NIL |
| Balance at the end of the year | 126.60 | NIL |
| Retained Earnings | | |
| Balance at the beginning of the year | 40,411.59 | 39,552.43 |
| Profit / (Loss) for the year | (341.50) | (162.40) |
| Buy-back of Equity Shares | (3,237.85) | NIL |
| Tax on buy-back of Equity Shares | (724.80) | NIL |
| Remeasurement Gain / (Loss) on Defined Benefit Plans | 1.20 | 32.99 |
| Realised Gain on Sale of Equity Instruments reclassified to Retained Earnings | 2,513.93 | 988.56 |
| Balance at the end of the year | 38,622.57 | 40,411.59 |
| Equity Instruments through Other Comprehensive Income | | |
| Balance at the beginning of the year | 16,510.23 | 7,844.14 |
| Net fair value gain / (loss) on investments in equity instruments through OCI | 1,974.59 | 9,654.65 |
| Realised Gain on Sale of Equity Instruments reclassified to Retained Earnings | (2,513.93) | (988.56) |
| Balance at the end of the year | 15,970.89 | 16,510.23 |
| Total | 54,720.06 | 56,921.81 |

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.

Capital Redemption Reserve

As per the Companies Act, 2013, Capital Redemption Reserve is created when a company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. The reserve can be utilised in accordance with the provisions of section 69 of the Companies Act, 2013. The Capital Redemption Reserve is not freely available for distribution.



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Notes to the Standalone Financial Statements for the year ended March 31, 2023

Note 24

Interest Income

₹ in lakhs

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|------------------------------|------------------------------|
| On Financial Assets measured at Amortised Cost | | |
| Loans | 1,144.05 | 1,041.37 |
| Fixed Deposits with Banks | 2.69 | 2.72 |
| Total | 1,146.74 | 1,044.09 |

Note 25

Dividend Income

₹ in lakhs

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|------------------------------|------------------------------|
| Dividend on Investments in Equity Instruments | 482.97 | 207.25 |
| Total | 482.97 | 207.25 |

Note 26

Net Gain on Fair Value Changes

₹ in lakhs

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|--|------------------------------|------------------------------|
| Net gain/ (loss) on financial instruments measured at Fair Value through Profit or Loss | | |
| Investments in Units of Mutual Funds | 11.61 | 37.24 |
| Investments in Units of Alternate Investment Funds | (57.74) | (26.32) |
| Total | (46.13) | 10.92 |
| Fair Value changes | | |
| Mutual Funds | | |
| Realised | 11.26 | 36.19 |
| Unrealised | 0.35 | 1.05 |
| Alternate Investment Funds | | |
| Realised | NIL | NIL |
| Unrealised | (57.74) | (26.32) |
| Total | (46.13) | 10.92 |

Note 27

Sale of Products

₹ in lakhs

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|--------------------------------|------------------------------|------------------------------|
| Sale of Products | | |
| Yarn | 768.85 | 1,247.72 |
| Home Decor Items | 97.49 | 575.80 |
| Other Operating Revenue | | |
| Scrap Sales | 6.41 | 7.05 |
| Total | 872.75 | 1,830.57 |



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Notes to the Standalone Financial Statements for the year ended March 31, 2023

Note 28

Other Income

₹ in lakhs

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|--|------------------------------|------------------------------|
| Interest Income on Deposits | 0.44 | 0.44 |
| Lease Rentals | 225.88 | 83.54 |
| Excess balances and liabilities written back | 1.25 | 1.47 |
| Foreign Exchange Gain | NIL | 0.02 |
| Net Gain on Lease Modification | NIL | 4.63 |
| Other Miscellaneous Income | 7.35 | 15.09 |
| Total | 234.92 | 105.19 |

Note 29

Finance Costs

₹ in lakhs

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|-------------------------------|------------------------------|------------------------------|
| Ancillary Borrowing Costs | 15.08 | 3.60 |
| Interest on Lease Liabilities | 2.96 | 2.46 |
| Total | 18.04 | 6.06 |

Note 30

Fees and Commission Expense

₹ in lakhs

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---------------------|------------------------------|------------------------------|
| Investment Expenses | 2.56 | 4.80 |
| Total | 2.56 | 4.80 |

Note 31

Impairment on Financial Instruments

₹ in lakhs

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|--|------------------------------|------------------------------|
| On Financial Instruments measured at Amortised Cost | | |
| Trade Receivables | 24.18 | 100.20 |
| Advance against purchase of goods | (5.55) | 5.55 |
| Total | 18.63 | 105.75 |

Note 32

Cost of Materials Consumed

₹ in lakhs

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|-----------------|------------------------------|------------------------------|
| Raw Materials | | |
| Polyester Fibre | 323.03 | 378.11 |
| Cotton | 301.63 | 372.23 |
| Other Materials | 21.57 | 29.82 |
| Total | 646.23 | 780.16 |



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Notes to the Standalone Financial Statements for the year ended March 31, 2023

Note 33

Purchases of Stock-in-trade

₹ in lakhs

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|------------------|------------------------------|------------------------------|
| Home Decor Items | 21.40 | 229.35 |
| Total | 21.40 | 229.35 |

Note 34

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

₹ in lakhs

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|-------------------------------|------------------------------|------------------------------|
| Stock at the beginning | | |
| Finished Goods | 1.22 | 1.55 |
| Stock-in-Trade | 1,344.73 | 1,376.87 |
| Work-in-progress and Waste | 35.12 | 25.42 |
| | 1,381.07 | 1,403.84 |
| Stock at the end | | |
| Finished Goods | 147.58 | 1.22 |
| Stock-in-Trade | 1,302.67 | 1,344.73 |
| Work-in-progress and Waste | 38.05 | 35.12 |
| | 1,488.30 | 1,381.07 |
| Total | (107.23) | 22.77 |

Note 35

Employee Benefits Expense

₹ in lakhs

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|--|------------------------------|------------------------------|
| Salaries, Wages and Allowances | 520.39 | 488.46 |
| Gratuity [Refer Note 44] | 25.33 | 26.68 |
| Ex-Gratia | 9.64 | 19.79 |
| Contribution to Provident Fund and Other Funds | 42.53 | 41.40 |
| Staff Welfare Expenses | 7.24 | 10.75 |
| Total | 605.13 | 587.08 |

Note 36

Depreciation and Amortisation

₹ in lakhs

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|------------------------------|------------------------------|
| Depreciation on Property, Plant and Equipment | 84.02 | 97.12 |
| Depreciation on Right-of-Use Assets | 8.01 | 3.04 |
| Amortisation of Intangible Assets | 1.98 | 4.37 |
| Total | 94.01 | 104.53 |



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Notes to the Standalone Financial Statements for the year ended March 31, 2023

Note 37

Other Expenses

₹ in lakhs

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|--------------------------------------|------------------------------|------------------------------|
| Service Charges | 186.12 | 198.71 |
| Labour Charges | 33.83 | 6.32 |
| Power | 143.94 | 139.43 |
| Water Charges | 6.89 | 6.27 |
| Rent | 0.96 | 4.30 |
| Rates and Taxes | 29.38 | 0.92 |
| Insurance | 8.89 | 11.43 |
| Travelling and Conveyance | 198.54 | 70.74 |
| Motor Car Expenses | 10.13 | 8.55 |
| Repairs and Maintenance | | |
| – Building | 3.60 | 3.30 |
| – Machinery | 9.10 | 10.43 |
| – Others | 74.75 | 81.87 |
| Office Maintenance Expenses | 3.75 | 2.07 |
| Payment to Auditors | | |
| – Statutory Audit | 4.50 | 4.50 |
| – Tax Audit | 1.00 | 1.00 |
| – Taxation and other related matters | NIL | 1.50 |
| – Certification Fees | NIL | NIL |
| Security Expenses | 11.57 | 11.37 |
| Communication Expenses | 2.94 | 3.00 |
| Printing and Stationery | 12.11 | 3.88 |
| Postage and Courier | 0.52 | 0.45 |
| Legal and Professional Expenses | 345.04 | 353.72 |
| Donations | 96.16 | 28.32 |
| GST Expenses | 15.20 | 0.82 |
| Commission | 1.63 | 0.33 |
| Advertisement and Publicity | 17.42 | 23.03 |
| Freight and Packaging | 14.27 | 19.39 |
| Sales Promotion Expenses | 45.14 | 28.48 |
| General Expenses | 12.36 | 7.46 |
| Sundry Accounts/Balances Written Off | 5.70 | 2.34 |
| Penalty and Damages | 2.47 | NIL |
| Foreign Exchange Fluctuation Loss | 1.26 | 1.32 |
| Total | 1,299.17 | 1,035.25 |



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Notes to the Standalone Financial Statements for the year ended March 31, 2023

Note 38

Contingent Liabilities

₹ in lakhs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| a. Claims against the Company not acknowledged as debt - matters under disputes / appeals | | |
| i. Income Tax (including interest and penalty, to the extent demanded) | 89.68 | 40.26 |
| ii. Others | | |
| Employees Provident Fund Organisation | 7.87 | 7.87 |
| b. Bank Guarantees | | |
| Employee State Insurance Corporation | 15.00 | 15.00 |
| Secured by fixed deposits under lien with the bank | | |
| c. Other money for which the Company is contingently liable | | |
| <p>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.</p> | | |

38.1 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.

38.2 The Company does not expect any reimbursement in respect of the above contingent liabilities.

Note 39

Disclosure as per Ind AS 115 on "Revenue from Contracts with Customers"

39.1 The Company generates revenue primarily from manufacturing of Yarn, trading/marketing activities of Home Décor items. Other operating revenue include sale of scrap. The Company owns substantial financial investments in the form of shares, mutual funds and other financial securities.

39.2 Disaggregation of Revenue from Contracts with Customers

₹ in lakhs

| Particulars | Year ended March 31, 2023 | | | | Year ended March 31, 2022 | | | |
|--------------------------------------|---------------------------|--------------|-----------------|-----------------|---------------------------|---------------|-----------------|-----------------|
| | Textile | Home Décor | Treasury | Total | Textile | Home Décor | Treasury | Total |
| Revenue from Operations | | | | | | | | |
| Interest Income | NIL | NIL | 1,146.74 | 1,146.74 | NIL | NIL | 1,044.09 | 1,044.09 |
| Dividend Income | NIL | NIL | 482.97 | 482.97 | NIL | NIL | 207.25 | 207.25 |
| Net Gain on Fair Value Changes | NIL | NIL | (46.13) | (46.13) | NIL | NIL | 10.92 | 10.92 |
| Sale of Products | | | | | | | | |
| India | 768.85 | 97.49 | NIL | 866.34 | 1,247.72 | 575.32 | NIL | 1,823.04 |
| Outside India | NIL | NIL | NIL | NIL | NIL | 0.48 | NIL | 0.48 |
| Total (A) | 768.85 | 97.49 | 1,583.58 | 2,449.92 | 1,247.72 | 575.80 | 1,262.26 | 3,085.78 |
| Other Operating Revenue | | | | | | | | |
| Scrap Sales | 6.41 | NIL | NIL | 6.41 | 7.05 | NIL | NIL | 7.05 |
| Total (B) | 6.41 | NIL | NIL | 6.41 | 7.05 | NIL | NIL | 7.05 |
| Revenue from Operations (A+B) | 775.26 | 97.49 | 1,583.58 | 2,456.33 | 1,254.77 | 575.80 | 1,262.26 | 3,092.83 |



Notes to the Standalone Financial Statements for the year ended March 31, 2023

39.3 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.

39.4 Contract Balances

Trade Receivables and Contract Liabilities from Contracts with Customers:

₹ in lakhs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| Trade Receivables (Gross) - [Refer Note 5] | 285.05 | 376.59 |
| Less : Impairment Loss Allowance | (146.50) | (122.32) |
| Net Receivables | 138.55 | 254.27 |
| Contract Liabilities | | |
| Advance from Customers - [Refer Note 21] | 13.83 | 5.21 |
| Total Contract Liabilities | 13.83 | 5.21 |

39.5 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 21). Amounts billed but not yet paid by the customer are included in the Balance Sheet under "Trade Receivables" (Refer Note 5).

39.6 There were no significant change in the composition of the Trade Receivables and Contract Liabilities during the reporting period other than on account of periodic invoicing and revenue recognition.

39.7 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, 2023 | Year ended March 31, 2022 |
|--|------------------------------|------------------------------|
| Revenue from Sale of Products as per Contract Price | 909.39 | 1,831.34 |
| Adjustments made to contract price: | | |
| Discounts/ Rebates/ Incentives | NIL | NIL |
| Sales Returns | (43.05) | (7.82) |
| Revenue from Contracts with Customers | 866.34 | 1,823.52 |
| Other Operating Revenue | 6.41 | 7.05 |
| Revenue from Operations (as per Statement of Profit and Loss) | 872.75 | 1,830.57 |

Note 40

Earnings Per Share (EPS)

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|------------------------------|------------------------------|
| Profit / (Loss) attributable to equity shareholders (₹ in Lakhs) | (341.50) | (162.40) |
| Weighted average number of equity shares used for computing earning per share (Basic and Diluted) (Refer Note : 22.1.b) | 1,74,53,029 | 1,80,86,040 |
| Face Value of Equity Shares (₹ per share) | 10 | 10 |
| Earnings per Equity Share | | |
| Basic (in ₹) | (1.96) | (0.90) |
| Diluted (in ₹) | (1.96) | (0.90) |



Notes to the Standalone Financial Statements for the year ended March 31, 2023

Note 41

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 42

Disclosure pursuant to Ind AS 12 on "Income Taxes"

42.1 Components of Income Tax Expense / (Income)

₹ in lakhs

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|------------------------------|------------------------------|
| Income Tax Expense recognised in the Statement of Profit and Loss | | |
| Current Tax | 384.00 | 96.01 |
| (Excess) / Short Provision of tax of earlier years | 6.17 | NIL |
| Deferred Tax | 44.64 | 388.66 |
| Total Income Tax Expense | 434.81 | 484.67 |
| Deferred Tax related to items recognised in Other Comprehensive Income | | |
| Tax effect on Remeasurement Gain / (Loss) on Defined Benefit Plans | 0.41 | 11.09 |
| Tax effect on Fair Value Changes of Investments in Equity Instruments | (51.30) | 1,103.56 |
| Total Income Tax Expense | (50.89) | 1,114.65 |



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Notes to the Standalone Financial Statements for the year ended March 31, 2023

42.2 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, 2023 | Year ended March 31, 2022 |
|---|------------------------------|------------------------------|
| Profit / (Loss) before tax | 93.31 | 322.27 |
| Income tax expense calculated @ 25.17% (March 31, 2022 : 25.17%) | 23.49 | 81.11 |
| Tax on expenses that are not deductible in determining taxable income / book profit | (24.16) | (72.01) |
| Difference between depreciation as per Books of Account and the Income Tax Act, 1961 | 3.03 | 2.57 |
| Tax on Impairment on Financial Instruments | 5.43 | 26.62 |
| Tax on Income that is taxable under Capital Gains | 292.62 | 93.01 |
| Tax on Income that is taxable under Income from Other Sources | 91.20 | NIL |
| Tax on Actuarial gain/(loss) on employee defined benefits obligation | (7.60) | 12.81 |
| Utilisation of unabsorbed depreciation and brought forward long-term capital loss | NIL | (48.10) |
| Tax Expense | 384.00 | 96.01 |
| (Excess) / Short Provision of tax of earlier years | 6.17 | NIL |
| Deferred Tax Expenses | 44.64 | 388.66 |
| Income Tax Expense recognised in Statement of Profit and Loss | 434.81 | 484.67 |
| Effective Tax Rate | 411.53% | 29.79% |

Notes :

The Company has elected to exercise the option of lower tax rate as permitted under Section 115BAA of the Income Tax Act, 1961. Accordingly, the Company has recognized provision for income tax and deferred tax for the year ended on March 31, 2023 at the rate prescribed in the said section.



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Notes to the Standalone Financial Statements for the year ended March 31, 2023

42.3 Movement of Deferred Tax

Deferred Tax Assets / (Liabilities) in relation to the year ended March 31, 2023

₹ in lakhs

| Particulars | As at April 1, 2022 | Recognised in Statement of Profit and Loss | Recognised in Other Comprehensive Income | Others | As at March 31, 2023 |
|---|---------------------|--|--|------------|----------------------|
| Property, Plant and Equipment and Other Intangible Assets | 19.34 | 1.08 | NIL | NIL | 20.42 |
| Fair Value changes of Equity Instruments through OCI | (1,668.46) | NIL | 51.30 | NIL | (1,617.16) |
| Investments in Units of Mutual Funds | (0.44) | 0.35 | NIL | NIL | (0.09) |
| Investments in Units of Alternate Investment Funds | 13.99 | 17.73 | NIL | NIL | 31.72 |
| Investments in Subsidiary | 2.64 | NIL | NIL | NIL | 2.64 |
| Provision for Employee Benefits | 30.24 | 11.10 | (0.41) | NIL | 40.93 |
| Impairment Loss Allowance | 32.27 | 4.60 | NIL | NIL | 36.87 |
| Right-of-use Assets | (6.90) | (0.49) | NIL | NIL | (7.39) |
| Lease Liabilities | (3.03) | (1.97) | NIL | NIL | (5.00) |
| Unabsorbed Depreciation | 49.16 | (49.16) | NIL | NIL | NIL |
| Short Term Capital Loss | 27.88 | (27.88) | NIL | NIL | NIL |
| Total | (1,503.31) | (44.64) | 50.89 | NIL | (1,497.06) |

Deferred Tax Assets / (Liabilities) in relation to the year ended March 31, 2022

₹ in lakhs

| Particulars | As at April 1, 2021 | Recognised in Statement of Profit and Loss | Recognised in Other Comprehensive Income | Others | As at March 31, 2022 |
|---|---------------------|--|--|------------|----------------------|
| Property, Plant and Equipment and Other Intangible Assets | 18.00 | 1.34 | NIL | NIL | 19.34 |
| Fair Value changes of Equity Instruments through OCI | (564.90) | NIL | (1,103.56) | NIL | (1,668.46) |
| Investments in Units of Mutual Funds | (23.58) | 23.14 | NIL | NIL | (0.44) |
| Investments in Units of Alternate Investment Funds | NIL | 13.99 | NIL | NIL | 13.99 |
| Investments in Subsidiary | NIL | 2.64 | NIL | NIL | 2.64 |
| Provision for Employee Benefits | 55.45 | (14.12) | (11.09) | NIL | 30.24 |
| Impairment Loss Allowance | 5.56 | 26.71 | NIL | NIL | 32.27 |
| Right-of-use Assets | (23.30) | 16.40 | NIL | NIL | (6.90) |
| Lease Liabilities | (11.77) | 8.74 | NIL | NIL | (3.03) |
| Unabsorbed Depreciation | 540.56 | (491.40) | NIL | NIL | 49.16 |
| Short Term Capital Loss | 3.98 | 23.90 | NIL | NIL | 27.88 |
| Total | NIL | (388.66) | (1,114.65) | NIL | (1,503.31) |



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Notes to the Standalone Financial Statements for the year ended March 31, 2023

42.4 Deductible temporary differences and unused tax losses for which no deferred tax asset is recognised :

₹ in lakhs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| Investments in Subsidiary | NIL | NIL |
| Investments in Equity Instruments at FVTOCI | NIL | NIL |
| Unused Tax Losses | | |
| Carried Forward Business Losses | 2,809.96 | 3,033.32 |

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, 2023 ₹ in lakhs | Expiry Date | As at March 31, 2022 ₹ in lakhs | Expiry Date |
|----------------------|---------------------------------------|----------------|---------------------------------------|----------------|
| 1996-97 | 1,900.00 | NIL | 1,900.00 | NIL |
| 2013-14 | NIL | March 31, 2022 | 191.03 | March 31, 2022 |
| 2015-16 | 264.43 | March 31, 2024 | 296.76 | March 31, 2024 |
| 2016-17 | 645.53 | March 31, 2025 | 645.53 | March 31, 2025 |
| Total | 2,809.96 | | 3,033.32 | |

Note 43

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.



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Notes to the Standalone Financial Statements for the year ended March 31, 2023

A. Financial Assets and Liabilities

Carrying value and fair value of each category of financial assets and financial liabilities as at March 31, 2023 and March 31, 2022.

As at March 31, 2023

₹ in lakhs

| Particulars | Carrying Value / Fair Value | | | | Fair Value Measurements | | | |
|---|--------------------------------------|------------------------|------------------|------------------|-------------------------|------------|-------------|------------------|
| | Fair value through of Profit or Loss | Fair value through OCI | Amortised Cost | Total | Level 1 | Level 2 | Level 3 | Total |
| Financial Assets | | | | | | | | |
| Cash and Cash Equivalents | NIL | NIL | 180.98 | 180.98 | NIL | NIL | NIL | NIL |
| Bank Balance other than Cash and Cash Equivalents | NIL | NIL | 50.75 | 50.75 | NIL | NIL | NIL | NIL |
| Trade Receivables | NIL | NIL | 138.55 | 138.55 | NIL | NIL | NIL | NIL |
| Loans | NIL | NIL | 15,560.46 | 15,560.46 | NIL | NIL | NIL | NIL |
| Investments | 291.79 | 39,909.68 | 5.00 | 40,206.47 | 40,201.47 | NIL | 5.00 | 40,206.47 |
| Other Financial Assets | NIL | NIL | 38.69 | 38.69 | NIL | NIL | NIL | NIL |
| Total | 291.79 | 39,909.68 | 15,974.43 | 56,175.90 | 40,201.47 | NIL | 5.00 | 40,206.47 |
| Financial Liabilities | | | | | | | | |
| Trade Payables | NIL | NIL | 79.11 | 79.11 | NIL | NIL | NIL | NIL |
| Deposits | NIL | NIL | 375.00 | 375.00 | NIL | NIL | NIL | NIL |
| Lease Liabilities | NIL | NIL | 31.44 | 31.44 | NIL | NIL | NIL | NIL |
| Other Financial Liabilities | NIL | NIL | 48.11 | 48.11 | NIL | NIL | NIL | NIL |
| Total | NIL | NIL | 533.66 | 533.66 | NIL | NIL | NIL | NIL |

As at March 31, 2022

₹ in lakhs

| Particulars | Carrying Value / Fair Value | | | | Fair Value Measurements | | | |
|---|--------------------------------------|------------------------|------------------|------------------|-------------------------|------------|-------------|------------------|
| | Fair value through of Profit or Loss | Fair value through OCI | Amortised Cost | Total | Level 1 | Level 2 | Level 3 | Total |
| Financial Assets | | | | | | | | |
| Cash and Cash Equivalents | NIL | NIL | 945.59 | 945.59 | NIL | NIL | NIL | NIL |
| Bank Balance other than Cash and Cash Equivalents | NIL | NIL | 47.92 | 47.92 | NIL | NIL | NIL | NIL |
| Trade Receivables | NIL | NIL | 254.27 | 254.27 | NIL | NIL | NIL | NIL |
| Loans | NIL | NIL | 15,483.34 | 15,483.34 | NIL | NIL | NIL | NIL |
| Investments | 332.73 | 41,093.97 | 5.00 | 41,431.70 | 41,426.70 | NIL | 5.00 | 41,431.70 |
| Other Financial Assets | NIL | NIL | 33.11 | 33.11 | NIL | NIL | NIL | NIL |
| Total | 332.73 | 41,093.97 | 16,769.23 | 58,195.93 | 41,426.70 | NIL | 5.00 | 41,431.70 |
| Financial Liabilities | | | | | | | | |
| Trade Payables | NIL | NIL | 52.46 | 52.46 | NIL | NIL | NIL | NIL |
| Deposits | NIL | NIL | 375.00 | 375.00 | NIL | NIL | NIL | NIL |
| Lease Liabilities | NIL | NIL | 28.47 | 28.47 | NIL | NIL | NIL | NIL |
| Other Financial Liabilities | NIL | NIL | 4.89 | 4.89 | NIL | NIL | NIL | NIL |
| Total | NIL | NIL | 460.82 | 460.82 | NIL | NIL | NIL | NIL |



Notes to the Standalone Financial Statements for the year ended March 31, 2023

B. Fair Value Hierarchy

The fair value of financial instruments as referred to in Note (A) above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

Level 1 : quoted prices (unadjusted) in active market for identical assets or liabilities

Level 2 : inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3 : inputs for the asset or liability that are not based on observable market data (unobservable inputs)

C. Measurement of Fair Values

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 1 and Level 2 fair values, as well as the significant unobservable inputs used.

Financial instruments are measured at fair value

| Type | Valuation Technique | Significant unobservable inputs | Inter - relationship between significant unobservable inputs and fair value measurements |
|--|----------------------------------|---------------------------------|--|
| Investments in equity instruments | Current bid price (quoted price) | NA | NA |
| Investments in Unquoted equity instruments | Asset based approach | NA | NA |

D. 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, 2023

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 ₹ 15,845.51 lakhs and ₹ 15,859.93 lakhs as at March 31, 2023, March 31, 2022 respectively, being the total carrying value of Trade Receivables and Loans. Refer Note 5 for Reconciliation of Credit Loss Allowance & ECL Provision Matrix.

₹ in lakhs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|-------------------|-------------------------|-------------------------|
| Trade Receivables | 285.05 | 376.59 |
| Loans | 15,560.46 | 15,483.34 |

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.



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Notes to the Standalone Financial Statements for the year ended March 31, 2023

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, 2023 | | | | |
| Financial Assets | | | | |
| Cash and Cash Equivalents | 180.98 | NIL | NIL | 180.98 |
| Bank Balances other than Cash and Cash Equivalents | 50.75 | NIL | NIL | 50.75 |
| Trade Receivables | 138.55 | NIL | NIL | 138.55 |
| Loans | 1.50 | 15,558.96 | NIL | 15,560.46 |
| Investments | NIL | 40,206.47 | NIL | 40,206.47 |
| Other Financial Assets | 38.69 | NIL | NIL | 38.69 |
| Financial Liabilities | | | | |
| Trade Payables | 79.11 | NIL | NIL | 79.11 |
| Deposits | NIL | 375.00 | NIL | 375.00 |
| Lease Liabilities | 8.02 | 15.25 | 8.17 | 31.44 |
| Other Financial Liabilities | 48.11 | NIL | NIL | 48.11 |
| As at March 31, 2022 | | | | |
| Financial Assets | | | | |
| Cash and Cash Equivalents | 945.59 | NIL | NIL | 945.59 |
| Bank Balances other than Cash and Cash Equivalents | 47.92 | NIL | NIL | 47.92 |
| Trade Receivables | 254.27 | NIL | NIL | 254.27 |
| Loans | 1.50 | 15,481.84 | NIL | 15,483.34 |
| Investments | NIL | 41,431.70 | NIL | 41,431.70 |
| Other Financial Assets | 33.11 | NIL | NIL | 33.11 |
| Financial Liabilities | | | | |
| Trade Payables | 52.46 | NIL | NIL | 52.46 |
| Deposits | NIL | 375.00 | NIL | 375.00 |
| Lease Liabilities | 2.22 | 10.97 | 15.28 | 28.47 |
| Other Financial Liabilities | 4.89 | NIL | NIL | 4.89 |



Notes to the Standalone Financial Statements for the year ended March 31, 2023

Note 44

Employee Benefits Expense

44.1 Defined Contribution Plans

Contribution Funds

Retirement benefit in the form of Provident Fund and Employee State Insurance Corporation (ESIC) 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, 2023 | Year ended March 31, 2022 |
|--|------------------------------|------------------------------|
| Employer's Contribution to Employees' Provident Fund | 42.32 | 41.16 |
| Employer's Contribution to ESIC | 0.21 | 0.24 |
| Total | 42.53 | 41.40 |

44.2 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, 2023 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, 2023 | As at March 31, 2022 |
|----------|---|-------------------------|-------------------------|
| | | (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 | 101.65 | 138.21 |
| | Interest cost | 6.79 | 8.25 |
| | Current Service Cost | 18.54 | 18.43 |
| | Past Service Cost | NIL | NIL |
| | Benefit Payments from Employer | (12.75) | (19.16) |
| | Remeasurements - Due to Financial Assumptions | (1.14) | (3.71) |
| | Remeasurements - Due to Experience Adjustments | (0.47) | (40.37) |
| | Present Value of Defined Benefit Obligation at the end of the year | 112.62 | 101.65 |



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Notes to the Standalone Financial Statements for the year ended March 31, 2023

₹ in lakhs

| Sr. No. | Particulars | As at | As at |
|-----------|--|----------------|----------------|
| | | March 31, 2023 | March 31, 2022 |
| | | (Unfunded) | (Unfunded) |
| II | Net (Asset) / Liability recognised in the Balance Sheet | | |
| | Present Value of Befined Benefit Obligation at the beginning of the year | 112.62 | 101.65 |
| | Fair value of plan assets at the end of the year | NIL | NIL |
| | Funded Status | 112.62 | 101.65 |
| | Net (Asset) / Liability recognised in the Balance Sheet | 112.62 | 101.65 |

₹ in lakhs

| Sr. No. | Particulars | As at | As at |
|------------|--|----------------|----------------|
| | | March 31, 2023 | March 31, 2022 |
| | | (Unfunded) | (Unfunded) |
| III | Expenses recognised in the Statement of Profit and Loss | | |
| | Current Service Cost | 18.54 | 18.43 |
| | Interest Expense on Defined Benefit Obligation (Net) | 6.79 | 8.25 |
| | Expected Contributions by the Employees | NIL | NIL |
| | (Gains)/Losses on Curtailments And Settlements | NIL | NIL |
| | Total Expenses recognised in Statement of Profit and Loss | 25.33 | 26.68 |

₹ in lakhs

| Sr. No. | Particulars | As at | As at |
|-----------|--|----------------|----------------|
| | | March 31, 2023 | March 31, 2022 |
| | | (Unfunded) | (Unfunded) |
| IV | Expenses recognised in the Other Comprehensive Income | | |
| | Remeasurements - Due to Demographic Assumptions | NIL | NIL |
| | Remeasurements - Due to Financial Assumptions | (1.14) | (3.71) |
| | Remeasurements - Due to Experience Adjustments | (0.47) | (40.37) |
| | Return on Plan Assets (Excluding Interest Income) | NIL | NIL |
| | Change in Asset Ceiling | NIL | NIL |
| | Total Expenses recognised in Other Comprehensive Income | (1.61) | (44.08) |



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Notes to the Standalone Financial Statements for the year ended March 31, 2023

₹ in lakhs

| Sr. No. | Particulars | As at | As at |
|----------|---|----------------|----------------|
| | | March 31, 2023 | March 31, 2022 |
| | | (Unfunded) | (Unfunded) |
| V | Cash Flow Projection: From the Fund | | |
| | Within the next 12 months (next annual reporting period) | 60.50 | 59.86 |
| | 2nd following year | 1.01 | 2.00 |
| | 3rd following year | 1.15 | 0.84 |
| | 4th following year | 17.64 | 0.94 |
| | 5th following year | 0.95 | 15.56 |
| | Sum of years 6 to 10 | 18.97 | 13.20 |
| | The average duration of the defined benefit plan obligation as at March 31, 2023 is 11.49 years (March 31, 2022: 11.59 years) | | |

₹ in lakhs

| Sr. No. | Particulars | As at | As at |
|-----------|---|----------------|----------------|
| | | March 31, 2023 | March 31, 2022 |
| | | (Unfunded) | (Unfunded) |
| VI | Quantitative sensitivity analysis for significant assumption | | |
| | Projected Benefit Obligation on current assumptions | 112.62 | 101.65 |
| | Delta Effect of +1% Change in Rate of Salary Increase | 119.62 | 107.81 |
| | Delta Effect of -1% Change in Rate of Salary Increase | 106.52 | 96.31 |
| | Delta Effect of +1% Change in Rate of Employee Turnover | 113.58 | 102.41 |
| | Delta Effect of -1% Change in Rate of Employee Turnover | 111.47 | 100.73 |
| | Delta Effect of +1% Change in Rate of Discounting | 107.47 | 97.17 |
| | Delta Effect of -1% Change in Rate of Discounting | 118.70 | 106.98 |

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.

| Sr. No. | Particulars | As at | As at |
|------------|----------------------------------|--|--|
| | | March 31, 2023 | March 31, 2022 |
| | | (Unfunded) | (Unfunded) |
| VII | Actuarial Assumptions | | |
| | Discount rate | 7.33% | 7.13% |
| | Salary escalation | 5% | 5% |
| | Mortality rate during employment | Indian Assured Lives Mortality (2012-14) | Indian Assured Lives Mortality (2012-14) |
| | Rate of Employee Turnover | 1% | 1% |



Notes to the Standalone Financial Statements for the year ended March 31, 2023

VIII 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 45

Disclosure pursuant to Ind AS 24 on “Related Party Disclosures”

45.1 List of Related Parties

| Name of Related Party | Principal Place of Business | % Shareholding and Voting Power | |
|---|-----------------------------|---------------------------------|----------------------|
| | | As at March 31, 2023 | As at March 31, 2022 |
| Subsidiary Company Kanoria Udyog Limited | India | 100% | 100% |



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Notes to the Standalone Financial Statements for the year ended March 31, 2023

| | | |
|---|---|-----------------------------------|
| 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 Jhunjunwala | : Independent Director |
| | Shri Bimalkumar Kanodia | : Independent Director |
| | Smt. Nisha Chopra | : 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 Kanoria Charitable Trust | |
| Other Related Parties - Entities over which KMP and Relatives exercise significant Control | The United Provinces Sugar Company Limited | |

45.2 Transactions and Balances with Related Parties

I Transactions with Related Parties

₹ in lakhs

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|--|------------------------------|------------------------------|
| Key Management Personnel Compensation | | |
| Short term Employee Benefits [Refer Note 35] | | |
| Smt. Vineeta Kanoria | 168.07 | 168.17 |
| Dr. Anurag Kanoria | 39.07 | 29.07 |
| Shri Vinod K. Lohia | 18.07 | 18.07 |
| Relative of Key Management Personnel | | |
| Advisory Fees paid to Shri Arvind K. Kanoria | 240.00 | 240.00 |
| Transactions with Kanoria Udyog Limited | | |
| Loans given during the year | 1,456.00 | 3,158.12 |
| Repayment of Loan given | 1,663.88 | 1,220.50 |
| Interest Received | 1,135.09 | 1,018.18 |
| Transaction with Bombay Wire Ropes Limited | | |
| Rent Paid | 4.50 | 4.50 |
| Transactions with New India Exports Private Limited | | |
| Refund of advance against purchase of goods | 89.48 | NIL |
| Rent Received | NIL | NIL |
| Transaction with Kanoria Charitable Trust | | |
| Donation Paid | 1.00 | 3.20 |
| Transaction with The United Provinces Sugar Company Limited | | |
| Loan received during the year | 4.55 | NIL |



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Notes to the Standalone Financial Statements for the year ended March 31, 2023

II Outstanding Balances as at the year end

₹ in lakhs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| Balance with Kanoria Udyog Limited | | |
| Loan Receivable | 15,073.96 | 15,281.84 |
| Balance with Key Management Personnel | | |
| Remuneration payable to Smt. Vineeta Kanoria | NIL | NIL |
| Remuneration payable to Dr. Anurag Kanoria | NIL | NIL |
| Remuneration payable to Shri Vinod K. Lohia | NIL | NIL |
| Balance with New India Exports Private Limited | | |
| Advance against purchase of goods | NIL | 89.48 |

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.

45.3 Details of loans given, investments made and guarantee given covered under section 186(4) of the Companies Act, 2013

₹ in lakhs

| Particulars As at | As at March 31, 2023 | March 31, 2022 |
|--------------------------------------|-------------------------|------------------|
| Kanoria Udyog Limited | 15,073.96 | 15,281.84 |
| Dixit Infotech Services Pvt. Limited | NIL | 200.00 |
| Bombay Gas Company Limited | 400.00 | NIL |
| Anil Sanjivan | 85.00 | NIL |
| Ujvala Vinay Kadam | 1.50 | 1.50 |
| | 15,560.46 | 15,483.34 |

The above loans have been given for general business purposes (including investment purposes).



Notes to the Standalone Financial Statements for the year ended March 31, 2023

Note 46

Disclosures under Ind AS 116 on “Leases”

46.1 Company as a Lessee

The Company has recognised and measured Right-of-use Assets and the Lease Liabilities over the lease period and payments discounted using the incremental borrowing rate. Segment results have been arrived after considering interest expenses on lease liabilities.

I The following is the movement in lease liabilities during the year ended March 31, 2023 :

₹ in lakhs

| Particulars | Amount |
|-------------------------------------|--------------|
| Balance as at April 1, 2021 | 97.23 |
| Additions | NIL |
| Interest Expenses | 2.46 |
| Deletions | (66.72) |
| Payment of Lease Liabilities | (4.50) |
| Balance as at March 31, 2022 | 28.47 |
| Additions | 9.92 |
| Interest Expenses | 2.96 |
| Deletions | NIL |
| Payment of Lease Liabilities | (9.91) |
| Balance as at March 31, 2023 | 31.44 |

The aggregate interest expense amounting to ₹ 2.96 lakhs (March 31, 2022 : ₹ 2.46 lakhs) on Lease Liabilities is disclosed separately under Finance Costs [Refer Note 29].

II The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis :

₹ in lakhs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|----------------------|-------------------------|-------------------------|
| Less than one year | 9.90 | 4.50 |
| One to five years | 22.50 | 22.50 |
| More than five years | 9.00 | 13.50 |
| | 41.40 | 40.50 |

The Company does not face a liquidity risk with regard to any of 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, 2023 | Year ended March 31, 2022 |
|---|------------------------------|------------------------------|
| Depreciation charge on Right-of-Use Assets | 8.01 | 3.04 |
| Interest expense on Lease Liabilities | 2.96 | 2.46 |
| Expense relating to Short-term Leases | NIL | 6.99 |
| Expense relating to leases of low-value assets, excluding Short-term Leases of Low-value Assets | NIL | NIL |



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Notes to the Standalone Financial Statements for the year ended March 31, 2023

- IV Total cash outflow for leases from Financing Activities recognised in the Statement of Cash Flows for the year ended March 31, 2023 is ₹ 9.90 lakhs (March 31, 2022 : ₹ 4.50 lakhs).

46.2 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, 2023 | Year ended March 31, 2022 |
|--|------------------------------|------------------------------|
| Lease Rental Income | | |
| i. Maturity Analysis of Lease Payments | | |
| Less than one year | NIL | NIL |
| One to 5 years | NIL | NIL |
| More than 5 years | NIL | NIL |
| Total undiscounted lease payment receivables | NIL | NIL |
| ii. Lease Income recognised in the Statement of Profit and Loss for the year | NIL | NIL |

Note 47

Ratios forming part of Standalone Financial Statement

| Ratio | Numerator | Denominator | Year ended March 31, 2023 | | | Year ended March 31, 2022 | | | % Variance | Reason for Variance |
|---------------------------------|---|--|---------------------------|-------------|----------|---------------------------|-------------|----------|------------|---------------------|
| | | | Numerator | Denominator | Ratio | Numerator | Denominator | Ratio | | |
| Capital to risk weighted assets | Tier I + Tier II Capital | Total Risk Weighted Assets / Exposures | 40,445.25 | 68,180.80 | 59.32% | 42,211.43 | 69,946.24 | 60.35% | (1.03%) | — |
| Tier I Capital | Tier I Capital | Total Risk Weighted Assets / Exposures | 40,445.25 | 68,180.80 | 59.32% | 42,211.43 | 69,946.24 | 60.35% | (1.03%) | — |
| Tier II Capital | Tier II Capital | Total Risk Weighted Assets / Exposures | — | 68,180.80 | 0.00% | — | 69,946.24 | 0.00% | 0.00% | — |
| Liquidity Coverage Ratio* | Total Stock of High Quality Liquid Assets | Total Net Cash Outflows over the next 30 calendar days | 55,947.91 | 708.50 | 7896.67% | 58,806.22 | 658.98 | 8923.82% | (1027.15%) | Refer Note 47.1 |

Note 47.1

Reduction in Fair Value of Equity Instruments.

Note 48

Other Statutory Informations

- The Company does not possess any immovable property (other than properties where the Company is the lessee and the lease arrangements are duly executed in favour of lessee) whose title deeds are not held in the name of the Company during the year ended March 31, 2023 and March 31, 2022.
- The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- The Company has not been sanctioned any working capital facility from banks or financial institutions on the basis of security of current assets.



Notes to the Standalone Financial Statements for the year ended March 31, 2023

- iv. The Company has not been declared as a willful defaulter by any lender who has powers to declare a company as a willful defaulter at anytime during the financial year or after the end of reporting period but before the date when the financial statements are approved.
- v. The Company does not have any transactions with struck-off companies.
- vi. The Company does not have any charges or satisfaction which is yet to be registered with the Registrar of Companies (ROC) beyond the statutory period.
- vii. The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act 2013 read with Companies (Restrictions on number of Layers) Rules, 2017.
- viii (a) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding (whether recorded in writing or otherwise) that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons/entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries other than Interest - bearing loans aggregating ₹ 1,456 lakhs granted during the year through the current account maintained with Kanoria Udyog Limited, a wholly owned subsidiary company ("Intermediary"), for onward lending on behalf of the Company, considered on the basis of the timing of the cash flows, though as such there is no written agreement or understanding that the said Intermediary shall lend or invest on behalf of the Company. Such loans are granted in the ordinary course of business of the Company and that of the Intermediary for the Ultimate Beneficiary, namely, The United Provinces Sugar Company Limited, towards meeting its business requirements. The Company has complied with relevant provisions of the Foreign Exchange Management Act, 1999 to the extent applicable, the Company Act, 2013 for such transaction is not violative of the Prevention of Money-Laundering Act, 2012.
- (b) The Company has not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- ix. The Company does not have any transactions which is not recorded in the books of accounts but has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- x. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

Note 49

Segment Reporting as per Ind AS 108 on "Operating Segements"

The segment information is presented under the Notes forming part of the Consolidated Financial Statements as required under the Ind AS 108 on "Operating Segments".

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.



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Notes to the Standalone Financial Statements for the year ended March 31, 2023

Note 51

The Company, alongwith its textile manufacturing and home decor operations, has been engaged in lending and investment activities. Considering the size of such activities, in terms of the RBI Press Release 1998-99/1269 dated 08th April, 1999 the Company meets the Principal Business Criteria laid down in the aforesaid release, that is, its financial assets are more than 50 per cent of its total assets (netted off by intangible assets) and its income from financial assets is more than 50 per cent of its gross income, the provisions of Non-Banking Financial Companies (NBFC) under the Reserve Bank of India Act, 1934 are applicable to it and the Company is required to register itself as an NBFC. The Board of Directors of the Company has, accordingly at its meeting held on August 28, 2023 decided to submit an application for registration to the Reserve Bank of India ("RBI") and also intimate it about any further steps it would take in this regard, including merging by way of absorption its wholly owned subsidiary, Kanoria Udyog Limited ("KUL"), with it in terms of the provisions of the Companies Act, 2013. Accordingly, in terms of the provisions of Sections 230 to 232 alongwith any other applicable provisions, of the Companies Act, 2013 read with the Rules made thereunder, the Company will prepare a scheme of merger by way of absorption and take all necessary steps/approvals in relation to the proposed merger by absorption.

Pending the preparation, implementation and approval of the aforesaid Scheme for merger, no effect in this regard is required to be given in these financial statements.

Note 52

- i. All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs upto two decimals as per the requirements of Schedule III, unless otherwise stated.
- ii. Figures for the previous year have been regrouped and / or rearranged and / or reclassified wherever necessary to make them comparable with those of current periods.

As per our attached report of even date

For and on behalf of the Board of Directors of

For **BANSI S. MEHTA & CO.**

THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Chartered Accountants

Firm Registration No. 100991W

Paresh H. Clerk

Partner

Membership No. 36148

Place : Mumbai

Date : September 1, 2023

Vinod Jivanram Lohia

Dr. Anurag Kanoria

Raj Kumar Jhunjhunwala

Nisha Chopra

Krishna Kumar Kunwar

Place : Mumbai

Date : September 1, 2023

Whole Time Director & General Manager (Works)

Whole Time Director

Non Executive Independent Director

Company Secretary

Chief Financial Officer

DIN : 01509730

DIN : 00200630

DIN : 01527573

M.No. A41450



INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of **The New Great Eastern Spinning and Weaving Company Limited** ("the Holding Company") and its Subsidiary (the Holding Company and its subsidiary collectively referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2023, 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 Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated 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 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, 2023, its consolidated loss 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 Financial Statements in accordance with the Standards on Auditing ("SAs") 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 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 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 financial statements.

Emphasis of Matters

Attention is invited to Note 53 to the consolidated financial statements, which states that the lending and investment activities carried out by the Holding Company and Subsidiary Company attract the applicability provisions of the regulations governing Non-Banking Financial Companies ("NBFC") under the Reserve Bank of India Act, 1934 requiring the Holding Company and Subsidiary Company to register itself as an NBFC; in this circumstance, the Holding Company has decided to apply for the registration to RBI, and also intimate RBI about steps it would take in this regard, including merging by way of absorption its Wholly Owned Subsidiary Kanoria Udyog Limited ("KUL") with it in terms of the provisions of the Companies Act, 2013.

Our opinion is not modified in respect of this matter.

Material Uncertainty Related to Going Concern

Attention is invited to Note 54 of the consolidated financial statements relating to the accumulated losses of the Subsidiary Company that has resulted in complete erosion of its net worth as also the fact that since the Subsidiary Company is carrying out the lending and investment activities which would attract the applicability of the regulations



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

governing Non-Banking Financial Companies ("NBFC") under the Reserve Bank of India Act, 1934 requiring the Subsidiary Company to register itself as an NBFC. Such erosion in net worth and to register as an NBFC indicate, that a material uncertainty exists that may cast significant doubt on the ability of the Subsidiary Company to continue as a going concern. In this circumstances, it has been decided to merge by way of absorption its said Subsidiary Company with the Holding Company in terms of the provisions of the Companies Act, 2013. However, the Board of Directors of the Subsidiary Company are reasonably certain that the Subsidiary Company will be able to continue realizing its assets and discharging its liabilities in the normal course of business and at the amount at which those are carried at the year end.

Our opinion is not modified in respect of this matter.

Information Other than the Consolidated 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 Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated 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 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 Company 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 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 Company 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 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 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 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 Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated 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 AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated 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 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 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 to our auditor's report to the related disclosures in the Consolidated 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 Financial Statements, including the disclosures, and whether the Consolidated 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 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 Financial Statements, of which we are the independent auditors. For the other entity included in the Consolidated Financial Statements, which have 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 Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated 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 Financial Statements.

We communicate with those charged with governance of the Holding Company included in the Consolidated 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.



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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

We did not audit the Financial Statements and the financial information of the Subsidiary Company located in India, whose financial statements and financial information reflect total assets of ₹ 14,982.15 lakhs as at March 31, 2023, total revenues of ₹ 1,130.00 lakhs, Profit/ (Loss) for the period of ₹ (11.92) lakhs, total comprehensive income of ₹ (7.59) and net cash inflows amounting to ₹ 38.55 lakhs for the year ended on that date, as considered in preparation of Consolidated Financial Statements. The financial statements and financial information of the Subsidiary Company have been prepared in accordance with Ind AS and accounting principles generally accepted in India. The financial statements and financial information of Subsidiary Company have been audited by other auditor whose report has been furnished to us by the Management. Our opinion on the Consolidated 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 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 Financial Statements;
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated 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 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 Financial Statements;
 - d. In our opinion, the aforesaid Consolidated 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, 2023 taken on record by the Board of Directors of the Holding Company and as reported by the statutory auditors of the Subsidiary Company none of the directors of the companies in the Group are disqualified as on March 31, 2023 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, the remuneration paid during the current year by the Holding Company to its directors is in accordance with the provisions of Section 197 read with Schedule V 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.



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

The Subsidiary Company incorporated in India has not paid any remuneration to its directors.

- 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 Financial Statements disclose the impact of pending litigations on its consolidated financial position of the Group – Refer Note 37 to the Consolidated Financial Statements;
 - ii. The Group did not have any long term contracts including derivative contracts for which there were any 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 Group during the year ended March 31, 2023.
 - iv. (a) The respective Managements of the Holding Company and its Subsidiary Company which is incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such Subsidiary Company respectively that, to the best of their knowledge and belief, other than as disclosed in the Note 50(viii)(a) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its Subsidiary Company, to any person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or its Subsidiary Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The respective Managements of the Holding Company and its Subsidiary Company which is incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such Subsidiary Company respectively that, to the best of their knowledge and belief, other than as disclosed in the Note 50(viii)(b) to the consolidated financial statements, no funds have been received by the Holding Company or its Subsidiary Company, from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its Subsidiary Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided in (a) and (b) above, contain any material misstatement.
 - v. Since the Holding Company and its Subsidiary Company incorporated in India, have not declared or paid any dividend during the year, the question of commenting on whether the same is in accordance with Section 123 of the Companies Act, 2013 does not arise.
2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2022 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO report issued by us and the auditor of the Subsidiary Company included in the Consolidated Financial Statements of the Holding Company, to which reporting under CARO is applicable, as provided to us by the Management of the Holding Company, we report that there are no qualifications



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

or adverse remarks in these CARO reports of the said respective companies included in the Consolidated Financial Statements, except as specified in the table below :

| Sr. No. | Name of Company | CIN | Relationship with Holding Company | Date of the respective auditor's report | Clause in the respective CARO report |
|----------------|--|------------------------|--|--|---|
| 1. | The New Great Eastern Spinning & Weaving Company | U17110MH1873PLC000015 | Holding Company | August 31, 2023 | 3(iii)(c), and 3(vii)(a) |
| 2. | Kanora Udyog Limited | U18492MH1961PLC018492J | Subsidiary Company | August 28, 2023 | 3(iii)(c) |

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

PARESH H. CLERK
Partner
Membership No. 036148
UDIN : 23036148BGWKTL5521

PLACE : Mumbai
DATED : September 1, 2023



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 Financial Statements for the year ended March 31, 2023.

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 Financial Statements of the Holding Company as of and for the year ended March 31, 2023, 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, 2023.

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 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



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

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 Financial Statements and such internal financial controls with reference to Consolidated Financial Statements were operating effectively as at March 31, 2023, 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 : September 1, 2023

PARESH H. CLERK
Partner
Membership No. 036148
UDIN : 23036148BGWCTL5521



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2023

₹ in lakhs

| Particulars | Note | As at March 31, 2023 | As at March 31, 2022 |
|--|------|-------------------------|-------------------------|
| ASSETS | | | |
| 1. Financial Assets | | | |
| a. Cash and Cash Equivalents | 3 | 327.40 | 1,053.47 |
| b. Bank Balance other than Cash and Cash Equivalents | 4 | 50.75 | 47.92 |
| c. Trade Receivables | 5 | 138.55 | 254.27 |
| d. Loans | 6 | 12,936.50 | 14,924.85 |
| e. Investments | 7 | 42,355.54 | 41,426.70 |
| f. Other Financial Assets | 8 | 167.22 | 246.46 |
| | | 55,975.96 | 57,953.67 |
| 2. Non Financial Assets | | | |
| a. Inventories | 9 | 1,549.48 | 1,515.43 |
| b. Current Tax Assets (Net) | 10 | 335.40 | 605.16 |
| c. Deferred Tax Assets (Net) | 11 | NIL | NIL |
| d. Property, Plant and Equipment | 12 | 434.85 | 497.09 |
| e. Right-of-Use Assets | 13 | 29.37 | 27.46 |
| f. Other Intangible Assets | 14 | 6.58 | 3.76 |
| g. Other Non-Financial Assets | 15 | 210.57 | 239.06 |
| | | 2,566.25 | 2,887.96 |
| Total Assets | | 58,542.21 | 60,841.63 |
| LIABILITIES AND EQUITY | | | |
| LIABILITIES | | | |
| 1. Financial Liabilities | | | |
| a. Trade Payables | 16 | | |
| i. Total outstanding dues of micro enterprises and small enterprises | | NIL | NIL |
| ii. Total outstanding dues of creditors other than micro enterprises and small enterprises | | 79.22 | 52.70 |
| b. Deposits | 17 | 375.00 | 375.00 |
| c. Lease Liabilities | 18 | 31.44 | 28.47 |
| d. Other Financial Liabilities | 19 | 48.11 | 4.89 |
| | | 533.77 | 461.06 |
| 2. Non Financial Liabilities | | | |
| a. Deferred Tax Liabilities (Net) | 11 | 1,499.70 | 1,505.96 |
| b. Provisions | 20 | 165.25 | 202.34 |
| c. Other Non-Financial Liabilities | 21 | 154.51 | 126.10 |
| | | 1,819.46 | 1,834.40 |
| EQUITY | | | |
| a. Equity Share Capital | 22 | 1,682.00 | 1,808.60 |
| b. Other Equity | 23 | 54,506.98 | 56,737.57 |
| | | 56,188.98 | 58,546.17 |
| Total Liabilities and Equity | | 58,542.21 | 60,841.63 |

The accompanying Significant Accounting Policies and Notes form an integral part of the Standalone Financial Statements

2 - 55

As per our attached report of even date

For and on behalf of the Board of Directors of

For **BANSI S. MEHTA & CO.**

THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Chartered Accountants

Firm Registration No. 100991W

Vinod Jivanram Lohia

Whole Time Director & General Manager (Works)

DIN : 01509730

Dr. Anurag Kanoria

Whole Time Director

DIN : 00200630

Raj Kumar Jhunhunwala

Non Executive Independent Director

DIN : 01527573

Nisha Chopra

Company Secretary

M.No. A41450

Krishna Kumar Kunwar

Chief Financial Officer

Paresh H. Clerk

Partner

Membership No. 36148

Place : Mumbai

Place : Mumbai

Date : September 1, 2023

Date : September 1, 2023



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023

₹ in lakhs

| Particulars | Note | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|------|------------------------------|------------------------------|
| Revenue from Operations | | | |
| i. Interest Income | 24 | 1,085.17 | 1,080.25 |
| ii. Dividend Income | 25 | 482.97 | 207.25 |
| iii. Net Gain on Fair Value Changes | 26 | 1.43 | 10.92 |
| iv. Sale of Products | 27 | 872.75 | 1,830.57 |
| I Total Revenue from Operations | | 2,442.32 | 3,128.99 |
| II Other Income | 28 | 243.84 | 107.33 |
| III Total Income (I + II) | | 2,686.16 | 3,236.32 |
| Expenses | | | |
| i. Finance Costs | 29 | 18.04 | 6.06 |
| ii. Fees and Commission Expense | 30 | 3.15 | 4.80 |
| iii. Impairment on Financial Instruments | 31 | 18.63 | 105.75 |
| iv. Cost of Materials Consumed | 32 | 646.23 | 780.16 |
| v. Purchases of Stock-in-Trade | 33 | 21.40 | 229.35 |
| vi. Changes in inventories of Finished Goods, Stock-in-Trade and Work-in-Progress | 34 | (107.23) | 22.77 |
| vii. Employee Benefits Expense | 35 | 605.13 | 587.08 |
| viii. Depreciation and Amortisation | 36 | 94.01 | 104.53 |
| ix. Other Expenses | 37 | 1,299.80 | 1,037.12 |
| IV Total Expenses | | 2,599.16 | 2,877.62 |
| V Profit / (Loss) before Tax (III-IV) | | 87.00 | 358.70 |
| VI Tax Expense : | 42 | | |
| i. Current Tax | | 384.00 | 96.01 |
| ii. (Excess) / Short Provision for Tax of earlier Years | | 11.76 | NIL |
| iii. Deferred Tax | | 44.64 | 391.30 |
| Total Tax Expense | | 440.40 | 487.31 |
| VII Profit / (Loss) for the Year (V-VI) | | (353.40) | (128.61) |
| VIII Other Comprehensive Income | | | |
| i. Items that will not be reclassified to profit or loss | | | |
| a. Remeasurement Gain / (Loss) on Defined Benefit Plans | | 1.61 | 44.08 |
| b. Fair Value Changes on Equity Instruments through other Comprehensive Income | | 1,915.70 | 10,758.21 |
| ii. Income tax relating to above | | | |
| a. Remeasurement Gain / (Loss) on Defined Benefit Plans | | (0.41) | (11.09) |
| b. Fair Value Changes of Investments in Equity Instruments | | 51.30 | (1,103.56) |
| Total Other Comprehensive Income for the Year | | 1,968.20 | 9,687.64 |
| IX Total Comprehensive Income for the Year (VII+VIII) | | 1,614.80 | 9,559.03 |
| X Earnings per equity share of face value of ₹ 10 each | 40 | | |
| Basic (in ₹) | | (2.02) | (0.71) |
| Diluted (in ₹) | | (2.02) | (0.71) |

The accompanying Significant Accounting Policies and Notes form an integral part of the Standalone Financial Statements

2 - 55

As per our attached report of even date

For and on behalf of the Board of Directors of

For **BANSI S. MEHTA & CO.**

THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Chartered Accountants

Firm Registration No. 100991W

Vinod Jiwanram Lohia

Whole Time Director & General Manager (Works)

DIN : 01509730

Dr. Anurag Kanoria

Whole Time Director

DIN : 00200630

Raj Kumar Jhunjhunwala

Non Executive Independent Director

DIN : 01527573

Nisha Chopra

Company Secretary

M.No. A41450

Krishna Kumar Kunwar

Chief Financial Officer

Paresh H. Clerk

Partner

Membership No. 36148

Place : Mumbai

Place : Mumbai

Date : September 1, 2023

Date : September 1, 2023



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2023

₹ in lakhs

| Particulars | Year ended March 31, 2023 | For Year ended March 31, 2022 |
|---|------------------------------|----------------------------------|
| A. Cash Flow from Operating Activities | | |
| Profit / (Loss) before Tax | 87.00 | 358.70 |
| Adjustments for | | |
| Depreciation and Amortisation Expense | 94.01 | 104.53 |
| Excess balances and liabilities written back | (1.25) | (1.47) |
| Provision for Trade Receivables and Advances/(Reversal of provision for Trade Receivables and Advances) | 18.63 | 105.75 |
| Interest Income | (1,085.17) | (1,080.25) |
| Dividend Income | (482.97) | (207.25) |
| Sundry balances Written-off | 6.96 | 3.66 |
| Gain on Lease modification | NIL | (4.63) |
| Finance Cost | 2.96 | 2.46 |
| Net Gain on Fair Value Changes | (1.43) | (10.92) |
| Operating Profit before Working Capital Changes | (1,361.26) | (729.42) |
| Working Capital Changes | | |
| (Increase) / decrease in Trade Receivables | 115.72 | (98.95) |
| (Increase) / decrease in Other Financial Assets | 79.24 | (9.43) |
| (Increase) / decrease in Inventories | (34.05) | (67.46) |
| (Increase) / decrease in Other Non-financial Assets | 28.49 | 19.58 |
| Increase / (decrease) in Trade Payables | 26.52 | (13.14) |
| Increase / (decrease) in Other Financial Liabilities | 43.22 | (49.18) |
| Increase / (decrease) in Other Non-financial Liabilities | 28.41 | 35.09 |
| Increase / (decrease) in Provisions | (37.09) | (91.28) |
| Cash Generated / (Used) from Operations | (1,110.80) | (1,004.19) |
| Income Taxes paid (net) | (141.60) | (115.94) |
| Net Cash Generated / (Used) from Operating Activities (A) | (1,252.40) | (1,120.13) |
| B. Cash Flow from Investing Activities | | |
| Purchase of Property, Plant and Equipment | (21.78) | (8.01) |
| Purchase of Other Intangible Assets | (4.80) | NIL |
| Loans Given | (1,936.52) | (2,734.35) |
| Loans Repaid | 3,918.81 | 825.04 |
| Purchase of Investments | (15,748.45) | (9,886.84) |
| Proceeds from Sale of Investments | 16,726.31 | 12,603.79 |
| Bank Deposit under lien | (2.83) | (2.13) |
| Dividend received from Investments | 482.97 | 207.25 |
| Interest received | 1,085.17 | 868.35 |
| Net Cash Generated / (Used) from Investing Activities (B) | 4,498.88 | 1,873.10 |
| C. Cash Flow from Financing Activities | | |
| Payment of Principal Portion of Lease Liabilities | (6.94) | (2.04) |
| Payment of Interest Portion of Lease Liabilities | (2.96) | (2.46) |
| Buy-back of Equity Shares | (3,237.85) | NIL |
| Taxes paid on Buyback of Equity Shares | (724.80) | NIL |
| Net Cash Generated / (Used) from Financing Activities (C) | (3,972.55) | (4.50) |
| Net (Decrease) / Increase in Cash and Cash Equivalents [A + B + C] | (726.07) | 748.47 |
| Cash and Cash Equivalents at the Beginning of the Year | 1,053.47 | 305.00 |
| Cash and Cash Equivalents at the End of the Year | 327.40 | 1,053.47 |
| Net (Decrease) / Increase in Cash and Cash Equivalents | (726.07) | 748.47 |



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Notes to the Consolidated Statement of Cash Flows for the year ended March 31, 2023

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, 2023 | As at March 31, 2022 |
|---------------------|---------------------------------|---------------------------------|
| Cash on hand | NIL | 0.04 |
| Balances with Banks | 327.40 | 1,053.43 |
| Total | 327.40 | 1,053.47 |

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

₹ in lakhs

| Particulars | As at March 31, 2022 | Cash Changes | Non-cash Changes | As at March 31, 2023 |
|--------------------|---------------------------------|-------------------------|-----------------------------|---------------------------------|
| Lease Liabilities | 28.47 | (9.91) | (50.00) | (31.44) |

| Particulars | As at March 31, 2021 | Cash Changes | Non-cash Changes | As at March 31, 2022 |
|--------------------|---------------------------------|-------------------------|-----------------------------|---------------------------------|
| Lease Liabilities | 97.23 | (4.50) | (64.26) | 28.47 |

- iv. Figures in the brackets are outflows/deductions.

The accompanying Significant Accounting Policies and Notes form an integral part of the Standalone Financial Statements

2 - 55

As per our attached report of even date

For and on behalf of the Board of Directors of

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

THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Paresh H. Clerk
Partner
Membership No. 36148

Vinod Jiwanram Lohia
Dr. Anurag Kanoria
Raj Kumar Jhunjhunwala
Nisha Chopra
Krishna Kumar Kunwar

Whole Time Director & General Manager (Works)
Whole Time Director
Non Executive Independent Director
Company Secretary
Chief Financial Officer

DIN : 01509730
DIN : 00200630
DIN : 01527573
M.No. A41450

Place : Mumbai
Date : September 1, 2023

Place : Mumbai
Date : September 1, 2023



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023

A. Equity Share Capital

₹ in lakhs

| Particular | Number of shares | Amount |
|--|--------------------|-----------------|
| Balance as at April 1, 2022 | 1,80,86,040 | 1,808.60 |
| Changes in Equity Share Capital due to prior period errors | NIL | NIL |
| Restated balance at the beginning of the current reporting period | 1,80,86,040 | 1,808.60 |
| Changes in Equity Share Capital during the year | | |
| Buy-back of Equity Shares [Refer Note 22.1 (b)] | (12,66,023) | (126.60) |
| Balance as at March 31, 2023 | 1,68,20,017 | 1,682.00 |

₹ in lakhs

| Particular | Number of shares | Amount |
|--|--------------------|-----------------|
| Balance as at April 1, 2021 | 1,808,604 | 1,808.60 |
| Changes in Equity Share Capital due to prior period errors | NIL | NIL |
| Restated balance at the beginning of the current reporting period | 18,08,604 | 1,808.60 |
| Changes in Equity Share Capital during the year | | |
| Adjustment for Sub-Division of Equity Share* | 1,62,77,436 | NIL |
| Balance as at March 31, 2022 | 1,80,86,040 | 1,808.60 |

* Pursuant to the approval of the shareholders through Postal Ballot Resolutions passed on March 31, 2022, each equity share of face value of ₹ 100/- per share was sub-divided into ten equity shares of face value of ₹ 10/- per share.

B. Other Equity

₹ in lakhs

| Particulars | Reserves and Surplus | | Equity Instruments through Other Comprehensive Income | Total |
|---|----------------------------|-------------------|---|-------------------|
| | Capital Redemption Reserve | Retained Earnings | | |
| As at April 1, 2022 | NIL | 40,227.34 | 16,510.23 | 56,737.57 |
| Changes in accounting policy or prior period item | NIL | NIL | NIL | NIL |
| Restated balance at the beginning of the current reporting period | NIL | 40,227.34 | 16,510.23 | 56,737.57 |
| Profit/(Loss) for the year | NIL | (353.40) | NIL | (353.40) |
| Buy-back of equity shares | 126.60 | (3,237.85) | NIL | (3,111.25) |
| Tax on buy-back of equity shares | NIL | (724.80) | NIL | (724.80) |
| Other Comprehensive Income for the year, net of income tax | | | | |
| - Remeasurement Gain / (Loss) on Defined Benefit Plans | NIL | 1.20 | NIL | 1.20 |
| - Fair value gain / (loss) on investments in equity instruments through OCI | NIL | NIL | 1,967.00 | 1,967.00 |
| - Realised Gain on Sale of Equity Instruments | | | (9.35) | (9.35) |
| - Realised Gain on Sale of Equity Instruments reclassified to Retained Earnings | NIL | 2504.58 | (2,504.58) | NIL |
| Total Comprehensive Income for the year | 126.60 | (1,810.27) | (546.93) | (2,230.60) |
| As at March 31, 2023 | 126.60 | 38,417.07 | 15,963.30 | 54,506.98 |



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023

₹ in lakhs

| Particulars | Reserves and Surplus | | Equity Instruments through Other Comprehensive Income | Total |
|---|----------------------------|-------------------|---|------------------|
| | Capital Redemption Reserve | Retained Earnings | | |
| As at April 1, 2021 | NIL | 39,334.40 | 7,844.14 | 47,178.54 |
| Changes in accounting policy or prior period item | NIL | NIL | NIL | NIL |
| Restated balance at the beginning of the current reporting period | NIL | 39,334.40 | 7,844.14 | 47,178.54 |
| Profit/(Loss) for the year | NIL | (128.61) | NIL | (128.61) |
| Other Comprehensive Income for the year, net of income tax | | | | |
| - Remeasurement Gain / (Loss) on Defined Benefit Plans | NIL | 32.99 | NIL | 32.99 |
| - Net fair value gain / (loss) on investments in equity instruments through OCI | NIL | NIL | 9,654.65 | 9,654.65 |
| - Realised Gain on Sale of Equity Instruments reclassified to Retained Earnings | NIL | 988.56 | (988.56) | NIL |
| Total Comprehensive Income for the year | NIL | 892.94 | 8,666.09 | 9,559.03 |
| As at March 31, 2022 | NIL | 40,227.34 | 16,510.23 | 56,737.57 |

The accompanying Significant Accounting Policies and Notes form an integral part of the Standalone Financial Statements

2 - 55

As per our attached report of even date

For and on behalf of the Board of Directors of

For **BANSI S. MEHTA & CO.**

THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Chartered Accountants

Firm Registration No. 100991W

Vinod Jiwanram Lohia

Whole Time Director & General Manager (Works)

DIN : 01509730

Dr. Anurag Kanoria

Whole Time Director

DIN : 00200630

Raj Kumar Jhunjunwala

Non Executive Independent Director

DIN : 01527573

Nisha Chopra

Company Secretary

M.No. A41450

Krishna Kumar Kunwar

Chief Financial Officer

Paresh H. Clerk

Partner

Membership No. 36148

Place : Mumbai

Place : Mumbai

Date : September 1, 2023

Date : September 1, 2023



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

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 September 1, 2023.

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 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 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.



Notes to the Consolidated Financial Statements for the year ended March 31, 2023

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 consolidated 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 consolidated financial 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 scarp.

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.

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.



Notes to the Consolidated Financial Statements for the year ended March 31, 2023

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, 2023

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

Current and deferred tax for the year

Current and deferred tax are recognised in Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.



Notes to the Consolidated Financial Statements for the year ended March 31, 2023

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.

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 at their 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.



Notes to the Consolidated Financial Statements for the year ended March 31, 2023

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.

2.8. 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 or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net 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 as either finite or indefinite. Finite-life intangible assets are amortised 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 |
| Website | 5 years |

2.9. Leases

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. 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



Notes to the Consolidated Financial Statements for the year ended March 31, 2023

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.

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



Notes to the Consolidated Financial Statements for the year ended March 31, 2023

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.

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 consolidated financial statements.

Provisions and contingent liabilities are reviewed at each balance sheet.



Notes to the Consolidated Financial Statements for the year ended March 31, 2023

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.

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 recognition of 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.



Notes to the Consolidated Financial Statements for the year ended March 31, 2023

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 that do not contain a significant financing component are measured at transaction price. 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. 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.



Notes to the Consolidated Financial Statements for the year ended March 31, 2023

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.

Derecognition 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, 2023

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.

2.15. 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.



Notes to the Consolidated Financial Statements for the year ended March 31, 2023

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.



Notes to the Consolidated Financial Statements for the year ended March 31, 2023

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. 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 noncancelable 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-cancellable 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

The Ministry of Corporate Affairs ("MCA") notifies new standards or amends the existing standards under the Companies (Indian Accounting Standards) Rules as issued and amended from time to time. MCA, through a notification of March 31, 2023, introduced the Companies (Indian Accounting Standards) Amendment Rules, 2023 to amend the Companies (Indian Accounting Standards) Rules, 2015, which come into force with effect from April 1, 2023. The following are the amendments:



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

Ind AS 1 - Presentation of Financial Statements

The amendment specifies that the entities disclose material accounting policy information rather than their significant accounting policies. Accounting policy information, when considered together with other information included in an entity's financial statements, is material, if it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The Company has evaluated the amendment and does not expect this amendment to have any significant impact in its consolidated financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

This amendment introduces the definition of 'accounting estimates'. An accounting policy may require items to be measured involving measurement uncertainty and such items for its measurement, instead of being observed directly are to be estimated and therefore, an entity requires to develop an accounting estimate for the accounting policy. Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. Other amendments provide mainly relates to changes in accounting estimates and how to apply changes in accounting policies so as to distinguish the two.

The Company has evaluated the amendment and it does not expect to have any impact on its financial statements.

Ind AS 12 - Income Taxes

These amendments have narrowed the scope of application of the exemption when temporary differences arise on the initial recognition of an asset or liability in a transaction. As per the amendments, the exemption in paragraphs 15 and 24 of Ind AS 12) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences and the exemption applies only when the taxable and deductible temporary differences are unequal.

The Company is evaluating the impact, if any, in its financial statements.

Note 3

Cash and Cash Equivalents

₹ in lakhs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| Cash on hand | NIL | 0.04 |
| Balances with Banks in Current Accounts | 327.40 | 1,053.43 |
| Total | 327.40 | 1,053.47 |

Note 4

Bank Balance other than Cash and Cash Equivalents

₹ in lakhs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| Bank Deposits under Lien (Refer Note 4.1) | 50.75 | 47.92 |
| Total | 50.75 | 47.92 |

4.1 Bank Deposits under lien towards security for guarantees issued to the Holding Company against DNH Power and Employee State Insurance Corporation amounting to ₹ 16.40 lakhs and ₹ 15.00 lakhs, respectively (March 31, 2022 : ₹ 16.40 lakhs and ₹ 15.00 lakhs.)



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

Note 5

Trade Receivables

₹ in lakhs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|----------------------------------|-------------------------|-------------------------|
| Unsecured | | |
| Considered Good | 138.55 | 254.27 |
| Credit Impaired | 146.50 | 122.32 |
| | 285.05 | 376.59 |
| Less : Impairment Loss Allowance | (146.50) | (122.32) |
| Total | 138.55 | 254.27 |

Ageing of Trade Receivables

As at March 31, 2023

₹ in lakhs

| Outstanding for following periods from due date of payment | Considered Good | Trade Receivables which have significant increase in credit risk | Credit Impaired |
|---|--------------------|---|--------------------|
| Undisputed Trade Receivables | | | |
| Less than 6 months | 8.93 | NIL | 0.12 |
| 6 months - 1 year | NIL | NIL | NIL |
| 1-2 Years | NIL | NIL | 137.68 |
| 2-3 Years | NIL | NIL | NIL |
| More than 3 years | 129.62 | NIL | 8.70 |
| Disputed Trade Receivables | NIL | NIL | NIL |
| Total | 138.55 | NIL | 146.50 |

Ageing of Trade Receivables

As at March 31, 2022

₹ in lakhs

| Outstanding for following periods from due date of payment | Considered Good | Trade Receivables which have significant increase in credit risk | Credit Impaired |
|---|--------------------|---|--------------------|
| Undisputed Trade Receivables | | | |
| Less than 6 months | 124.69 | NIL | 113.59 |
| 6 months - 1 year | 1.47 | NIL | 0.10 |
| 1-2 Years | NIL | NIL | NIL |
| 2-3 Years | NIL | NIL | 0.37 |
| More than 3 years | 128.11 | NIL | 8.26 |
| Disputed Trade Receivables | NIL | NIL | NIL |
| Total | 254.27 | NIL | 122.32 |

5.1 Under Franchisee Agreement of Home Decor division of the Holding Company instead of recognising allowance for expected credit loss based on provision matrix, the Holding Company uses an estimated default rate to determine impairment loss allowance on portfolio of its Trade Receivables. Such expected credit loss is



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

discounted using the Consumer Price Index as released by RBI which is 6.20% and at every reporting date, the default rates are reassessed and the necessary adjustments are made, if required.

5.2 In case of Trade Receivables pertaining to Textile division, the Holding 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 | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| Balance at the beginning of the year | 122.32 | 22.12 |
| Impairment Loss Allowance | 24.18 | 100.20 |
| Balance at the end of the year | 146.50 | 122.32 |

The amount of impairment loss allowance of ₹ 146.50 lakhs (March 31, 2022: ₹ 122.32 lakhs) of which ₹ 8.52 lakhs (March 31, 2022: ₹ 8.52 lakhs) pertains to Home Decor division and remaining ₹ 137.80 lakhs (March 31, 2022: ₹ 13.60 lakhs) pertaining to Textile division is estimated based on the following provision matrix.

₹ in lakhs

| Particulars | Default Rate (A) | As at March 31, 2023 | |
|--------------------|------------------------|------------------------------|--|
| | | Gross Carrying Amount (B) | Lifetime expected Credit loss allowance (A X B) |
| Not Due | 0% | NIL | NIL |
| 0-45 Days | 1% | 8.44 | 0.05 |
| 45-90 Days | 25% | NIL | NIL |
| 90-180 Days | 64% | 0.10 | 0.07 |
| 180-360 Days | 100% | NIL | NIL |
| More than 360 Days | 100% | 137.68 | 137.68 |
| Total | | 146.22 | 137.80 |

₹ in lakhs

| Particulars | Default Rate (A) | As at March 31, 2022 | |
|--------------------|------------------------|------------------------------|--|
| | | Gross Carrying Amount (B) | Lifetime expected Credit loss allowance (A X B) |
| Not Due | 0% | NIL | NIL |
| 0-45 Days | 1% | 43.19 | 0.27 |
| 45-90 Days | 25% | 42.61 | 10.86 |
| 90-180 Days | 64% | 160.73 | 102.42 |
| 180-360 Days | 100% | NIL | NIL |
| More than 360 Days | 100% | NIL | NIL |
| Total | | 246.53 | 113.55 |



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Notes to the Consolidated Financial Statements for the year ended March 31, 2023

Note 6

Loans

₹ in lakhs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| Unsecured and Considered Good Measured at Amortised Cost | | |
| Loans to Related Parties [Refer Note 45.2(II)] | NIL | 2,923.35 |
| Loans to Others | 12,936.50 | 12,001.50 |
| Total | 12,936.50 | 14,924.85 |
| Percentage to the total Loans and Advances in the nature of loans | | |
| Loans to Related Parties | 0.00% | 19.59% |
| Loans in India | | |
| Public Sector Companies | NIL | NIL |
| Other than Public Sector Companies | 12,936.50 | 14,924.85 |
| | 12,936.50 | 14,924.85 |
| Loans outside India | NIL | NIL |
| Total | 12,936.50 | 14,924.85 |



Notes to the Consolidated Financial Statements for the year ended March 31, 2023

Note 7 : Investments

₹ in lakhs

| Particulars | As at March 31, 2023 | | | | As at March 31, 2022 | | | |
|--|----------------------|------------------------------------|------------------------|---------------|----------------------|------------------------------------|------------------------|---------------|
| | Number | Fair Value | | Total | Number | Fair Value | | Total |
| | | Through Other Comprehensive Income | Through Profit or Loss | | | Through Other Comprehensive Income | Through Profit or Loss | |
| A. Investments in Units of Mutual Funds | | | | | | | | |
| Debt Oriented Mutual Funds | | | | | | | | |
| Franklin India Ultra Short Bond Fund - Super Institutional Plan - Growth | NIL | NIL | NIL | NIL | 28,459 | 9.56 | 9.56 | 9.56 |
| HDFC Overnight Fund Direct Plan Growth | 791.84 | NIL | 26.36 | 26.36 | NIL | NIL | NIL | NIL |
| Total (A) | | | 26.36 | 26.36 | | 9.56 | 9.56 | 9.56 |
| B. Investments in Alternate Investment Funds | | | | | | | | |
| Marcellus Rising Giants Fund | 3,49,492.52 | NIL | 265.43 | 265.43 | 3,49,492.52 | 323.17 | 323.17 | 323.17 |
| Total (B) | 3,49,492.52 | NIL | 265.43 | 265.43 | 3,49,492.52 | 323.17 | 323.17 | 323.17 |



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

Note 7 : Investments (Contd...)

₹ in lakhs

| Particulars | As at March 31, 2023 | | | | As at March 31, 2022 | | | | | |
|---|----------------------|------------------------------------|-----------------------------------|-----------|----------------------|-----------|------------------------------------|-----------------------------------|-----------|----------|
| | Number | Through Other Comprehensive Income | Fair Value Through Profit or Loss | Sub-total | Total | Number | Through Other Comprehensive Income | Fair Value Through Profit or Loss | Sub-total | Total |
| | | | | | | | | | | |
| C. Investments in Equity Instruments | | | | | | | | | | |
| Others | | | | | | | | | | |
| Quoted | | | | | | | | | | |
| Bharti Airtel Limited | 5,36,443 | 3,878.64 | NIL | 3,878.64 | 3,878.64 | 5,36,443 | 3,919.05 | NIL | 3,919.05 | 3,919.05 |
| Can Fin Homes Limited | NIL | NIL | NIL | NIL | NIL | 1,00,000 | 631.45 | NIL | 631.45 | 631.45 |
| Colgate Palmolive (India) Limited | 1,00,000 | 1,507.35 | NIL | 1,507.35 | 1,507.35 | 1,00,000 | 1,542.25 | NIL | 1,542.25 | 1,542.25 |
| Craftsman Automation Ltd | 50,000 | 1,627.65 | NIL | 1,627.65 | 1,627.65 | 50,000 | 1,179.20 | NIL | 1,179.20 | 1,179.20 |
| Dalmia Bharat Limited | 2,00,000 | 3,936.50 | NIL | 3,936.50 | 3,936.50 | 2,00,000 | 2,991.20 | NIL | 2,991.20 | 2,991.20 |
| Gujarat Fluorochemicals Limited | 3,24,905 | 9,812.78 | NIL | 9,812.78 | 9,812.78 | 3,50,055 | 9,600.43 | NIL | 9,600.43 | 9,600.43 |
| GFL Limited* | 1,75,054 | 83.33 | NIL | 83.33 | 83.33 | 1,75,054 | 138.12 | NIL | 138.12 | 138.12 |
| HDFC Bank Limited | 5,23,001 | 8,417.96 | NIL | 8,417.96 | 8,417.96 | 4,25,000 | 6,248.99 | NIL | 6,248.99 | 6,248.99 |
| HDFC Life Insurance Limited | NIL | NIL | NIL | NIL | NIL | 1,75,000 | 941.85 | NIL | 941.85 | 941.85 |
| ICI Lombard General Insurance Company Limited | NIL | NIL | NIL | NIL | NIL | 75,000 | 996.23 | NIL | 996.23 | 996.23 |
| IndusInd Bank | 2,00,000 | 2,135.90 | NIL | 2,135.90 | 2,135.90 | 2,00,000 | 1,870.80 | NIL | 1,870.80 | 1,870.80 |
| IDFC Limited | 17,50,000 | 1,374.63 | NIL | 1,374.63 | 1,374.63 | 17,50,000 | 1,080.63 | NIL | 1,080.63 | 1,080.63 |
| Inox Wind Energy Ltd | 17,505 | 192.41 | NIL | 192.41 | 192.41 | 17,505 | 124.30 | NIL | 124.30 | 124.30 |
| Jindal Steel and Power Limited | NIL | NIL | NIL | NIL | NIL | 5,00,000 | 2,664.25 | NIL | 2,664.25 | 2,664.25 |
| Kotak Mahindra Bank Limited | 2,28,000 | 3,950.90 | NIL | 3,950.90 | 3,950.90 | 50,000 | 876.93 | NIL | 876.93 | 876.93 |
| Nippon Life India Asset Management Limited | NIL | NIL | NIL | NIL | NIL | 2,75,000 | 956.04 | NIL | 956.04 | 956.04 |
| Somany Ceramics Limited | 1,41,262 | 690.56 | NIL | 690.56 | 690.56 | 1,50,001 | 972.46 | NIL | 972.46 | 972.46 |
| Somany Home Innovation Limited* | 2,00,242 | 711.56 | NIL | 711.56 | 711.56 | 2,00,242 | 727.08 | NIL | 727.08 | 727.08 |
| Sterite Technologies Limited | 5,00,000 | 737.75 | NIL | 737.75 | 737.75 | 2,00,000 | 448.90 | NIL | 448.90 | 448.90 |
| Sun Pharmaceutical Industries Limited | 2,00,000 | 1,966.20 | NIL | 1,966.20 | 1,966.20 | 2,00,000 | 1,829.50 | NIL | 1,829.50 | 1,829.50 |
| Sun TV Network Limited | 2,50,000 | 1,039.63 | NIL | 1,039.63 | 1,039.63 | 2,50,000 | 1,224.63 | NIL | 1,224.63 | 1,224.63 |
| Investment Through Portfolio Management Services | | | | | | | | | | |
| Marcellus Consistent Compunders | | | | | | | | | | |
| Asian Paints Ltd | NIL | NIL | NIL | NIL | NIL | 276 | 8.50 | NIL | 8.50 | 8.50 |
| Bajaj Finance Ltd | NIL | NIL | NIL | NIL | NIL | 98 | 7.11 | NIL | 7.11 | 7.11 |
| Berger Paints India Ltd | NIL | NIL | NIL | NIL | NIL | 427 | 2.99 | NIL | 2.99 | 2.99 |
| Divis Laboratories Ltd | NIL | NIL | NIL | NIL | NIL | 47 | 2.07 | NIL | 2.07 | 2.07 |
| Dr. Lal Pathlabs Ltd | NIL | NIL | NIL | NIL | NIL | 153 | 3.99 | NIL | 3.99 | 3.99 |
| HDFC Bank Ltd | NIL | NIL | NIL | NIL | NIL | 356 | 5.23 | NIL | 5.23 | 5.23 |
| HDFC Life Insurance Company Ltd | NIL | NIL | NIL | NIL | NIL | 611 | 3.29 | NIL | 3.29 | 3.29 |
| ICI Lombard General Insurance Co.Ltd | NIL | NIL | NIL | NIL | NIL | 210 | 2.79 | NIL | 2.79 | 2.79 |



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

Note 7 : Investments (Contd...)

| Particulars | As at March 31, 2023 | | | | As at March 31, 2022 | | | |
|---|----------------------|------------------------------------|------------------------|------------------|----------------------|------------------------------------|------------------------|------------------|
| | Number | Fair Value | | Total | Number | Fair Value | | Total |
| | | Through Other Comprehensive Income | Through Profit or Loss | | | Through Other Comprehensive Income | Through Profit or Loss | |
| Kotak Mahindra Bank Ltd | NIL | NIL | NIL | NIL | 226 | 3.96 | NIL | 3.96 |
| Nestle India Ltd | NIL | NIL | NIL | NIL | 20 | 3.48 | NIL | 3.48 |
| Page Industries Ltd | NIL | NIL | NIL | NIL | 13 | 5.61 | NIL | 5.61 |
| Pidilite Industries Ltd | NIL | NIL | NIL | NIL | 261 | 6.41 | NIL | 6.41 |
| Tata Consultancy Services Ltd | NIL | NIL | NIL | NIL | 76 | 2.84 | NIL | 2.84 |
| Titan Company Ltd | NIL | NIL | NIL | NIL | 183 | 4.64 | NIL | 4.64 |
| Cash and Cash Equivalents | NIL | NIL | NIL | NIL | NIL | 0.12 | NIL | 0.12 |
| Marcellus Kings of Capital | | | | | | | | |
| Aavas Financiers Ltd | NIL | NIL | NIL | NIL | 184 | 4.73 | NIL | 4.73 |
| Axis Bank Ltd | NIL | NIL | NIL | NIL | 817 | 6.22 | NIL | 6.22 |
| Bajaj Finance Ltd | NIL | NIL | NIL | NIL | 164 | 11.91 | NIL | 11.91 |
| Cholamandalam Investment & Finance Co.Ltd | NIL | NIL | NIL | NIL | 823 | 5.91 | NIL | 5.91 |
| HDFC Asset Management Company Ltd | NIL | NIL | NIL | NIL | 118 | 2.53 | NIL | 2.53 |
| HDFC Bank Ltd | NIL | NIL | NIL | NIL | 661 | 9.72 | NIL | 9.72 |
| HDFC Life Insurance Company Ltd | NIL | NIL | NIL | NIL | 827 | 4.45 | NIL | 4.45 |
| ICICI Lombard General Insurance Company Ltd | NIL | NIL | NIL | NIL | 437 | 5.80 | NIL | 5.80 |
| ICICI Securities Ltd | NIL | NIL | NIL | NIL | 413 | 2.57 | NIL | 2.57 |
| Info Edge India Ltd | NIL | NIL | NIL | NIL | 110 | 4.96 | NIL | 4.96 |
| Kotak Mahindra Bank Ltd | NIL | NIL | NIL | NIL | 425 | 7.45 | NIL | 7.45 |
| Cash and Cash Equivalents | NIL | NIL | NIL | NIL | NIL | 0.40 | NIL | 0.40 |
| Total (C) | | 42,063.75 | NIL | 42,063.75 | | 41,093.97 | NIL | 41,093.97 |
| Grand Total (A+B+C) | | 42,063.75 | 291.79 | 42,355.54 | | 41,093.97 | 332.73 | 41,426.70 |
| Investments in India | | 42,063.75 | 291.79 | 42,355.54 | | 41,093.97 | 332.73 | 41,426.70 |
| Investments outside India | | NIL | NIL | NIL | | NIL | NIL | NIL |
| Total | | 42,063.75 | 291.79 | 42,355.54 | | 41,093.97 | 332.73 | 41,426.70 |

* The equity shares allotted pursuant to the Scheme of Demerger.



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

Note 8

Other Financial Assets

₹ in lakhs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| Unsecured and Considered Good | | |
| Deposits | 30.22 | 30.28 |
| Interest Receivable on Fixed Deposits with banks | 2.42 | 2.83 |
| Interest Receivable on Loans | 134.58 | 213.35 |
| Total | 167.22 | 246.46 |

Note 9

Inventories

₹ in lakhs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|------------------|-------------------------|-------------------------|
| Raw Materials | 61.18 | 134.36 |
| Work-in-Progress | 38.05 | 35.12 |
| Finished Goods | | |
| Yarn | 146.50 | 1.22 |
| Home Decor Items | 1,303.75 | 1,344.73 |
| Total | 1,549.48 | 1,515.43 |

9.1 The cost of inventories [Aggregate of amounts of Cost of Materials Consumed (Note 32), Purchases of Stock-in-Trade (Note 32) and Changes in inventories of Finished goods, Stock-in-Trade and Work-in-progress (Note 34) recognised as an expense during the year is ₹ 560.40 lakhs (March 31, 2022 : ₹ 1032.28 lakhs).

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

9.3 The write down of Inventories to net realisable value during the year is ₹ 70.00 lakhs (March 31, 2022 : NIL) which pertains to the Finished Goods of Textile division.

Note 10

Current Tax Assets (Net)

₹ in lakhs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--------------------------|-------------------------|-------------------------|
| Advance Income Tax | 719.40 | 701.17 |
| Less : Provision for Tax | (384.00) | (96.01) |
| Total | 335.40 | 605.16 |



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Notes to the Consolidated Financial Statements for the year ended March 31, 2023

Note 11

Components of Deferred Tax (Net) [Refer Note 42]

₹ in lakhs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| Deferred Tax Liabilities | | |
| Investments in Units of Mutual Funds | 0.09 | 0.44 |
| Fair Value changes of Equity Instruments through OCI | 1,617.16 | 1,668.47 |
| Right-of-Use Assets | 7.39 | 6.90 |
| Lease Liabilities | 5.00 | 3.03 |
| Total Deferred Tax Liabilities | 1,629.64 | 1,678.84 |
| Deferred Tax Assets | | |
| Investments in Units of Alternate Investment Funds | 31.72 | 13.99 |
| Impairment Loss Allowance | 36.87 | 32.27 |
| Provision for Employee Benefits | 40.93 | 30.24 |
| Property, Plant and Equipment and Other Intangible Assets | 20.42 | 19.34 |
| Unabsorbed Depreciation | NIL | 49.16 |
| Short Term Capital Loss | NIL | 27.88 |
| Total Deferred Tax Assets | 129.94 | 172.88 |
| Net Deferred Tax (Liabilities) / Assets | (1,499.70) | (1,505.96) |

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 |
|---------------------------------|-------------|---------------|---------------------|------------------------|------------------|--------------|------------------|-------------------------|---------------|---------------|
| Cost | | | | | | | | | | |
| As at April 1, 2021 | 0.28 | 377.61 | 368.73 | 6.81 | 13.17 | 9.07 | 9.99 | 31.66 | 114.44 | 931.76 |
| Additions | NIL | NIL | 0.81 | 2.81 | 1.54 | 2.85 | NIL | NIL | NIL | 8.01 |
| Disposals | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | - | NIL |
| As at March 31, 2022 | 0.28 | 377.61 | 369.54 | 9.62 | 14.71 | 11.92 | 9.99 | 31.66 | 114.44 | 939.77 |
| Additions | NIL | NIL | NIL | 0.85 | 7.90 | 11.12 | 1.91 | NIL | NIL | 21.78 |
| Disposals | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| As at March 31, 2023 | 0.28 | 377.61 | 369.54 | 10.47 | 22.61 | 23.04 | 11.90 | 31.66 | 114.44 | 961.55 |
| Accumulated Depreciation | | | | | | | | | | |
| As at April 1, 2021 | NIL | 98.34 | 163.24 | 4.04 | 8.23 | 5.73 | 6.08 | 13.05 | 46.85 | 345.56 |
| Charge for the year | NIL | 26.61 | 37.31 | 1.42 | 2.67 | 2.67 | 0.52 | 4.82 | 21.10 | 97.12 |
| Disposals | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| As at March 31, 2022 | NIL | 124.95 | 200.55 | 5.46 | 10.90 | 8.40 | 6.60 | 17.87 | 67.95 | 442.68 |
| Charge for the year | NIL | 24.04 | 30.62 | 1.16 | 2.68 | 6.84 | 0.60 | 3.57 | 14.51 | 84.02 |
| Disposals | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| As at March 31, 2023 | NIL | 148.99 | 231.17 | 6.62 | 13.58 | 15.24 | 7.20 | 21.44 | 82.46 | 526.70 |
| Net Block | | | | | | | | | | |
| As at March 31, 2023 | 0.28 | 228.62 | 138.37 | 3.85 | 9.03 | 7.80 | 4.70 | 10.22 | 31.98 | 434.85 |
| As at March 31, 2022 | 0.28 | 252.66 | 168.99 | 4.16 | 3.81 | 3.52 | 3.39 | 13.79 | 46.49 | 497.09 |



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

Note 13

Right-of-Use Assets

₹ in lakhs

| Description of Asset | Buildings |
|-----------------------------------|---------------|
| Gross Block | |
| As at April 1, 2021 | 106.42 |
| Additions | NIL |
| Disposal | 70.22 |
| As at March 31, 2022 | 36.20 |
| Additions | 9.92 |
| Disposal | NIL |
| As at March 31, 2023 | 46.12 |
| Accumulated Depreciation | |
| As at April 1, 2021 | 13.82 |
| Depreciation expense for the year | 3.04 |
| Disposal | 8.12 |
| As at March 31, 2022 | 8.74 |
| Depreciation expense for the year | 8.01 |
| Disposal | NIL |
| As at March 31, 2023 | 16.75 |
| Net Block | |
| As at March 31, 2023 | 29.37 |
| As at March 31, 2022 | 27.46 |

Note 14

Other Intangible Assets

₹ in lakhs

| Particulars | Trademark |
|---------------------------------|--------------|
| Cost | |
| As at April 1, 2021 | 23.56 |
| Additions | NIL |
| Disposals | NIL |
| As at March 31, 2022 | 23.56 |
| Additions | 4.80 |
| Disposals | NIL |
| As at March 31, 2023 | 28.36 |
| Accumulated Depreciation | |
| As at April 1, 2021 | 15.43 |
| Charge for the year | 4.37 |
| Disposals | NIL |
| As at March 31, 2022 | 19.80 |
| Charge for the year | 1.98 |
| Disposals | NIL |
| As at March 31, 2023 | 21.78 |
| Net Block | |
| As at March 31, 2023 | 6.58 |
| As at March 31, 2022 | 3.76 |



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

Note 15

Other Non-Financial Assets

₹ in lakhs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--------------------------------------|-------------------------|-------------------------|
| Unsecured | | |
| Considered Good | | |
| Prepaid expenses | 6.01 | 8.78 |
| Advances to Employees | 6.48 | 6.00 |
| Advances against expenses | 1.05 | 6.39 |
| Advances against purchase of goods | 0.67 | 87.55 |
| Balances with Government Authorities | 162.64 | 130.34 |
| Investment in Work of Art (at cost) | 33.72 | NIL |
| Credit Impaired | | |
| Advances against purchase of goods | NIL | 5.55 |
| Less : Impairment Loss Allowance | NIL | (5.55) |
| Total | 210.57 | 239.06 |

Note 16

Trade Payables

₹ in lakhs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| Total outstanding dues of micro enterprises and small enterprises | NIL | NIL |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 79.22 | 52.70 |
| Total | 79.22 | 52.70 |

Ageing of Trade Payables

₹ in lakhs

| Outstanding for following periods from due date of payment | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| Undisputed Trade Payables | NIL | NIL |
| Less than 1 Year | 79.22 | 52.70 |
| 1-2 Years | NIL | NIL |
| 2-3 Years | NIL | NIL |
| More than 3 years | NIL | NIL |
| Disputed Trade Payables | NIL | NIL |
| Total | 79.22 | 52.70 |



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

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, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| i. Principal amount due to suppliers and remaining unpaid under MSMED Act, 2006 | NIL | NIL |
| ii. Interest accrued and due and unpaid to suppliers under MSMED Act, on the above amount | NIL | NIL |
| iii. Interest paid | NIL | NIL |
| iv. Payment made to suppliers (other than interest) beyond the appointed day, during the year | NIL | NIL |
| v. Interest due and payable to suppliers under MSMED Act, for payments already made for the period of delay | NIL | NIL |
| vi. Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act | NIL | NIL |
| vii. Amount of further interest remaining due and payable in succeeding year | NIL | NIL |

Note 17

Deposits

₹ in lakhs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|-----------------------------------|-------------------------|-------------------------|
| Measured at Amortised Cost | | |
| From Others | 375.00 | 375.00 |
| Total | 375.00 | 375.00 |

Note 18

Lease Liabilities

₹ in lakhs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|-------------------|-------------------------|-------------------------|
| Lease Liabilities | 31.44 | 28.47 |
| Total | 31.44 | 28.47 |

Note 19

Other Financial Liabilities

₹ in lakhs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---------------------------|-------------------------|-------------------------|
| Employee Benefits Payable | 48.11 | 4.89 |
| Total | 48.11 | 4.89 |



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

Note 20

Provisions

₹ in lakhs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---------------------------------|-------------------------|-------------------------|
| Provision for Employee Benefits | | |
| Gratuity [Refer Note 44] | 112.62 | 101.65 |
| Ex-Gratia | 49.99 | 78.83 |
| Leave Encashment | 2.59 | 21.26 |
| Others | 0.05 | 0.60 |
| Total | 165.25 | 202.34 |

Note 21

Other Non Financial Liabilities

₹ in lakhs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|----------------------------------|-------------------------|-------------------------|
| Advances Received from Customers | 13.83 | 5.21 |
| Statutory Dues Payable | 140.68 | 120.89 |
| Total | 154.51 | 126.10 |

Note 22

Equity Share Capital

₹ in lakhs

| Particulars | As at March 31, 2023 | | As at March 31, 2022 | |
|---|----------------------|-----------------|----------------------|-----------------|
| | Number of shares | ₹ in lakhs | Number of shares | ₹ in lakhs |
| Authorised Share Capital: | | | | |
| Equity shares of ₹ 10 each | 2,00,00,000 | 2,000.00 | 2,00,00,000 | 2,000.00 |
| 5.5 % Cumulative Preference Shares of ₹ 200 each | 4,000 | 8.00 | 4,000 | 8.00 |
| Total | 2,00,04,000 | 2,008.00 | 20,04,000 | 2,008.00 |
| Issued, Subscribed and Paid-up Share capital | | | | |
| Equity shares of ₹ 10 each (Refer Note No. 22.1) | 1,68,20,017 | 1,682.00 | 1,80,86,040 | 1,808.60 |
| Total | 1,68,20,017 | 1,682.00 | 1,80,86,040 | 1,808.60 |

Note : 22.1

- a. Pursuant to the approval of the shareholders through Postal Ballot Resolutions passed on March 31, 2022, each equity share of face value of ₹ 100 per share was sub-divided into ten equity shares of face value of ₹ 10 per share.
- b. During the year ended March 31, 2023 the Holding Company concluded the buyback of 12,66,023 equity shares as approved by the Board of Directors on September 10, 2022. This has resulted in a total cash outflow ₹ 3,962.65 Lakhs (including tax on buyback of ₹ 724.80 Lakhs). In line with the requirement of the Companies Act, 2013 an amount of ₹ 3,111.25 Lakhs has been utilised from retained earnings. Further, capital redemption reserve of ₹ 126.60 Lakhs (representing the nominal value of the shares bought back) has been created as an apportionment from retained earnings. Consequent to such buyback, the paid up equity share capital has been reduced by ₹ 126.60 Lakhs.



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

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

₹ in lakhs

| Particulars | As at March 31, 2023 | | As at March 31, 2022 | |
|---|----------------------|-----------------|----------------------|-----------------|
| | Number of shares | ₹ in lakhs | Number of shares | ₹ in lakhs |
| Balance at the beginning of the year | 1,80,86,040 | 1,808.60 | 18,08,604 | 1,808.60 |
| Add: Adjustment for Sub-Division of Equity Shares [Refer Note 22.1.a] | NIL | NIL | 1,62,77,436 | NIL |
| Less: Buyback of Shares (Refer Note 22.1.b) | (12,66,023) | (126.60) | NIL | NIL |
| Balance at the end of the year | 1,68,20,017 | 1,682.00 | 1,80,86,040 | 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 ₹ 10 per share [March 31, 2022 : ₹ 10 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.

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 Company

| Particulars | As at March 31, 2023 | | As at March 31, 2022 | |
|--|----------------------|---------------|----------------------|---------------|
| | Number of shares | % of Holding | Number of shares | % of Holding |
| New India Exports Private Limited - Holding Company | | | | |
| Balance at the beginning of the year | 1,60,05,820 | 88.50% | 16,00,582 | 88.50% |
| Adjustment for Sub-division of Equity Shares | NIL | NIL | 1,44,05,238 | NIL |
| Buy-back of Equity Shares | (12,26,558) | (0.63%) | NIL | NIL |
| Balance at the end of the year | 1,47,79,262 | 87.87% | 1,60,05,820 | 88.50% |

d. Shares held by promoters at the end of the year

As at March 31, 2023

| Promoters' Name | No. of Shares | % of Total Shares | % Change during the year |
|-----------------------------|--------------------|-------------------|--------------------------|
| Aruna Kanoria | 9,160 | 0.05% | 0.00% |
| Vineeta Kanoria | 7,31,510 | 4.35% | 0.31% |
| Anurag Kanoria | 2,37,630 | 1.41% | 0.10% |
| Paritosh Kanoria | 1,15,000 | 0.68% | 0.04% |
| New India Exports Pvt. Ltd. | 1,47,79,262 | 87.87% | -0.63% |
| Total | 1,58,72,562 | 94.37% | -0.17% |



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Notes to the Consolidated Financial Statements for the year ended March 31, 2022

As at March 31, 2022

| Promoters' Name | No. of Shares | % of Total Shares | % Change during the year |
|-----------------------------|--------------------|-------------------|--------------------------|
| Aruna Kanoria | 9,160 | 0.05% | NIL |
| Vineeta Kanoria | 7,31,510 | 4.04% | NIL |
| Anurag Kanoria | 2,37,630 | 1.31% | NIL |
| Paritosh Kanoria | 1,15,000 | 0.64% | NIL |
| New India Exports Pvt. Ltd. | 1,60,05,820 | 88.50% | NIL |
| Total | 1,70,99,120 | 94.54% | NIL |

Note 23

Other Equity

₹ in lakhs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| Capital Redemption Reserve | | |
| Balance at the beginning of the year | NIL | NIL |
| Buy-back of Equity Shares | 126.60 | NIL |
| Balance at the end of the year | 126.60 | NIL |
| Retained Earnings | | |
| Balance at the beginning of the year | 40,227.34 | 39,334.40 |
| Profit / (Loss) for the year | (353.40) | (128.61) |
| Buy-back of Equity Shares | (3,237.85) | NIL |
| Tax on buy-back of Equity Shares | (724.80) | NIL |
| Remeasurement Gain / (Loss) on Defined Benefit Plans | 1.20 | 32.99 |
| Realised Gain on Sale of Equity Instruments reclassified to Retained Earnings | 2,504.58 | 988.56 |
| Balance at the end of the year | 38,417.08 | 40,227.34 |
| Equity Instruments through Other Comprehensive Income | | |
| Balance at the beginning of the year | 16,510.23 | 7,844.14 |
| Net fair value gain / (loss) on investments in equity instruments through OCI | 1,967.00 | 9,654.65 |
| Realised Gain on Sale of Equity Instruments | (9.35) | NIL |
| Realised Gain on Sale of Equity Instruments reclassified to Retained Earnings | (2,504.58) | (988.56) |
| Balance at the end of the year | 15,963.30 | 16,510.23 |
| Total | 54,506.98 | 56,737.57 |

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.



Notes to the Consolidated Financial Statements for the year ended March 31, 2023

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.

Capital Redemption Reserve

As per the Companies Act, 2013, Capital Redemption Reserve is created when a company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. The reserve can be utilised in accordance with the provisions of section 69 of the Companies Act, 2013. The Capital Redemption Reserve is not freely available for distribution.

Note 24

Interest Income

₹ in lakhs

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|---|------------------------------|------------------------------|
| On Financial Assets measured at Amortised Cost | | |
| Loans | 1,082.48 | 1,077.53 |
| Fixed Deposits with Banks | 2.69 | 2.72 |
| Total | 1,085.17 | 1,080.25 |

Note 25

Dividend Income

₹ in lakhs

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|---|------------------------------|------------------------------|
| Dividend on Investments in Equity Instruments | 482.97 | 207.25 |
| Dividend on Investments in Mutual Funds | NIL | NIL |
| Total | 482.97 | 207.25 |

Note 26

Net Gain on Fair Value Changes

₹ in lakhs

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|--|------------------------------|------------------------------|
| Net gain/ (loss) on financial instruments measured at Fair Value through Profit or Loss | | |
| Investments in Units of Mutual Funds | 59.17 | 37.24 |
| Investments in Units of Alternate Investment Funds | (57.74) | (26.32) |
| Total | 1.43 | 10.92 |
| Fair Value changes | | |
| Mutual Funds | | |
| Realised | 58.81 | 36.19 |
| Unrealised | 0.35 | 1.05 |
| Alternate Investment Funds | | |
| Realised | NIL | NIL |
| Unrealised | (57.74) | (26.32) |
| Total | 1.42 | 10.92 |



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

Note 27

Sale of Products

₹ in lakhs

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|--------------------------------|------------------------------|------------------------------|
| Sale of Products | | |
| Yarn | 768.85 | 1,247.72 |
| Home Decor Items | 97.49 | 575.80 |
| Other Operating Revenue | | |
| Scrap Sales | 6.41 | 7.05 |
| Total | 872.75 | 1,830.57 |

Note 28

Other Income

₹ in lakhs

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|--|------------------------------|------------------------------|
| Interest Income on Deposits | 0.44 | 0.44 |
| Interest Income on Income Tax Refund | 8.92 | 2.14 |
| Lease Rentals | 225.88 | 83.54 |
| Excess balances and liabilities written back | 1.25 | 1.47 |
| Foreign Exchange Gain | NIL | 0.02 |
| Net Gain on Lease Modification | NIL | 4.63 |
| Other Miscellaneous Income | 7.35 | 15.09 |
| Total | 243.84 | 107.33 |

Note 29

Finance Costs

₹ in lakhs

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|-------------------------------|------------------------------|------------------------------|
| Ancillary Borrowing Costs | 15.08 | 3.60 |
| Interest on Lease Liabilities | 2.96 | 2.46 |
| Total | 18.04 | 6.06 |

Note 30

Fees and Commission Expense

₹ in lakhs

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|---------------------|------------------------------|------------------------------|
| Investment Expenses | 3.15 | 4.80 |
| Total | 3.15 | 4.80 |



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

Note 31

Impairment on Financial Instruments

₹ in lakhs

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|--|------------------------------|------------------------------|
| On Financial Instruments measured at Amortised Cost | | |
| Trade Receivables | 24.18 | 100.20 |
| Others | (5.55) | 5.55 |
| Total | 18.63 | 105.75 |

Note 32

Cost of Materials Consumed

₹ in lakhs

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|-----------------|------------------------------|------------------------------|
| Raw Materials | | |
| Polyester Fibre | 323.03 | 378.11 |
| Cotton | 301.63 | 372.23 |
| Other Materials | 21.57 | 29.82 |
| Total | 646.23 | 780.16 |

Note 33

Purchases of Stock in Trade

₹ in lakhs

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|------------------|------------------------------|------------------------------|
| Home Decor Items | 21.40 | 229.35 |
| Total | 21.40 | 229.35 |

Note 34

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

₹ in lakhs

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|-------------------------------|------------------------------|------------------------------|
| Stock at the beginning | | |
| Finished Goods | 1.22 | 1.55 |
| Stock-in-Trade | 1,344.73 | 1,376.87 |
| Work-in-progress and Waste | 35.12 | 25.42 |
| | 1,381.07 | 1,403.84 |
| Stock at the end | | |
| Finished Goods | 1,450.25 | 1.22 |
| Stock-in-Trade | NIL | 1,344.73 |
| Work-in-progress and Waste | 38.05 | 35.12 |
| | 1,488.30 | 1,381.07 |
| Total | (107.23) | 22.77 |



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

Note 35

Employee Benefits Expenses

₹ in lakhs

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|--|--------------------------------------|--------------------------------------|
| Salaries, Wages and Allowances | 520.39 | 488.46 |
| Gratuity [Refer Note 44] | 25.33 | 26.68 |
| Ex-Gratia | 9.64 | 19.79 |
| Contribution to Provident Fund and Other Funds | 42.53 | 41.40 |
| Staff Welfare Expenses | 7.24 | 10.75 |
| Total | 605.13 | 587.08 |

Note 36

Depreciation and Amortisation

₹ in lakhs

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|---|--------------------------------------|--------------------------------------|
| Depreciation on Property, Plant and Equipment | 84.02 | 97.12 |
| Depreciation on Right-of-Use Assets | 8.01 | 3.04 |
| Amortisation of Intangible Assets | 1.98 | 4.37 |
| Total | 94.01 | 104.53 |



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

Note 37

Other Expenses

₹ in lakhs

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|--------------------------------------|------------------------------|------------------------------|
| Service Charges | 186.12 | 198.71 |
| Labour Charges | 33.83 | 6.32 |
| Power | 143.94 | 139.43 |
| Water Charges | 6.89 | 6.27 |
| Rent | 0.96 | 4.30 |
| Rates and Taxes | 29.41 | 0.95 |
| Insurance | 8.89 | 11.43 |
| Travelling and Conveyance | 198.54 | 70.74 |
| Motor Car Expenses | 10.13 | 8.55 |
| Repairs and Maintenance | | |
| Building | 3.60 | 3.30 |
| Machinery | 9.10 | 10.43 |
| Others | 74.75 | 81.87 |
| Office Maintenance Expenses | 3.75 | 2.07 |
| Payment to Auditors | | |
| Statutory Audit | 4.62 | 4.62 |
| Tax Audit | 1.00 | 1.00 |
| Taxation and other related matters | NIL | 1.50 |
| Certification Fees | NIL | NIL |
| Security Expenses | 11.57 | 11.37 |
| Communication Expenses | 2.94 | 3.00 |
| Printing and Stationery | 12.11 | 3.88 |
| Postage and Courier | 0.52 | 0.45 |
| Legal and Professional Expenses | 345.39 | 355.13 |
| Donations | 96.16 | 28.32 |
| GST Expenses | 15.20 | 0.82 |
| Commission | 1.63 | 0.33 |
| Advertisement and Publicity | 17.42 | 23.03 |
| Freight and Packaging | 14.27 | 19.39 |
| Sales Promotion Expenses | 45.14 | 28.48 |
| General Expenses | 12.49 | 7.77 |
| Sundry Accounts/Balances Written Off | 5.70 | 2.34 |
| Penalty and Damages | 2.47 | NIL |
| Foreign Exchange Fluctuation Loss | 1.26 | 1.32 |
| Total | 1,299.80 | 1,037.12 |



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

Note 38

Contingent Liabilities

₹ in lakhs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| a. Claims against the Company not acknowledged as debt - matters under disputes / appeals | | |
| i. Income Tax (including interest and penalty, to the extent demanded) | 89.68 | 40.26 |
| ii. Others Employees Provident Fund Organisation | 7.87 | 7.87 |
| b. Bank Guarantees | | |
| Employee State Insurance Corporation Secured by fixed deposits under lien with the bank | 15.00 | 15.00 |
| c. Other money for which the Group is contingently liable | | |
| <p>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 Group will continue to monitor and evaluate its position and act, as clarity emerges.</p> | | |

38.1 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.

38.2 The Group does not expect any reimbursement in respect of the above contingent liabilities.

Note 39

Disclosure as per Ind AS 115 on "Revenue from Contracts with Customers"

39.1 The Group generates revenue primarily from lending and investment activities, sale of Yarn and Home Decor items. Other operating revenue include sale of scrap.

39.2 Disaggregation of Revenue from Contracts with Customers

₹ in lakhs

| Particulars | Year ended March 31, 2023 | | | | Year ended March 31, 2022 | | | |
|--------------------------------------|---------------------------|--------------|-----------------|-----------------|---------------------------|---------------|-----------------|-----------------|
| | Textile | Home Décor | Treasury | Total | Textile | Home Décor | Treasury | Total |
| Revenue from Operations | | | | | | | | |
| Interest Income | NIL | NIL | 1,085.17 | 1,085.17 | NIL | NIL | 1,080.25 | 1,080.25 |
| Dividend Income | NIL | NIL | 482.97 | 482.97 | NIL | NIL | 207.25 | 207.25 |
| Net Gain on Fair Value Changes | NIL | NIL | 1.43 | 1.43 | NIL | NIL | 10.92 | 10.92 |
| Sale of Products | | | | | | | | |
| India | 768.85 | 97.49 | NIL | 866.34 | 1,247.72 | 575.32 | NIL | 1,823.04 |
| Outside India | NIL | NIL | NIL | NIL | NIL | 0.48 | NIL | 0.48 |
| Total (A) | 768.85 | 97.49 | 1,569.57 | 2,435.91 | 1,247.72 | 575.80 | 1,298.42 | 3,121.94 |
| Other Operating Revenue | | | | | | | | |
| Scrap Sales | 6.41 | NIL | NIL | 6.41 | 7.05 | NIL | NIL | 7.05 |
| Total (B) | 6.41 | NIL | NIL | 6.41 | 7.05 | NIL | NIL | 7.05 |
| Revenue from Operations (A+B) | 775.26 | 97.49 | 1,569.57 | 2,442.32 | 1,254.77 | 575.80 | 1,298.42 | 3,128.99 |



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

39.3 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.

39.4 Contract Balances

Trade Receivables and Contract Liabilities from Contracts with Customers:

₹ in lakhs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| Trade Receivables (Gross) - [Refer Note 5] | 285.05 | 376.59 |
| Less : Impairment Loss Allowance | (146.50) | (122.32) |
| Net Receivables | 138.55 | 254.27 |
| Contract Liabilities | | |
| Advance from Customers - [Refer Note 21] | 13.83 | 5.21 |
| Total Contract Liabilities | 13.83 | 5.21 |

39.5 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 21). Amounts billed but not yet paid by the customer are included in the Balance Sheet under “Trade Receivables” (Refer Note 5).

39.6 There were no significant change in the composition of the Trade Receivables and Contract Liabilities during the reporting period other than on account of periodic invoicing and revenue recognition.

39.7 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, 2023 | Year Ended March 31, 2022 |
|--|------------------------------|------------------------------|
| Revenue from Sale of Products as per Contract Price | 909.39 | 1,831.34 |
| Adjustments made to contract price: | | |
| Discounts/ Rebates/ Incentives | NIL | NIL |
| Sales Returns | 43.05 | 7.82 |
| Revenue from Contracts with Customers | 866.34 | 1,823.52 |
| Other Operating Revenue | 6.41 | 7.05 |
| Revenue from Operations (as per Statement of Profit and Loss) | 872.75 | 1,830.57 |

Note 40

Earnings Per Share (EPS)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| Profit/ (Loss) attributable to equity shareholders (₹ in Lakhs) | (353.40) | (128.61) |
| Weighted average number of equity shares used for computing earning per share (Basic and Diluted) (Refer Note : 22.1.b) | 1,74,53,029 | 1,80,86,040 |
| Face Value of Equity Shares (₹ per share) | 10 | 10 |
| Earnings per Equity Share | | |
| Basic (in ₹) | (2.02) | (0.71) |
| Diluted (in ₹) | (2.02) | (0.71) |



Notes to the Consolidated Financial Statements for the year ended March 31, 2023

Note 41

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-to-day 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 42

Disclosure pursuant to Ind AS 12 on "Income Taxes"

42.1 Components of Income Tax Expense

₹ in lakhs

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|---|------------------------------|------------------------------|
| Income Tax Expense recognised in the Statement of Profit and Loss | | |
| Current Tax | 384.00 | 96.01 |
| (Excess) / Short Provision of tax of earlier years | 11.76 | NIL |
| Deferred Tax | 44.64 | 391.30 |
| Total Income Tax Expense | 440.40 | 487.31 |
| Deferred Tax related to items recognised in Other Comprehensive Income | | |
| Remeasurement Gain / (Loss) on Defined Benefit Plans | 0.41 | 11.09 |
| Fair Value Changes of Investments in Equity Instruments | (51.30) | 1,103.56 |
| Total Income Tax Expense | (50.89) | 1,114.65 |



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

42.2 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, 2023 | Year Ended March 31, 2022 |
|---|------------------------------|------------------------------|
| Profit / (Loss) before tax | 87.00 | 358.70 |
| Income tax expense calculated @ 25.17% (March 31, 2022 : 25.17%) | 21.90 | 90.27 |
| Tax on expenses that are not deductible in determining taxable income / book profit | (22.58) | (72.01) |
| Difference between depreciation as per Books of Account and the Income Tax Act, 1961 | 3.03 | 2.57 |
| Tax on Impairment on Financial Instruments | 5.43 | 26.62 |
| Tax on Income that is taxable under Capital Gains | 292.62 | 93.01 |
| Tax on Income that is taxable under Income from Other Sources | 91.20 | NIL |
| Tax on Actuarial gain/(loss) on employee defined benefits obligation | (7.60) | 12.81 |
| Utilisation of unabsorbed depreciation and brought forward long-term capital loss | NIL | (51.10) |
| Others | NIL | (6.17) |
| Tax Expense | 384.00 | 96.01 |
| (Excess) / Short Provision of tax of earlier years | 11.76 | NIL |
| Deferred Tax Expenses | 44.64 | 391.30 |
| Income Tax Expense recognised in Statement of Profit and Loss | 440.40 | 487.31 |
| Effective Tax Rate | 441.38% | 26.77% |

Notes :

The Group has elected to exercise the option of lower tax rate as permitted under Section 115BAA of the Income Tax Act, 1961. Accordingly, the Company has recognized provision for income tax and deferred tax for the year ended on March 31, 2023 at the rate prescribed in the said section.



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

42.3 Movement of Deferred Tax

Deferred Tax Assets / (Liabilities) in relation to the year ended March 31, 2023 ₹ in lakhs

| Particulars | As at April 1, 2022 | Recognised in Statement of Profit and Loss | Recognised in Other Compre- hensive Income | Others | As at March 31, 2023 |
|---|------------------------|--|--|------------|-------------------------|
| Property, Plant and Equipment and Other Intangible Assets | 19.34 | 1.08 | NIL | NIL | 20.42 |
| Fair Value changes of Equity Instruments through OCI | (1,668.46) | NIL | 51.30 | NIL | (1,617.16) |
| Investments in Units of Mutual Funds | (0.44) | 0.35 | NIL | NIL | (0.09) |
| Investments in Units of Alternate Investment Funds | 13.99 | 17.73 | NIL | NIL | 31.72 |
| Provision for Employee Benefits | 30.24 | 11.10 | (0.41) | NIL | 40.93 |
| Impairment Loss Allowance | 32.27 | 4.60 | NIL | NIL | 36.87 |
| Right-of-use Assets | (6.90) | (0.49) | NIL | NIL | (7.39) |
| Lease Liabilities | (3.03) | (1.97) | NIL | NIL | (5.00) |
| Unabsorbed Depreciation | 49.16 | (49.16) | NIL | NIL | NIL |
| Short Term Capital Loss | 27.88 | (27.88) | NIL | NIL | NIL |
| Total | (1,505.95) | (44.64) | 50.89 | NIL | (1,499.70) |

Deferred Tax Assets / (Liabilities) in relation to the year ended March 31, 2022 ₹ in lakhs

| Particulars | As at April 1, 2021 | Recognised in Statement of Profit and Loss | Recognised in Other Compre- hensive Income | Others | As at March 31, 2022 |
|---|------------------------|--|--|------------|-------------------------|
| Property, Plant and Equipment and Other Intangible Assets | 18.00 | 1.34 | NIL | NIL | 19.34 |
| Fair Value changes of Equity Instruments through OCI | (564.90) | NIL | (1,103.56) | NIL | (1,668.46) |
| Investments in Units of Mutual Funds | (23.58) | 23.14 | NIL | NIL | (0.44) |
| Investments in Units of Alternate Investment Funds | NIL | 13.99 | NIL | NIL | 13.99 |
| Provision for Employee Benefits | 55.45 | (14.12) | (11.09) | NIL | 30.24 |
| Impairment Loss Allowance | 5.56 | 26.71 | NIL | NIL | 32.27 |
| Right-of-use Assets | (23.30) | 16.40 | NIL | NIL | (6.90) |
| Lease Liabilities | (11.77) | 8.74 | NIL | NIL | (3.03) |
| Unabsorbed Depreciation | 540.56 | (491.40) | NIL | NIL | 49.16 |
| Short Term Capital Loss | 3.98 | 23.90 | NIL | NIL | 27.88 |
| Total | NIL | (391.30) | (1,114.65) | NIL | (1,505.95) |

Deferred Tax Assets on unused tax losses, that is, business losses have been recognised only to the extent of Deferred Tax Liability.

42.4 Deductible temporary differences and unused tax losses for which no deferred tax asset is recognised :

₹ in lakhs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| Investments in Subsidiary | NIL | NIL |
| Investments in Equity Instruments at FVTOCI | NIL | NIL |
| Unused Tax Losses Carried Forward Business Losses | 2,809.96 | 3,033.32 |



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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, 2023 ₹ in lakhs | Expiry Date | As at March 31, 2022 ₹ in lakhs | Expiry Date |
|-----------------------------|--|--------------------|--|--------------------|
| 1996-97 | 1,900.00 | NIL | 1,900.00 | NIL |
| 2013-14 | NIL | March 31, 2022 | 191.03 | March 31, 2022 |
| 2015-16 | 264.43 | March 31, 2024 | 296.76 | March 31, 2024 |
| 2016-17 | 645.53 | March 31, 2025 | 645.53 | March 31, 2025 |
| Total | 2,809.96 | | 3,033.32 | |

Note 43

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 financial statements.

A. Financial Assets and Liabilities

Carrying value and fair value of each category of financial assets and Financial Liabilities as at March 31, 2023 and March 31, 2022.

As at March 31, 2023

₹ in lakhs

| Particulars | Carrying Value / Fair Value | | | | Fair Value Measurements | | | |
|---|---|-------------------------------|-----------------------|------------------|--------------------------------|----------------|----------------|------------------|
| | Fair value through of Profit or Loss | Fair value through OCI | Amortised Cost | Total | Level 1 | Level 2 | Level 3 | Total |
| Financial Assets | | | | | | | | |
| Cash and Cash Equivalents | NIL | NIL | 327.40 | 327.40 | NIL | NIL | NIL | NIL |
| Bank Balance other than Cash and Cash Equivalents | NIL | NIL | 50.75 | 50.75 | NIL | NIL | NIL | NIL |
| Trade Receivables | NIL | NIL | 138.55 | 138.55 | NIL | NIL | NIL | NIL |
| Loans | NIL | NIL | 12,936.50 | 12,936.50 | NIL | NIL | NIL | NIL |
| Investments | 291.79 | 42,063.75 | NIL | 42,355.54 | 42,355.54 | NIL | NIL | 42,355.54 |
| Other Financial Assets | NIL | NIL | 167.22 | 167.22 | NIL | NIL | NIL | NIL |
| Total | 291.79 | 42,063.75 | 13,620.42 | 55,975.96 | 42,355.54 | NIL | NIL | 42,355.54 |
| Financial Liabilities | | | | | | | | |
| Trade Payables | NIL | NIL | 79.22 | 79.22 | NIL | NIL | NIL | NIL |
| Deposits | NIL | NIL | 375.00 | 375.00 | NIL | NIL | NIL | NIL |
| Lease Liabilities | NIL | NIL | 31.44 | 31.44 | NIL | NIL | NIL | NIL |
| Other Financial Liabilities | NIL | NIL | 48.11 | 48.11 | NIL | NIL | NIL | NIL |
| Total | NIL | NIL | 533.77 | 533.77 | NIL | NIL | NIL | NIL |



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As at March 31, 2022

₹ in lakhs

| Particulars | Carrying Value / Fair Value | | | | Fair Value Measurements | | | |
|---|--------------------------------------|------------------------|------------------|------------------|-------------------------|------------|------------|------------------|
| | Fair value through of Profit or Loss | Fair value through OCI | Amortised Cost | Total | Level 1 | Level 2 | Level 3 | Total |
| Financial Assets | | | | | | | | |
| Cash and Cash Equivalents | NIL | NIL | 1,053.47 | 1,053.47 | NIL | NIL | NIL | NIL |
| Bank Balance other than Cash and Cash Equivalents | NIL | NIL | 47.92 | 47.92 | NIL | NIL | NIL | NIL |
| Trade Receivables | NIL | NIL | 254.27 | 254.27 | NIL | NIL | NIL | NIL |
| Loans | NIL | NIL | 14,924.85 | 14,924.85 | NIL | NIL | NIL | NIL |
| Investments | 332.73 | 41,093.97 | NIL | 41,426.70 | 41,426.70 | NIL | NIL | 41,426.70 |
| Other Financial Assets | NIL | NIL | 246.46 | 246.46 | NIL | NIL | NIL | NIL |
| Total | 332.73 | 41,093.97 | 16,526.97 | 57,953.67 | 41,426.70 | NIL | NIL | 41,426.70 |
| Financial Liabilities | | | | | | | | |
| Trade Payables | NIL | NIL | 52.70 | 52.70 | NIL | NIL | NIL | NIL |
| Deposits | NIL | NIL | 375.00 | 375.00 | NIL | NIL | NIL | NIL |
| Lease Liabilities | NIL | NIL | 28.47 | 28.47 | NIL | NIL | NIL | NIL |
| Other Financial Liabilities | NIL | NIL | 4.89 | 4.89 | NIL | NIL | NIL | NIL |
| Total | NIL | NIL | 461.06 | 461.06 | NIL | NIL | NIL | NIL |

B. Fair Value Hierarchy

The fair value of financial instruments as referred to in Note (A) above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

Level 1 : quoted prices (unadjusted) in active market for identical assets or liabilities

Level 2 : inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3 : inputs for the asset or liability that are not based on observable market data (unobservable inputs)

C. Measurement of Fair Values

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 1 and Level 2 fair values, as well as the significant unobservable inputs used.

Financial instruments are measured at fair value

| Type | Valuation Technique | Significant unobservable inputs | Inter - relationship between significant unobservable inputs and fair value measurements |
|--|----------------------------------|---------------------------------|--|
| Investments in equity instruments | Current bid price (quoted price) | NA | NA |
| Investments in Unquoted equity instruments | Asset based approach | NA | NA |



Notes to the Consolidated Financial Statements for the year ended March 31, 2023

D. Financial Risk Management Objectives and Policies

The Group's activities expose it to market risk, credit risk and liquidity risk. The Group'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 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 ₹ 13,221.55 lakhs and ₹ 15,301.44 lakhs as at March 31, 2023, March 31, 2022 respectively, being the total carrying value of Trade Receivables and Loans. Refer Note 5 for Reconciliation of Credit Loss Allowance and ECL Provision Matrix.

₹ in lakhs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|-------------------|-------------------------|-------------------------|
| Trade Receivables | 285.05 | 376.59 |
| Loans | 12,936.50 | 14,924.85 |

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 Group 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 Group 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



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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.

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, 2023 | | | | |
| Financial Assets | | | | |
| Cash and Cash Equivalents | 327.40 | NIL | NIL | 327.40 |
| Bank Balances other than Cash and Cash Equivalents | 50.75 | NIL | NIL | 50.75 |
| Trade Receivables | 138.55 | NIL | NIL | 138.55 |
| Loans | 1.50 | 12,935.00 | NIL | 12,936.50 |
| Investments | NIL | 42,355.54 | NIL | 42,355.54 |
| Other Financial Assets | 167.22 | NIL | NIL | 167.22 |
| Financial Liabilities | | | | |
| Trade Payables | 79.22 | NIL | NIL | 79.22 |
| Deposits | NIL | 375.00 | NIL | 375.00 |
| Lease Liabilities | 8.02 | 15.25 | 8.17 | 31.44 |
| Other Financial Liabilities | 48.11 | NIL | NIL | 48.11 |
| As at March 31, 2022 | | | | |
| Financial Assets | | | | |
| Cash and Cash Equivalents | 1,053.47 | NIL | NIL | 1,053.47 |
| Bank Balances other than Cash and Cash Equivalents | 47.92 | NIL | NIL | 47.92 |
| Trade Receivables | 254.27 | NIL | NIL | 254.27 |
| Loans | 1.50 | 14,923.35 | NIL | 14,924.85 |
| Investments | NIL | 41,426.70 | NIL | 41,426.70 |
| Other Financial Assets | 246.46 | NIL | NIL | 246.46 |
| Financial Liabilities | | | | |
| Trade Payables | 52.70 | NIL | NIL | 52.70 |
| Deposits | NIL | 375.00 | NIL | 375.00 |
| Lease Liabilities | 2.22 | 10.97 | 15.28 | 28.47 |
| Other Financial Liabilities | 4.89 | NIL | NIL | 4.89 |

Note 44

Employee Benefits Expense

44.1 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.



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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, 2023 | Year Ended March 31, 2022 |
|--|------------------------------|------------------------------|
| Employer's Contribution to Employees' Provident Fund | 37.96 | 36.94 |
| Employer's Contribution to Employee Pension Fund | 4.36 | 4.22 |
| Employer's Contribution to ESIC | 0.21 | 0.24 |
| Total | 42.53 | 41.40 |

44.2 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, 2023 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, 2023 | As at March 31, 2022 |
|----------|---|-------------------------|-------------------------|
| | | (Unfunded) | (Unfunded) |
| I | <u>Change in Present Value of Defined Benefit Obligation during the year</u> | | |
| | Present Value of Defined Benefit Obligation at the beginning of the year | 101.64 | 138.21 |
| | Interest cost | 6.79 | 8.25 |
| | Current Service Cost | 18.54 | 18.43 |
| | Past Service Cost | NIL | NIL |
| | Benefit Payments from Employer | (12.75) | (19.16) |
| | Remeasurements - Due to Financial Assumptions | (1.14) | (3.71) |
| | Remeasurements - Due to Experience Adjustments | (0.47) | (40.38) |
| | Present Value of Defined Benefit Obligation at the end of the year | 112.61 | 101.64 |



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₹ in lakhs

| Sr. No. | Particulars | As at March 31, 2023 | As at March 31, 2022 |
|-----------|--|-------------------------|-------------------------|
| | | (Unfunded) | (Unfunded) |
| II | Net (Asset) / Liability recognised in the Balance Sheet | | |
| | Present Value of Befined Benefit Obligation at the beginning of the year | 112.61 | 101.64 |
| | Fair value of plan assets at the end of the year | NIL | NIL |
| | Funded Status | 112.61 | 101.64 |
| | Net (Asset) / Liability recognised in the Balance Sheet | 112.61 | 101.64 |

₹ in lakhs

| Sr. No. | Particulars | As at March 31, 2023 | As at March 31, 2022 |
|------------|--|-------------------------|-------------------------|
| | | (Unfunded) | (Unfunded) |
| III | Expenses recognised in the Statement of Profit and Loss | | |
| | Current Service Cost | 18.54 | 18.43 |
| | Interest Expense on Defined Benefit Obligation (Net) | 6.79 | 8.25 |
| | Expected Contributions by the Employees | NIL | NIL |
| | (Gains)/Losses on Curtailments And Settlements | NIL | NIL |
| | Total Expenses recognised in Statement of Profit and Loss | 25.33 | 26.68 |

₹ in lakhs

| Sr. No. | Particulars | As at March 31, 2023 | As at March 31, 2022 |
|-----------|--|-------------------------|-------------------------|
| | | (Unfunded) | (Unfunded) |
| IV | Expenses recognised in the Other Comprehensive Income | | |
| | Remeasurements - Due to Demographic Assumptions | NIL | NIL |
| | Remeasurements - Due to Financial Assumptions | (1.14) | (3.71) |
| | Remeasurements - Due to Experience Adjustments | (0.47) | (40.38) |
| | Return on Plan Assets (Excluding Interest Income) | NIL | NIL |
| | Change in Asset Ceiling | NIL | NIL |
| | Total Expenses recognised in Other Comprehensive Income | (1.61) | (44.09) |



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₹ in lakhs

| Sr. No. | Particulars | As at | As at |
|---|--|----------------|----------------|
| | | March 31, 2023 | March 31, 2022 |
| | | (Unfunded) | (Unfunded) |
| V | Cash Flow Projection: From the Fund | | |
| | Within the next 12 months (next annual reporting period) | 60.50 | 59.86 |
| | 2nd following year | 1.01 | 2.00 |
| | 3rd following year | 1.15 | 0.84 |
| | 4th following year | 17.64 | 0.94 |
| | 5th following year | 0.95 | 15.56 |
| | Sum of years 6 to 10 | 18.97 | 13.20 |
| The average duration of the defined benefit plan obligation as at March 31, 2023 is 11.49 years (March 31, 2022: 11.59 years) | | | |

₹ in lakhs

| Sr. No. | Particulars | As at | As at |
|---|---|----------------|----------------|
| | | March 31, 2023 | March 31, 2022 |
| | | (Unfunded) | (Unfunded) |
| VI | Quantitative sensitivity analysis for significant assumption | | |
| | Projected Benefit Obligation on current assumptions | 112.61 | 101.64 |
| | Delta Effect of +1% Change in Rate of Salary Increase | 119.62 | 107.81 |
| | Delta Effect of -1% Change in Rate of Salary Increase | 106.52 | 96.31 |
| | Delta Effect of +1% Change in Rate of Employee Turnover | 113.58 | 102.41 |
| | Delta Effect of -1% Change in Rate of Employee Turnover | 111.47 | 100.73 |
| | Delta Effect of +1% Change in Rate of Discounting | 107.47 | 97.17 |
| | Delta Effect of -1% Change in Rate of Discounting | 118.70 | 106.98 |
| 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. | | | |

₹ in lakhs

| Sr. No. | Particulars | As at | As at |
|------------|----------------------------------|--|--|
| | | March 31, 2023 | March 31, 2022 |
| | | (Unfunded) | (Unfunded) |
| VII | Actuarial Assumptions | | |
| | Discount rate | 7.33% | 7.13% |
| | Salary escalation | 5% | 5% |
| | Mortality rate during employment | Indian Assured Lives Mortality (2012-14) | Indian Assured Lives Mortality (2012-14) |
| | Rate of Employee Turnover | 1% | 1% |



Notes to the Consolidated Financial Statements for the year ended March 31, 2023

VIII 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 45

Disclosure pursuant to Ind AS 24 on “Related Party Disclosures”

45.1 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. Nisha Chopra : 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 Kanoria Charitable Trust |
| Other Related Parties - Entities over which KMP and Relatives exercise significant control | The United Provinces Sugar Company Limited |



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45.2 Transactions and Balances with Related Parties

I Transactions with Related Parties

₹ in lakhs

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|--|------------------------------|------------------------------|
| Key Management Personnel Compensation | | |
| Short-term Employee Benefits [Refer Note 35] | | |
| Smt. Vineeta Kanoria | 168.07 | 168.17 |
| Dr. Anurag Kanoria | 39.07 | 29.07 |
| Shri Vinod K. Lohia | 18.07 | 18.07 |
| Relative of Key Management Personnel | | |
| Advisory Fees paid to Shri Arvind K. Kanoria | 240.00 | 240.00 |
| Transaction with Bombay Wire Ropes Limited | | |
| Rent Paid | 4.50 | 4.50 |
| Transactions with New India Exports Private Limited | | |
| Refund of advance against purchase of goods | 89.48 | NIL |
| Rent Received | NIL | NIL |
| Transaction with Kanoria Charitable Trust | | |
| Donation Paid | 1.00 | 3.20 |
| Transaction with The United Provinces Sugar Company Limited | | |
| Loan Received during the year | 4.55 | NIL |

II Outstanding Balances as at the year end

₹ in lakhs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| Balance with Key Management Personnel | | |
| Remuneration payable to Smt. Vineeta Kanoria | NIL | 4.75 |
| Remuneration payable to Dr. Anurag Kanoria | NIL | 4.33 |
| Remuneration payable to Shri Vinod K. Lohia | NIL | 0.75 |
| Balance with New India Exports Private Limited | | |
| Advance against purchase of goods | NIL | 89.48 |

III Terms and conditions of transactions and balances with related parties

- 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.
- There have been no guarantees provided or received for any related party transaction.

45.3 Details of loans given, investments made and guarantee given covered under section 186(4) of the Companies Act, 2013

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--------------------------------------|-------------------------|-------------------------|
| Dixit Infotech Services Pvt. Limited | NIL | 200.00 |
| Bombay Gas Company Limited | 400.00 | NIL |
| Anil Sanjivan | 85.00 | NIL |
| Ujvala Vinay Kadam | 1.50 | 1.50 |
| | 486.50 | 201.50 |

The above loans have been given for general business purposes (including investment purposes).



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Note 46

Disclosures under Ind AS 116 on “Leases”

46.1 Group as a Lessee

The Group has recognised and measured Right-of-use Asset and the lease liability over the lease period and payments discounted using the incremental borrowing rate. Segment results have been arrived after considering interest expenses on lease liabilities.

I The following is the movement in lease liabilities during the year ended March 31, 2023 :

₹ in lakhs

| Particulars | Amount |
|-------------------------------------|--------------|
| Balance as at April 1, 2021 | 97.23 |
| Additions | NIL |
| Interest Expenses | 2.46 |
| Deletions | (66.72) |
| Payment of Lease Liabilities | (4.50) |
| Balance as at March 31, 2022 | 28.47 |
| Additions | 9.92 |
| Interest Expenses | 2.96 |
| Deletions | NIL |
| Payment of Lease Liabilities | (9.91) |
| Balance as at March 31, 2023 | 31.44 |

The aggregate interest expense amounting to ₹ 2.96 lakhs (March 31, 2022 : ₹ 2.46 lakhs) on Lease Liabilities is disclosed separately under Finance Costs [Refer Note 29].

II The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis :

₹ in lakhs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|----------------------|-------------------------|-------------------------|
| Less than one year | 9.90 | 4.50 |
| One to five years | 22.50 | 22.50 |
| More than five years | 9.00 | 13.50 |
| | 41.40 | 40.50 |

The Group 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, 2023 | Year Ended March 31, 2022 |
|---|------------------------------|------------------------------|
| Depreciation charge on Right-of-Use Assets | 8.01 | 3.04 |
| Interest expense on Lease Liabilities | 2.96 | 2.46 |
| Expense relating to Short-term Leases | NIL | 6.99 |
| Expense relating to leases of low-value assets, excluding Short-term Leases of Low-value Assets | NIL | NIL |



Notes to the Consolidated Financial Statements for the year ended March 31, 2023

- IV Total cash outflow for leases from Financing Activities recognised in the Statement of Cash Flows for the year ended March 31, 2023 is ₹ 9.90 lakhs (March 31, 2022 : ₹ 4.50 lakhs).

46.2 Group 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, 2023 | Year Ended March 31, 2022 |
|--|------------------------------|------------------------------|
| Lease Rental Income | | |
| i. Maturity Analysis of Lease Payments | | |
| Less than one year | NIL | NIL |
| One to 5 years | NIL | NIL |
| More than 5 years | NIL | NIL |
| Total undiscounted lease payment receivables | NIL | NIL |
| ii. Lease Income recognised in the Statement of Profit and Loss for the year | NIL | NIL |

Note 47

Segment Reporting as per Ind AS 108 on “Operating Segment”

The Group has determined following reporting segments based on the information reviewed by the Group’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 Group 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 NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

The Company 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, 2023 | | | Year Ended March 31, 2022 | | |
|---|---------------------------|---------------|-----------------|---------------------------|---------------|-----------------|
| | External | Inter-Segment | Total | External | Inter-Segment | Total |
| Segment Revenue | | | | | | |
| Textile | 775.26 | NIL | 775.26 | 1,254.77 | NIL | 1,254.77 |
| Home Décor | 97.49 | NIL | 97.49 | 575.80 | NIL | 575.80 |
| Treasury | 1,569.57 | NIL | 1,569.57 | 1,298.42 | NIL | 1,298.42 |
| Revenue from Operations | 2,442.32 | NIL | 2,442.32 | 3,128.99 | NIL | 3,128.99 |
| Segment Results | | | | | | |
| Textile | (1,235.46) | NIL | (1,235.46) | (1,011.08) | NIL | (1,011.08) |
| Home Décor | (474.64) | NIL | (474.64) | (22.02) | NIL | (22.02) |
| Treasury | 1,569.55 | NIL | 1,569.55 | 1,298.42 | NIL | 1,298.42 |
| Total | (140.56) | NIL | (140.56) | 265.32 | NIL | 265.32 |
| Unallocated Income net of unallocated expense | | | 243.84 | | | 107.33 |
| Profit Before Interest & Taxation | | | 103.28 | | | 372.65 |
| Finance Costs | | | (16.31) | | | (8.40) |
| Profit Before Tax | | | 86.97 | | | 364.25 |
| Tax Expense | | | 440.40 | | | 487.31 |
| Profit After Tax | | | (353.43) | | | (123.06) |

Other Information

₹ in lakhs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--------------------------|----------------------|----------------------|
| Segment Assets | | |
| Textile | 1,056.00 | 1,741.60 |
| Home Décor | 1,527.04 | 1,776.90 |
| Treasury | 55,623.76 | 56,723.53 |
| Unallocable Asset | 335.45 | 605.16 |
| Total Assets | 58,542.25 | 60,847.19 |
| Segment Liabilities | | |
| Textile | 332.46 | 275.01 |
| Home Décor | 407.60 | 412.68 |
| Treasury | NIL | NIL |
| Unallocable Liabilities | 1,613.21 | 1,606.52 |
| Total Liabilities | 2,353.27 | 2,294.21 |
| Capital Employed | 56,188.98 | 58,552.98 |



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

₹ in lakhs

| Particulars | Year Ended March 31, 2023 | | | Year Ended March 31, 2022 | | |
|--------------|---------------------------|--|-------------------------------|---------------------------|--|-------------------------------|
| | Capital Expenditure | Non Cash Expenditure Other Than Depreciation | Depreciation and Amortisation | Capital Expenditure | Non Cash Expenditure Other Than Depreciation | Depreciation and Amortisation |
| Textile | 23.25 | NIL | 87.33 | 6.95 | NIL | 98.73 |
| Home Décor | 13.24 | NIL | 6.70 | 1.06 | NIL | 5.80 |
| Treasury | NIL | NIL | NIL | NIL | NIL | NIL |
| Total | 36.49 | NIL | 94.02 | 8.01 | NIL | 104.53 |

Additional Information by Geographies

₹ in lakhs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|----------------------|----------------------|
| Carrying Amount of Segment Assets | | |
| India | 58,542.25 | 60,847.19 |
| Outside India | NIL | NIL |
| Total | 58,542.25 | 60,847.19 |

₹ in lakhs

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|--|---------------------------|---------------------------|
| Cost incurred during the year to acquire Fixed Assets | | |
| India | 36.49 | 8.01 |
| Outside India | NIL | NIL |
| Total | 36.49 | 8.01 |

₹ in lakhs

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|--|---------------------------|---------------------------|
| Revenue by Geographical Segment | | |
| India | 1,798.53 | 660.16 |
| Outside India | 32.04 | NIL |
| Total | 1,830.57 | 660.16 |



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

Note 48

Additional Information, As Required Under Schedule III To The Companies Act, 2013, of Enterprise Consolidated As Subsidiary / Associates

₹ in Lakhs

| FY 2022-23 | | | | | | | | |
|--|---|------------------|-------------------------|-----------------|---|-----------------|-------------------------------------|-----------------|
| Name of the Enterprise | Net Assets (Total Assets minus Total Liabilities) | | Share in Profit & Loss | | Share in Other Comprehensive Income | | Share in Total Comprehensive Income | |
| | As % of Consolidated Net Assets | Amount | As % of Profit and Loss | Amount | As % of Consolidated Other Comprehensive Income | Amount | As % of Consolidated Comprehensive | Amount |
| Parent | | | | | | | | |
| The New Great Eastern Spinning & Weaving Company Limited | 100.38% | 56,402.06 | 96.63% | (341.50) | 100.39% | 1,975.79 | 101.21% | 1,634.29 |
| Subsidiaries | | | | | | | | |
| Indian | | | | | | | | |
| Kanoria Udyog Limited | (-0.37%) | (210.45) | 3.37% | (11.90) | (-0.39%) | (7.59) | (-1.83%) | (19.49) |
| Inter Company Elimination | - * | (2.63) | 0.00% | NIL | 0.00% | NIL | 0.00% | NIL |
| Total | 100.00% | 56,188.98 | 100.00% | (353.40) | 100.00% | 1,968.20 | 99.38% | 1,614.80 |

* - Denotes that percentage is negligible

₹ in Lakhs

| FY 2021-22 | | | | | | | | |
|--|---|------------------|-------------------------|-----------------|---|-----------------|-------------------------------------|-----------------|
| Name of the Enterprise | Net Assets (Total Assets minus Total Liabilities) | | Share in Profit & Loss | | Share in Other Comprehensive Income | | Share in Total Comprehensive Income | |
| | As % of Consolidated Net Assets | Amount | As % of Profit and Loss | Amount | As % of Consolidated Other Comprehensive Income | Amount | As % of Consolidated Comprehensive | Amount |
| Parent | | | | | | | | |
| The New Great Eastern Spinning & Weaving Company Limited | 100.31% | 58,730.41 | 126.27% | (162.40) | 100.00% | 9,687.64 | 99.65% | 9,525.24 |
| Subsidiaries | | | | | | | | |
| Indian | | | | | | | | |
| Kanoria Udyog Limited | (-0.31%) | (181.58) | -28.34% | 36.45 | NIL | NIL | 0.38% | 36.45 |
| Inter Company Elimination | - * | (2.66) | 2.07% | (2.66) | NIL | NIL | (-0.03%) | (2.66) |
| Total | 100.00% | 58,546.17 | 100.00% | (128.61) | 100.00% | 9,687.64 | 100.00% | 9,559.03 |



Notes to the Consolidated Financial Statements for the year ended March 31, 2023

Note 49

Ratios forming part of Standalone Financial Statement

| Ratio | Numerator | Denominator | Year ended March 31, 2023 | | | Year ended March 31, 2022 | | | % Variance | Reason for Variance |
|---------------------------------|---|--|---------------------------|-------------|----------|---------------------------|-------------|----------|------------|---------------------|
| | | | Numerator | Denominator | Ratio | Numerator | Denominator | Ratio | | |
| Capital to risk weighted assets | Tier I + Tier II Capital | Total Risk Weighted Assets / Exposures | 40,092.50 | 68,410.08 | 58.61% | 42,032.18 | 69,616.43 | 60.38% | (1.34%) | – |
| Tier I Capital | Tier I Capital | Total Risk Weighted Assets / Exposures | 40,092.50 | 68,410.08 | 58.61% | 42,032.18 | 69,616.43 | 60.38% | (1.34%) | – |
| Tier II Capital | Tier II Capital | Total Risk Weighted Assets / Exposures | NIL | 68,410.08 | 0.00% | NIL | 69,616.43 | 0.00% | 0.00% | – |
| Liquidity Coverage Ratio* | Total Stock of High Quality Liquid Assets | Total Net Cash Outflows over the next 30 calendar days | 55,619.44 | 822.09 | 6765.61% | 57,405.02 | 761.03 | 7543.07% | (777.45%) | Refer Note 47.1 |

Note 49.1

Reduction in Fair Value of Equity Instruments

Note 50

Other Statutory Informations

- i. The Group does not possess any immovable property (other than properties where The Holding Company is the lessee and the lease arrangements are duly executed in favour of lessee) whose title deeds are not held in the name of The Holding Company during the year ended March 31, 2023 and March 31, 2022.
- ii. The Group does not have any Benami property, where any proceeding has been initiated or pending against The Group for holding any Benami property.
- iii. The Group has not been sanctioned any working capital facility from banks or financial institutions on the basis of security of current assets.
- iv. The Group has not been declared as a willful defaulter by any lender who has powers to declare a company as a willful defaulter at anytime during the financial year or after the end of reporting period but before the date when the financial statements are approved.
- v. The Group does not have any transactions with struck-off companies.
- vi. The Group does not have any charges or satisfaction which is yet to be registered with the Registrar of Companies (ROC) beyond the statutory period.
- vii. The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act 2013 read with Companies (Restrictions on number of Layers) Rules, 2017.
- viii (a) The Holding Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding (whether recorded in writing or otherwise) that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons/entities identified in any manner whatsoever by or on behalf of the Holding Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries other than Interest - bearing loans aggregating ₹ 1,456 lakhs granted during the year through the current account maintained with Kanoria Udyog Limited, a wholly owned subsidiary company (“Intermediary”), for onward lending on behalf of the Holding Company, considered on the basis of the timing of the cash flows, though as such there is no written agreement or understanding that the said Intermediary shall lend or invest on behalf of



Notes to the Consolidated Financial Statements for the year ended March 31, 2023

the Holding Company. Such loans are granted in the ordinary course of business of the Holding Company and that of the Intermediary for the Ultimate Beneficiary, namely, The United Provinces Sugar Company Limited, towards meeting its business requirements. The Holding Company has complied with relevant provisions of the Foreign Exchange Management Act, 1999 to the extent applicable, the Company Act, 2013 for such transaction is not violative of the Prevention of Money-Laundering Act, 2012.

Further, the Subsidiary Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person or entity, including foreign entities ("Intermediaries") with the understanding (whether recorded in writing or otherwise) that the Subsidiary shall, whether, directly or indirectly lend or invest in other persons/entities identified in any manner whatsoever by or on behalf of the Holding Company ("Ultimate Beneficiaries").

- (b). The Holding Company has not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that The Holding Company shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- ix. The Group does not have any transactions which is not recorded in the books of accounts but has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- x. The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

Note 51

Segment Reporting as per Ind AS 108 on " Operating Segements"

The segment information is presented under the Notes forming part of the Consolidated Financial Statements as required under the Ind AS 108 on "Operating Segments".

Note 52

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 53

The Holding Company, alongwith its textile manufacturing and home decor operations, has been engaged in lending and investment activities. Considering the size of such activities, in terms of the RBI Press Release 1998-99/1269 dated 08th April, 1999 the Company meets the Principal Business Criteria laid down in the aforesaid release, that is, its financial assets are more than 50 per cent of its total assets (netted off by intangible assets) and its income from financial assets is more than 50 per cent of its gross income, the provisions of Non-Banking Financial Companies (NBFC) under the Reserve Bank of India Act, 1934 are applicable to it and the Company is required to register itself as an NBFC. the Board of Directors of the Holding Company as also that of the Subsidiary Company have, at its respective meetings held on August 28, 2023, decided to submit an application for registration to the Reserve Bank of India ("RBI") and also intimate it about any further steps it would take in this regard, including merging by way of absorption its wholly owned subsidiary, Kanoria Udyog Limited ("KUL"), with it in terms of the provisions of the Companies Act, 2013. Accordingly, in terms of the provisions of Sections 230 to 232 alongwith any other applicable provisions, of the Companies Act, 2013 read with the Rules made thereunder, the Holding Company will prepare a scheme of merger by way of absorption and take all necessary steps/approvals in relation to the proposed merger by absorption.

Pending the preparation, implementation and approval of the aforesaid Scheme for merger, no effect in this regard is required to be given in these financial statements.



THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

Note 54

The accumulated losses of the Subsidiary Company have resulted in complete erosion of its net worth. Further, the Subsidiary Company is also carrying out the lending and investment activities which would attract the applicability of the regulations governing Non-Banking Financial Companies (“NBFC”) under the Reserve Bank of India Act, 1934 requiring the Subsidiary Company to register itself as an NBFC. Such erosion in net worth and to register as an NBFC indicate, that a material uncertainty exists that may cast significant doubt on the ability of the Subsidiary Company to continue as a going concern. In these circumstances, as described in Note 53 to the Consolidated Financial Statements, the Board of Directors of the Holding Company as also that of the Subsidiary Company have, at its respective meetings held on August 28, 2023, decided to merge by way of absorption its said Subsidiary Company with the Holding Company in terms of the provisions of the Companies Act, 2013. Accordingly, in terms of the provisions of Sections 230 to 232 alongwith any other applicable provisions, of the Companies Act, 2013 read with the Rules made thereunder. Since there is a material uncertainty related to events or conditions that may cast significant doubt on the ability of the subsidiary company to continue as a going concern, it is necessary to evaluate whether the Subsidiary Company is able to continue realizing its assets and discharging its liabilities in the normal course of business. Considering the nature/type of assets and liabilities, the Board of Directors of the Subsidiary Company are reasonably certain that the Subsidiary Company will be able to continue realizing its assets and discharging its liabilities in the normal course of business and at the amount at which those are carried at the year end.

Note 55

- i) All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs upto two decimals as per the requirements of Schedule III, unless otherwise stated.
- ii) Figures for the previous year have been regrouped and / or rearranged and / or reclassified wherever necessary to make them comparable with those of current periods.

As per our attached report of even date

For and on behalf of the Board of Directors of

For **BANSI S. MEHTA & CO.**

THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

Chartered Accountants

Firm Registration No. 100991W

Paresh H. Clerk

Partner

Membership No. 36148

Place : Mumbai

Date : September 1, 2023

Vinod Jivanram Lohia

Dr. Anurag Kanoria

Raj Kumar Jhunjhunwala

Nisha Chopra

Krishna Kumar Kunwar

Place : Mumbai

Date : September 1, 2023

Whole Time Director & General Manager (Works)

Whole Time Director

Non Executive Independent Director

Company Secretary

Chief Financial Officer

DIN : 01509730

DIN : 00200630

DIN : 01527573

M.No. A41450

THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

CIN – U17110MH1873PLC000015

Regd. Office : 25-29, DR. Ambedkar Road, Mumbai-400 027.

ATTENDANCE SLIP

(To be presented at the entrance duly filled in and signed)

| | |
|------------------------|--------|
| Name of the member(s): | |
| Registered address: | |
| E-mail ID: | |
| Folio No. / Client ID: | DP ID: |

I hereby record my presence at the 148th Annual General Meeting of The New Great Eastern Spinning And Weaving Company Limited at Kilachand Conference Room, 2nd Floor, IMC Chamber of Commerce and Industry, IMC Building, IMC Marg, Churchgate, Mumbai - 400 020 on Saturday, the 30th September, 2023 at 10:00 a.m.

SIGNATURE OF THE ATTENDING MEMBER/PROXY _____

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19 (3) of the Companies (Management and Administration) Rules, 2014]

THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

CIN – U17110MH1873PLC000015

Regd. Office : 25-29, DR. Ambedkar Road, Mumbai-400 027.

| | |
|------------------------|--------|
| Name of the member(s): | |
| Registered address: | |
| E-mail ID: | |
| Folio No. / Client ID: | DP ID: |

I/We, being the member(s) of _____ Shares of The New Great Eastern Spinning And Weaving Company Limited, hereby appoint

1. Name
Address:
E-mail Id:
Signature Or failing him
2. Name
Address:
E-mail Id:
Signature Or failing him
3. Name
Address:
E-mail Id:
Signature Or failing him

as my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 148th Annual General Meeting of the Company to be held on Saturday, the 30th day of September, 2023, at 10: 00 a.m. at Kilachand Conference Room, 2nd Floor, IMC Chamber of Commerce and Industry, IMC Building, IMC Marg, Churchgate, Mumbai - 400 020, and at any adjournment thereof in respect of such resolutions as are indicated overleaf.

| Sl. No. | Resolution | Optional | |
|---------|--|----------|---------|
| | | For | Against |
| | Ordinary Business | | |
| 1. | To consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2023, 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, 2023 and Auditors Report thereon. | | |
| 2. | To appoint a Director in place of Smt. Vineeta Kanoria (DIN 00775298) who retires by rotation and, being eligible, offers herself for reappointment. | | |
| | Special Business | | |
| 3. | Re-appointment of Smt. Vineeta Kanoria as a Whole Time Director | | |
| 4. | Re-appointment of Dr. Anurag Kanoria as a Whole Time Director | | |
| 5. | Appointment of Shri Vinod Jiwanram Lohia as a Whole Time Director and General Manager (Works) | | |
| 6. | Reappointment of Shri Bimal Kumar Kanodia as an Independent Non Executive Director | | |
| 7. | To make investments, give loans, guarantees and provide security under section 186 of the Companies Act, 2013. | | |

Signed thisday of, 2023

Signature of the shareholder : _____

Signature of Proxy holder(s) : _____

**Affix
Rs.1/-
Revenue
Stamp**

Notes: 1. This form in order to be effective should be duly completed and deposited at the Registered Office of the Company at 25-29, Dr. Ambedkar Road, Byculla, Mumbai-400 027, not less than 48 hours before the commencement of the Meeting.

2. Members are requested to select by placing a tick (✓) mark against the resolution. It is optional for the member to indicate his/her preference. In case no specific direction is given, your Proxy may vote or abstain as he/she thinks fit.