

LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is being sent to you being a registered shareholder of the Equity Shares of The New Great Eastern Spinning and Weaving Company Limited (“the Company”) as on the Record Date in accordance with the Companies (Share Capital and Debentures) Rules, 2014, (“Buyback Regulations”) as amended. If you require any clarifications about the action to be taken, you should consult your stock broker or your investment consultant or the Manager to the Buyback i.e., Fedex Securities Private Limited (formerly known as Fedex Securities Limited) or the Registrar to the Buyback i.e. Purva Sharegistry (India) Private Limited. Please refer to the section “Definition of Key Terms” on page 4 for the definition of the capitalised terms used herein.

THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED

CIN: U17110MH1873PLC000015

Regd. Office: 25-29, Dr Ambedkar Road, Byculla, Mumbai – 400 027, Maharashtra, India;

Corporate Office: 401/405, Jolly Bhavan No.1, 10 New Marine Lines, Mumbai - 400 020, Maharashtra, India;

Tel. No.: +91 22 003231/4325; **Fax:** +91 22 2206 0745 **E-mail:** nge@newgreat.in;

Website: www.newgreat.in; **Company Officer:** Mrs. Nisha Chopra and Mr. Krishna Kumar Kunwar

Offer for Buyback up to 12,66,023 (Twelve Lakhs Sixty Six Thousand and Twenty Three) fully paid-up equity shares of the Company of face value of Rs. 10/- (Rupees Ten only) each, representing 7% of the issued, subscribed and paid-up Equity Shares of the Company, from all Eligible Shareholders as on the Record Date, i.e., Friday, September 16, 2022 on a proportionate basis, at a price of Rs. 255.75/- (Rupees Two Hundred Fifty-Five and Seventy-Five Paise only) per fully paid-up Equity Share, for an aggregate maximum amount not exceeding Rs. 3,238 Lakhs/- (Rupees Three Thousand Two Hundred and Thirty-Eight Lakhs Only) payable in cash.

- The Buyback is being undertaken in accordance with Article 42A of the Articles of Association of the Company, Sections 68, 69, 70 and other applicable provisions of the Companies Act, 2013, including any statutory modification(s) or re-enactment thereof and applicable rules thereunder including the Companies (Share Capital and Debentures) Rules, 2014, as amended. The Buyback is subject to receipt of such approvals, permissions and sanctions, as may be required under the applicable laws.
- The Buyback Offer Size is Rs. 3,238 Lakhs/- (Rupees Three Thousand Two Hundred and Thirty-Eight Lakhs Only), which represents 5.51% of the aggregate of the Company’s paid-up capital and free reserves (including securities premium) as per the last audited financial statements of the Company as on 31st March, 2022 (the latest audited financial statements available as on the date of Board Meeting recommending the proposal of the Buyback). The Buyback Offer Size is within the statutory limit of 10% of the aggregate of paid-up capital and free reserves (including securities premium) of the Company under the Board of Directors approval route as per the Companies Act, 2013.
- The Letter of Offer will be sent to all Eligible Shareholders (Equity Shareholders as on the Record Date, being September 16, 2022 in accordance with Buyback Regulations.
- The procedure for the offer is set out in point 16 of this Letter of offer. The Form of Acceptance-cum-Acknowledgement is enclosed with this Letter of Offer. The Form of Acceptance-cum-Acknowledgement with relevant enclosures should be dispatched / delivered / emailed at the respective address of the Company and Registrar (as mentioned in this letter of offer) so as to reach the Corporate Office of the Company on or before 27th October 2022 before the close of business hours. Note that dispatch / delivery of the same shall be at the risk and cost of the respective Shareholder.
- A copy of the Letter of Offer (including the Form of Acceptance-cum-Acknowledgement) shall be available on the website of the Company i.e. www.newgreat.in and is also expected to be made available on the website of Manager to the Buyback i.e. www.fedsec.in.
- In accordance with the provisions of Section 29(1A) of the Act, effective from 15th August 2019, transfer of securities of the Company shall not be processed unless the securities are held in the dematerialized form with a depository. Accordingly, the Company will not be able to accept Equity Shares tendered in physical form in the Buyback. Eligible Shareholders are advised to approach the concerned depository participant to have their Equity Shares dematerialized before tendering their Equity Shares in the Buyback. In case any person who has submitted the Equity Shares held by them in the physical form for dematerialization should ensure that the process of getting the Equity Shares dematerialized is completed before such Eligible Shareholders tender their Equity Shares in the Buyback, so that they can participate in the Buyback.**
- Eligible Shareholders are advised to refer to “Details of Statutory Approvals” and “Note on Taxation” on pages 19 and 22, respectively, before tendering their Equity Shares in the Buyback.

MANAGER TO THE BUYBACK

FEDEX SECURITIES PRIVATE LIMITED

B 7, 3rd Floor, Jay Chambers, Dayaldas Road, Vile Parle (East), Mumbai - 400 057.

Tel No.: +91 81049 85249

Fax No.: 022 2618 6966

E-mail: mb@fedsec.in

Website: www.fedsec.in

Contact Person: Yash Kadakia

SEBI Registration Number: INM000010163



REGISTRAR TO THE BUYBACK

PURVA SHAREGISTRY (INDIA) PRIVATE LIMITED

9 Shiv Shakti Industrial Estate, J.R Boricha Marg, Lower Parel (East), Mumbai 400 011

TEL No.: +91 – 022 2301 8261

Email id: support@purvashare.com

Website: www.purvashare.com

Contact Person: Ms. Deepali Dhuri

SEBI Registration No.: INR000001112

BUYBACK PROGRAMME

BUYBACK OPENS ON: September 30, 2022

BUYBACK CLOSSES ON: October 27, 2022

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1. SCHEDULE OF ACTIVITIES FOR THE BUYBACK

S. No.	Activity	Day and Date of Event
1.	Date of Board meeting approving the proposal for the Buyback	Saturday, September 10, 2022
2.	Record Date for determining the Buyback Entitlement and the names of Eligible Shareholders	Friday, September 16, 2022
3.	Dispatch of letter of offer to the shareholders	Wednesday, September 28, 2022
4.	Date of opening of the Buyback Offer	Friday, September 30, 2022
5.	Date of closing of the Buyback Offer	Thursday, October 27, 2022
6.	Finalize basis of allocation/ verification of offers received	Thursday, November 3, 2022
7.	Last date of intimation regarding acceptance / non- acceptance of tendered Equity Shares by the Registrar	Tuesday, November 8, 2022
8.	Last date of payment to Eligible Shareholders/ return of unaccepted shares to Eligible Shareholders	Tuesday, November 8, 2022
9.	Last date of extinguishment of Equity Shares bought back	Friday, November 11, 2022

Note: In case the last date is mentioned for certain activities, such activities may be completed on or before such last date.

2. DEFINITION OF KEY TERMS

This Letter of Offer uses certain definitions and abbreviations which, unless the context otherwise indicates or implies or specified otherwise, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines, policies, circulars, notifications or clarifications shall be to such legislation, act, regulation, rules, guidelines, policies, circulars, notifications or clarifications as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

The words and expressions used in this Letter of Offer, but not defined herein shall have the meaning ascribed to such terms under the Companies Act and the rules and regulations made thereunder.

Term	Description
Acceptance, Accept, or Accepted	Acceptance of Equity Shares tendered by the Eligible Shareholders in the Buyback
Act / Companies Act	The Companies Act, 2013, as may be amended from time to time, along with all rules and regulations issued thereunder
Articles of Association	Articles of Association of the Company
Board Meeting	Meeting of the Board of Directors held on September 10, 2022 approving the proposal of Buyback.
Board / Board of Directors / Directors	Board of Directors of the Company (which term shall, unless repugnant to the context or meaning thereof, be deemed to include a duly authorized committee thereof).
Buyback Entitlement	The number of Equity Shares that an Eligible Shareholder is entitled to tender in the Buyback, which is computed based on the number of Equity Shares held by such Eligible Shareholder as on the Record Date.
Buyback Offer Price / Buyback Price	Price at which Equity Shares will be bought back from the Eligible Shareholders i.e., Rs. 255.75/- (Rupees Two Hundred Fifty-Five and Seventy-Five Paise Only) per Equity Share payable in cash.
Buyback Offer Size / Buyback Size	Number of Equity Shares proposed to be bought back i.e., up to 12,66,023 (Twelve Lakhs Sixty Six Thousand and Twenty Three) fully paid-up Equity Shares multiplied by the Buyback Offer Price i.e., Rs. 255.75/- (Rupees Two Hundred Fifty-Five and Seventy-Five Paise Only) per Equity Share aggregating to Rs. 3,238 Lakhs/- (Rupees Three Thousand Two Hundred and Thirty-Eight Lakhs Only). The Buyback Offer Size does not include any expenses incurred or to be incurred for the buyback viz. tax on buyback, brokerage, costs, fees, turnover charges, taxes such as goods and services tax (if any), stamp duty, advisors fees, printing and dispatch expenses and other incidental and related expenses and charges.
Buyback or Buyback Offer or Offer	Cash Offer by The New Great Eastern Spinning and Weaving Company Limited to Buyback up to 12,66,023 (Twelve Lakhs Sixty Six Thousand and Twenty Three) fully paid up equity shares of face value Rs. 10/- (Rupees Ten Only) each at a price of Rs. 255.75/- (Rupees Two Hundred Fifty-Five and Seventy-Five Paise Only) per Equity Share from all the Eligible Shareholders on a proportionate basis.
Buyback Regulations	Companies (Share Capital and Debentures) Rules, 2014 as amended

CDSL	Central Depository Services (India) Limited
CIN	Corporate Identification Number
Company / New Great Eastern / “we”	The New Great Eastern Spinning and Weaving Company Limited, unless the context states otherwise
Depositories	Together, National Securities Depository Limited and Central Depository Services (India) Limited.
DIN	Director Identification Number
DP	Depository Participant
Eligible Shareholders	Equity Shareholders eligible to participate in the Buyback and would mean all shareholders of the Equity Shares on the Record Date being September 16, 2022, and do not include such shareholders of the Equity Shares who are not permitted under the applicable law to tender shares in the Buyback.
EPS	Earnings per Share
Equity Share (s)	Fully paid up equity share(s) of the Company having the face value of Rs. 10/- (Rupees Ten only) each
Equity Shareholder (s)	Shareholder of the Equity Shares and includes beneficial owners thereof
FEMA	Foreign Exchange Management Act, 1999, as amended
IT Act / Income Tax Act / ITA	Income Tax Act, 1961, as amended.
Letter of Offer	The letter of offer dated September 24, 2022 containing disclosures in relation to the Buyback
LTCG	Long Term Capital Gains
“Merchant Banker to the Buyback” or “Merchant Banker” or “Manager to the Buyback”	Fedex Securities Private Limited
NA	Not Applicable
NSDL	National Securities Depository Limited
PAN	Permanent Account Number.
Physical Shares	Equity Share(s) of the Company in physical form.
Promoters	The promoters of the Company namely, New India Exports Private Limited, Smt. Aruna Kanoria, Smt. Vineeta Kanoria, Shri Anurag Kanoria and Shri Paritosh Kanoria
Promoters Group	Persons and entities constituting the promoter group of the Company.
RBI	Reserve Bank of India.

Record Date	The date for the purpose of determining the Buyback Entitlement and the names of the Eligible Shareholders to whom the Letter of Offer will be sent, and who are eligible to participate in the Buyback in accordance with the Buyback Regulations. The Record Date for the Buyback is September 16, 2022.
“Registrar to the Buyback” or “Registrar”	Purva Sharegistry (India) Private Limited
STCG	Short-Term Capital Gains
Special Demat Account	The Special Demat Account titled “The New Great Eastern Spinning & Weaving Company Ltd-Buyback-Purva Sharegistry(India) Pvt. Ltd.” opened with R R S Shares & Stock Brokers Private Limited
Special Bank Account	A separate bank account will be opened immediately after the date of closure of the offer
Tendering Period	Period of 28 Days from the Buyback Opening Date (September 30, 2022) till the Buyback Closing Date (October 27, 2022) (both days inclusive).
Transaction Costs	Any expenses incurred or to be incurred for the Buyback viz. brokerage, applicable taxes such as Buyback tax, securities transaction tax, GST, stamp duty, expenses incurred or to be incurred for the Buyback like filing fees, advisors/legal fees, public announcement publication expenses, printing and dispatch expenses and other incidental and related expenses, etc;

Certain conventions, currency of presentation, use of financial information and stock market data

Page Numbers and Paragraph Numbers

Unless otherwise stated, all references to page numbers and paragraph numbers in this Letter of Offer are to page numbers of this Letter of Offer.

Currency and Units of Presentation

All references to “Rupee(s)”, “Rs.” or “INR” or “₹” are to Rupees, the official currency of the Republic of India.

Financial and Other Data

Unless stated or the context requires otherwise, our financial information in this Letter of Offer is derived from the audited results for the fiscal year ended March 31, 2019, 2020 and 2021 and 2022.

Our Company’s fiscal year commences on April 1 of each year and ends on March 31 of the next year (referred to herein as “Fiscal”, “Fiscal Year” or “FY”).

All data related to financials are given in INR lakh, unless otherwise stated.

3. DISCLAIMER CLAUSE

The Manager to the Buyback, Fedex Securities Private Limited (Formerly known as Fedex Securities Limited), has certified that the disclosures made in the Letter of Offer are generally adequate and are in conformity with the provisions of the Companies Act. This requirement is to facilitate Eligible Shareholders to take an informed decision in tendering their Equity Shares in the Buyback.

It should also be clearly understood that, while the Company is primarily responsible for the correctness, adequacy and disclosure of all relevant information in the Letter Offer, the Manager to the Buyback is expected to exercise due diligence to ensure that the Company discharges its duty adequately in this behalf and towards this purpose.

The Promoters and Directors declare and confirm that no information or material likely to have a bearing on the decision of Eligible Shareholders has been suppressed, withheld and / or incorporated in a manner that would amount to misstatement or misrepresentation and in the event of it transpiring at any point of time that any information or material has been suppressed or withheld, or amounts to a misstatement or

misrepresentation, the Promoters or Directors and the Company shall be liable for penalty in terms of the provisions of the Companies Act.

The Promoters and Directors also declare and confirm that, funds borrowed from banks and financial institutions will not be used for the Buyback.

Important notice to all Equity Shareholders:

This Letter of Offer has been prepared for the purposes of compliance with the Buyback Regulations. Accordingly, the information disclosed herein may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws and regulations of any jurisdiction outside of India. The Company and the Manager to the Buyback are under no obligation to update the information contained herein at any time after the date of this Letter of Offer. This Letter of Offer does not and will not in any way constitute an offer to sell, or an invitation to sell, any securities in any jurisdiction in which such offer or invitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. The Letter of Offer shall be sent by e-mail and physically via registered post or courier to all Eligible Shareholders (Equity Shareholders as on the Record Date) as per the Companies Act. However, receipt of the Letter of Offer by any Equity Shareholder in a jurisdiction in which it would be illegal to make this Offer, or where making this Offer would require any action to be taken (including, but not restricted to, registration of the Letter of Offer under any local securities laws), shall not be treated by such Equity Shareholders as an offer being made to them. Potential users of the information contained in this Letter of Offer are requested to inform themselves about and to observe any such restrictions. Any potential Equity Shareholder who tenders his, her or its Equity Shares in the Buyback shall be deemed to have declared, represented, warranted and agreed that he, she or it is authorised under the provisions of any applicable local laws, rules, regulations and statutes to participate in the Buyback.

Forward Looking Statement:

This Letter of Offer contains certain forward-looking statements. These forward-looking statements generally can be identified by words or phrases such as 'believe', 'expect', 'estimate', 'intend', 'objective', 'plan', 'project', 'will', or other words or phrases of similar import. Similarly, statements that describe our objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Actual results may differ materially from those in such forward-looking statements. The Company and the Manager to the Buyback undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Actual results may differ materially from those suggested by forward-looking statements due to risks or uncertainties associated with expectations relating to, inter alia, regulatory changes pertaining to the industries in which the Company operates and its ability to respond to them, the Company's ability to successfully implement its strategy, its growth and expansion, technological changes, exposure to market risks, general economic and political conditions in India or other key markets where it operates which have an impact on its business activities or investments, the monetary and fiscal policies, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in the industries in which the Company operates.

4. TEXT OF THE RESOLUTION PASSED AT THE MEETING OF THE BOARD OF DIRECTORS

The Buyback has been authorised and approved by the Board of Directors at their meeting held on September 10, 2022. The extracts of the minutes of the Board Meeting are as follows:

“RESOLVED THAT, pursuant to provisions of Section 68 to 70 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) read with the Companies (Share Capital and Debentures) Rules, 2014, including any statutory modifications or amendments thereto or re-enactments or substitutions made thereof for time being in force, and subject to such approvals, permissions, exemptions and sanctions as may be necessary, and subject to any modifications and conditions, if any, as may be prescribed by the Registrar of Companies, Maharashtra, Mumbai (“ROC”) and/ or other appropriate authorities while granting such approvals, permissions, exemptions and sanctions, which may be agreed to by the Board of Directors of the

Company (hereinafter referred to as the “Board”, which expression includes any committee constituted by the Board to exercise its powers, including the powers conferred by this resolution) and subject to such conditions and modifications as may be prescribed or imposed by such government, regulatory or statutory authorities, as the case may be, the unanimous consent of the Board of Directors of the Company be and is hereby accorded for buy back from the existing Shareholders on a proportionate basis up to 12,66,023 fully paid up equity shares (“**Maximum Buy-Back Shares**”) (representing 7% of the total paid-up equity share capital of the Company as on 31st March, 2022) of the face value of Rs. 10/- (Rupee Ten Only) each (“**Equity Shares**” or “**Shares**”) at a price of Rs. 255.75/- (Rupees Two Hundred Fifty-Five and Seventy-Five Paise Only) per Equity Share payable in cash (“**Buy-back Price**”) for a maximum aggregate consideration not exceeding Rs. 3,238 Lakhs (Rupees Three Thousand Two Hundred Thirty Eight Lakhs Only) (“**Buy-back Size**”), representing 5.51% of the fully paid-up Equity Share capital and free reserves as per the latest Audited Financial Statements as on 31st March, 2022 alongwith Audit Report by the Statutory Auditors of the Company and the Buy-back Size does not include transaction costs viz. brokerage, applicable taxes such as Buyback tax, securities transaction tax, GST, stamp duty, expenses incurred or to be incurred for the Buyback like filing fees, advisors/legal fees, public announcement publication expenses, printing and dispatch expenses and other incidental and related expenses, etc;

“RESOLVED FURTHER THAT, all of the shareholders of the Company who hold Equity Shares as on 16th September, 2022 (being the Record Date), as decided by the Board shall be eligible to participate in the Buy-back offer;

“RESOLVED FURTHER THAT, the proposed Buy-back be implemented by the Company from its free reserves and/or surplus and/or such other sources as may be permitted by law, and on such terms and conditions as the Board may, in its absolute discretion, decide from time to time and deem fit;

“RESOLVED FURTHER THAT, the draft of the Declaration of Solvency prepared in the prescribed form and supporting affidavit and other documents, placed before the meeting, be and are hereby approved and that any two Directors of the Board, be and is hereby individually authorized to sign the same, for and on behalf of the Board and file the same with the Registrar of Companies, Maharashtra, Mumbai and such other concerned regulatory authority(ies), as may be applicable or as may be required;

“RESOLVED FURTHER THAT, in terms of Section 69 of the Companies Act, 2013, the Company shall transfer from its free reserves and/or surplus, a sum equal to the nominal value of the equity shares bought back through the Buy-back offer, to the Capital Redemption Reserve Account;

“RESOLVED FURTHER THAT, the Board of Directors confirms that it has made a full enquiry into the affairs and prospects of the Company and has formed the opinion:

1. That immediately following the date on which the meeting of the Board of Directors is convened, i.e. 10th September, 2022, and following the date on which General Meeting, if applicable will be convened for approval of buy-back, there will be no grounds on which the Company could be found unable to pay its debts;
2. That as regards the Company’s prospects for the year immediately following the aforesaid date(s), having regard to the Board’s intentions with respect to the management of the Company’s business during that year and to the amount and character of the financial resources, which will, in the Board’s view, be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and shall not be rendered insolvent within a period of one year from the aforesaid date(s); and
3. In forming its opinion for the above purposes, the Board has taken into account the liabilities (including prospective and contingent liabilities) as if the Company were being wound up under the provisions of the Companies Act, 2013 and/or the Insolvency and Bankruptcy Code, 2016, as may be applicable.

”RESOLVED FURTHER THAT, the Board hereby confirms that:

1. All the Equity Shares of the Company are fully paid-up;
2. The aggregate amount of the Buy-back i.e. Rs. 3,238 Lakhs does not exceed 10% of the Total Paid-Up Share Capital and Free Reserves of the Company as per the Audited Financial Statements as on 31/03/2022, with Audit Report by the Statutory Auditors of the Company;
3. The number of equity Shares proposed to be purchased under the buy-back is upto 12,66,023 Equity shares and does not exceed 7% of the Total Paid-Up Equity Share Capital as per the Audited Financial Statements as on 31/03/2022 with Audit Report by the Statutory Auditors of the Company;
4. The Company, as per provisions of Section 68(8) of the Companies Act, 2013, shall not make a further issue of the same kind of shares or other securities including allotment of new shares under clause (a) of subsection (1) of section 62 or other specified securities within a period of six months from completion of buy-back period i.e., the date on which the payment of consideration to shareholders who have accepted the Buy-back offer is made, except in the discharge of subsisting obligations such as conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into equity shares;
5. There are no defaults subsisting in the repayment of deposits or interest payment thereon, redemption of debentures or interest payment thereon or redemption of preference shares or payment of dividend due to any shareholder, or repayment of any term loans or interest payable thereon to any financial institution or banking company (including interest payable thereon);
6. The Company is in compliance with the provisions of Sections 92, 123, 127 and 129 of the Companies Act, 2013, as the case may be.
7. The debt equity ratio of the Company after the buy-back will be within the limit of 2:1 as prescribed in the Act read with Rules made thereunder;
8. The Company shall not make any offer of buy-back within a period of one year reckoned from the date of expiry of the Buy-back Period i.e. the date on which the payment of consideration to shareholders who have accepted the Buy-back offer is made;
9. The Equity Shares bought back by the Company will be compulsorily extinguished and/or physically destroyed, as the case may be, in the manner and time frame prescribed in the Companies Act, 2013;

“RESOLVED FURTHER THAT the appointment of Fedex Securities Private Limited as Merchant Banker to the Buyback of shares and other related services related to Buyback on the terms and conditions as set out in the agenda note as approved by Whole Time Director be and is hereby noted by the Board.

“RESOLVED FURTHER THAT approval of Board be and is hereby accorded to authorize Whole Time Director for appointment of Merchant Banker to the Buyback of shares and for other services related to the Buyback.

“RESOLVED FURTHER THAT Auditor Certificate dated 8th September, 2022 issued by M/s. Bansi S. Mehta & Company, Chartered Accountants (Firm Registration No. 100991W), Mumbai as required for Buy Back purpose, as placed before this Meeting be and is hereby taken on record/ noted.

“RESOLVED FURTHER THAT Valuation Certificate dated 10th September, 2022 issued by M/s. Gandhi Paleja And Associates, Chartered Accountants (Firm Registration No. 112041W), as required for Buy Back purpose, as placed before this Meeting be and is hereby taken on record/ noted.

“RESOLVED FURTHER THAT any of the directors of the Company be and is hereby authorized to digitally sign all the necessary forms required to be filed with the Registrar of Companies under the Companies Act, 2013 and are hereby authorized to do all acts, deeds, matters and things to give effect to this resolution;

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary, expedient or proper, to be in the best interest of the shareholders for the implementation of the Buy-back, carry out incidental documentation as also to make applications to the appropriate authorities for their approvals and to initiate all necessary actions for preparation and issue of various documents including Letter of Offer, opening of accounts, declaration of solvency, extinguishment of share certificates and ‘Certificates of Extinguishment’ required to be filed in connection with the Buy-back on behalf of the Board and such other undertakings, agreements, papers, documents and correspondence as may be necessary for the implementation of the resolution passed for Buy-back and is required to be filed with the Registrar of Companies, and/or other authorities;

“RESOLVED FURTHER THAT, for the purpose of giving effect to this resolution, any Director be and is hereby authorized to accept and make any alteration(s), modification(s) to the terms and conditions as it may deem necessary, concerning the Buy-back, as well as to give such directions as may be necessary or desirable, to settle any questions, difficulties or doubts that may arise and generally, to do all acts, deeds, matters and things as it may, in its absolute discretion deem necessary, expedient, usual or proper in relation to or in connection with or for matters consequential to the Buy-back without seeking any further consent or approval of the Board or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution;

“RESOLVED FURTHER THAT, a copy of this resolution, certified to be true by any Director, be furnished wherever required.”

5. DETAILS OF THE BUYBACK

The Buyback has been authorized by the Board of Directors in their meeting held on September 10, 2022. The details of the Buyback are provided below:

Maximum number of Equity Shares proposed to be bought back	Up to 12,66,023 Equity Shares
Number of Equity Shares as a percentage of the total number of equity shares of the paid-up Equity Share Capital of the Company as on March 31, 2022	The Shares to be bought back pursuant to the Buyback represents up to 7% of the total number of equity shares in the total paid up equity share capital of the Company as on March 31, 2022
Buyback Offer Price	Rs. 255.75/- (Two Hundred Fifty-Five and Seventy-Five Paise Only) per Equity Share
Applicable regulations of provisions of the Companies Act, in accordance with which the Buyback offer is made	The Buyback is being undertaken in terms of Sections 68, 69, 70, and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder.
Methodology for the buyback	The Buyback shall be undertaken on a proportionate basis from the Eligible Shareholders as on the Record Date i.e September 16, 2022.
Maximum amount to be expensed towards the Buyback and its percentage with respect to the net	The maximum amount required for Buyback will not exceed Rs. 3,238 Lakhs/- (Rupees Three Thousand Two Hundred and Thirty-Eight Lakhs Only), which represents 5.51% of

worth of the Company	the aggregate of the Company's paid-up capital and free reserves (including securities premium) i.e. Net worth of the Company as per the last audited financial statements of the Company as on March 31 2022, (i.e., the last audited financial statements available as on the date of the Board Meeting recommending the proposal for approving the Buyback on September 10, 2022.)
Shareholding of the Promoters and Promoter Group and its percentage with respect to the total paid-up Equity Share capital of the Company	For details, please see the section entitled " <i>Capital Structure and Shareholding Pattern</i> " on page 15 of this Letter of Offer.
Intention of the Promoters and Promoter Companies to participate in the Buyback	In terms of the provisions of the Act, the Promoters, directors of the Promoter Company, directors of the Company and Key Managerial Personnel (KMP) of the Company have the option to participate in the Buyback. In this regard, New India Exports Private Limited (Promoter Company) have informed the Company regarding their intention to participate in the Buyback. For more details, please refer the section entitled " <i>Management Discussion and Analysis of the likely impact of the Buyback on the Company</i> " on page 12 of this Letter of Offer.
Promoters' shareholding after the Buyback	For details, please see the section entitled " <i>Capital Structure and Shareholding Pattern</i> " on page 15 of this Letter of Offer.

6. AUTHORITY FOR THE BUYBACK

The Buyback is being undertaken by the Company in accordance with Article 42A of its Articles of Association, the provisions of Sections 68, 69, 70 and all other applicable provisions of the Companies Act and subject to such other approvals, permissions and sanctions as may be necessary to be obtained from statutory authorities, if any.

The Board of Directors at their meeting dated September 10, 2022 has passed a resolution approving the Buyback of Equity Shares of the Company.

7. NECESSITY OF THE BUYBACK

- i. Share buyback is the acquisition by a Company of its own equity shares. The Board is of the view that the proposed Buyback will help the Company achieve the following objectives
- Optimize returns to shareholders;
 - Enhance overall shareholders value and
 - Optimizes the capital structure.

The above objectives will be achieved by returning part of surplus cash back to shareholders through the Buyback process. This may lead to reduction in outstanding Equity Shares, improvement in earnings per Equity Share and enhanced return on invested capital. The Buyback will not in any manner impair the ability of the Company to pursue growth opportunities or meet its cash requirements for business operations. The Board at its meeting held on September 10, 2022, considered the accumulated free reserves as well as the cash liquidity reflected in the last audited financial statement as on March 31, 2022 and considering these, the Board decided to allocate a sum of Rs. 3,238 Lakhs/- (Rupees Three Thousand Two Hundred Thirty-Eight Lakhs Only) excluding the

Transaction Costs for distributing to the shareholders holding Equity Shares of the Company through the Buyback.

- ii. After considering several factors and benefits to the shareholders holding Equity Shares of the Company, the Board decided to recommend Buyback of at a price of Rs. 255.75/- (Rupees Two Hundred Fifty-Five and Seventy-Five Paise Only) per Equity Share for an aggregate consideration of Rs. 3,238 Lakhs/- (Rupees Three Thousand Two Hundred Thirty-Eight Lakhs Only). Buyback is being undertaken, inter-alia, for the following reasons:
 - a. The Buyback will help the Company to return surplus cash to its shareholders holding Equity Shares broadly in proportion to their shareholding, thereby, enhancing the overall return to shareholders;
 - b. The Buyback, which is being implemented through the tender route on Proportionate Basis;
 - c. The Buyback may help in improving return on equity, by reduction in the equity base, thereby leading to long term increase in shareholders' value;
 - d. The Buyback gives an option to the Shareholders holding Equity Shares of the Company, who can choose to participate and get cash in lieu of Equity Shares to be accepted under the Buyback offer or they may choose not to participate and enjoy a resultant increase in their percentage shareholding, post the Buyback offer, without additional investment.

8. MANAGEMENT DISCUSSION AND ANALYSIS AND THE LIKELY IMPACT OF BUYBACK ON THE COMPANY

- i. We believe that the Buyback is not likely to cause any material impact on the profitability or earnings of the Company except to the extent of reduction in the amount available for investment, which the Company could have otherwise deployed towards generating investment income. Assuming there is full 100% acceptance of the Equity Shares tendered in the Buyback from Eligible Shareholders, the funds deployed by the Company towards the Buyback would be Rs. 3,238 Lakhs (Rupees Three Thousand Two Hundred Thirty-Eight Lakhs Only). This shall impact the investment income earned by the Company, on account of reduced amount of surplus funds available.
- ii. New India Exports Private Limited (Promoter Company) have expressed its intention by way of letter dated September 10, 2022, to participate in the Buyback, and tender up to their maximum shareholding as on the Record Date.
- iii. The aggregate shareholding of (a) the Promoter and Promoter Company; (b) Directors of the Promoter Companies; and (c) the Directors and Key Managerial Personnel of the Company as on date of the Board meeting at which Buyback was approved, i.e. September 10, 2022 and Record Date is as follows:

Sl. No.	Name	No. of Equity shares	% of Shareholding
a.	<u>Promoter and Promoter Company</u>		
1.	New India Exports Private Limited	1,60,05,820	88.50%
2.	Smt. Aruna Kanoria	9,160	0.05%
3.	Smt. Vineeta Kanoria	7,31,510	4.04%
4.	Shri Anurag Kanoria	2,37,630	1.31%
5.	Shri Paritosh Kanoria	1,15,000	0.64%
b.	<u>Directors of the Promoter Company</u>		
	NIL		
c.	<u>Directors and Key Managerial Personnel of the Company</u>		
1.	Shri Vinod K. Lohia	50	0.00%
2.	Shri Raj Kumar Jhunjhunwala	50	0.00%
	Total	1,70,99,220	94.54%

- iv. The Board of Directors of the Company have confirmed that there are no defaults subsisting in repayment of deposits and interest payment thereon, redemption of debentures or preference shares or payment of dividend to any shareholder or repayment of any term loan or interest payable thereon to any financial institution or banking company.
- v. The Buyback shall not result in a change in control or otherwise affect the existing management structure of the Company.
- vi. The Company believes that the Buyback will not in any manner impair its ability to pursue growth opportunities or meet its cash requirements for business operations. The Buyback is likely to result in improvement in EPS and enhance the return on equity. The Buyback is being undertaken, inter alia, for helping the Company to return surplus cash to the Eligible Shareholders broadly in proportion to their shareholding, thereby, enhancing the overall return to the shareholders.
- vii. As per the provisions of the Buyback Regulations and under Section 68(2)(d) of the Companies Act, 2013, we hereby confirm that the ratio of the aggregate of secured and unsecured debts owed by the Company to the paid-up capital and free reserves after buyback shall be less than or equal to 2:1, based on financial statements of the Company.
- viii. The Company, as per the provisions of Section 68(8) of the Companies Act, will not make a further issue of the same kind of shares or other securities including allotment of new shares under Section 62(1)(a) of the Companies Act or other specified securities within a period of six months except by way of a bonus issue or in the discharge of subsisting obligations such as conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into equity shares.
- ix. We believe that the Buyback is not expected to impact growth opportunities for the Company.
- x. The Board of Directors confirms that the Company has complied with the provisions of Sections 68, 69 and 70 of the Companies Act, 2013 and the Companies (Share Capital and Debentures) Rules, 2014, as may be applicable to the Buyback.
- xi. Salient financial parameters pursuant to the Buyback based on the last audited financial statements as on March 31, 2022, of the Company are as under:

Particulars	Pre-Buyback		Post-Buyback	
	Standalone	Consolidated	Standalone#	Consolidated#
Book Value per Equity Share (in Rs.)	324.73	323.71	329.92	328.82
Basic EPS (In Rs.)	(0.90)	(0.71)	(0.97)	(0.76)
Networth (In Lakhs)	58,730.41	58,546.17	55,492.56	55,308.32
Return on Networth (in%)	-0.28%	-0.22%	-0.29%	-0.23%
Total debt/equity Ratio (total debt/net worth)	-	-	-	-

- a. The Company does not have any debt as on March 31, 2022
- b. For the above purpose, "Net worth" means the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the last audited financial Statements, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation and other Comprehensive Income.
- c. Pre and post Buyback calculations are based on audited financial statements as on March 31, 2022. The post Buyback numbers are calculated by reducing the net worth by the proposed Buyback amount (assuming full acceptance) without factoring in any impact on the profit & loss account and Creation of Capital Redemption Reserve as required as per provisions of the Companies Act, 2013.
- d. Book value per Equity Share is calculated as Networth / Weighted Number of Equity Shares subscribed outstanding at year end March 31, 2022.
Assuming full acceptance of Equity Shares in the Buyback offer in the ratio of Buyback.

9. BASIS OF CALCULATING THE BUYBACK PRICE

The Equity Shares of the Company are proposed to be bought back at a price of Rs. 255.75/- (Rupees Two Hundred Fifty-Five and Seventy-Five Paise Only) per Equity Share (“Buyback Offer Price”).

The Offer Price represents the face value of Rs. 10 (Rupees Ten Only) per Share and a premium of Rs. 245.75 (Rupees Two Hundred Forty-Five and Seventy-Five Paise Only) per share.

The Offer Price has been arrived at based on the valuation report dated September 10, 2022 issued by M/s. Gandhi Paleja And Associates, Chartered Accountants (Firm Registration No. 112041W) and after considering various factors including, but not limited to the net worth of the Company, EV/EBITDA ratio, business prospects, impact on other financial parameters and the possible impact of Buyback on the earnings per share.

10. SOURCES OF FUNDS FOR THE BUYBACK

The funds for the implementation of the proposed Buyback will be sourced out of the free reserves of the Company (including securities premium account) or such other source as may be permitted by the Companies Act. The funds used will not exceed 5.51% of the paid-up equity capital and free reserves of the Company as on March 31, 2022. The funds borrowed, if any, from Banks and Financial Institutions will not be used for the Buyback.

The Company will transfer from its free reserves a sum equal to the nominal value of the Equity Shares so bought back through the Buyback to the Capital Redemption Reserve Account and details of such transfer shall be disclosed in its subsequent audited financial statement.

The Company confirms that as required under Section 68(2) of the Companies Act, the ratio of the total debt owed by the Company shall not be more than twice the equity share capital and free reserves after the Buyback.

11. DETAILS OF THE SPECIAL DEMAT ACCOUNT AND SPECIAL BANK ACCOUNT AND THE AMOUNT TO BE DEPOSITED THEREIN

- i. Only the shares in dematerialized form will be accepted for this Buyback. Accordingly, the Company has opened a Special Demat Account and the Company proposes to receive the shares offered by the Eligible Shareholders on proportionate basis as per this Buyback offer in this Special Demat Account as per the resolution passed in the Board meeting held on September 10, 2022.
- ii. In accordance with the provisions of the Act, the Company will immediately after the date of closure of the Offer, open a Special Bank Account to deposit such sum as would make the entire sum due and payable as consideration for the shares tendered for buyback in terms of the provisions of the Act & Rules.
- iii. The details of the Special Demat Account opened by the Company are provided in the ‘Form of Acceptance-cum-Acknowledgement’. Details of the Special Demat Account are to be mentioned in the Delivery Instruction Slip, which is required to be submitted to the respective Depository Participant of the shareholder at the time of tendering the shares for Buyback.

12. CAPITAL STRUCTURE AND SHAREHOLDING PATTERN

- i. The Share capital of the Company as at the date of the Letter of Offer is provided below:

Particulars	No. of Equity Shares	Amount (Rs.in Lakhs)
Authorized Share Capital – Equity	2,00,00,000	2000.00
Authorized Share Capital – Preference	4,000	8.00
Issued, Subscribed and Paid-up Equity Shares	1,80,86,040	1808.60
Issued, Subscribed and Paid-up Equity Shares (after buyback)#	1,68,20,017	1,682.00

#Assuming full acceptance of Equity shares in the Buyback.

ii. Details of Buyback of Equity Shares undertaken by the Company in the last three years is provided below:

NA

iii. As on the date of the Letter of Offer, the Company confirms that there are no partly paid-up shares or calls in arrears.

iv. As on the date of the Letter of Offer, the Company does not have any convertible securities.

v. There is no pending scheme of amalgamation or compromise or arrangement pursuant to any provisions of the Act.

vi. The shareholding pattern of the Company before the Buyback, i.e., as on the record date i.e., September 16, 2022 and after the Buyback, is as follows:

Particulars	Pre-Buyback		Post-Buyback [#]	
	Number of Shares	% of Shareholding	Number of Shares	% of Shareholding
Promoter and Promoter Group (collectively "the Promoters")	1,70,99,120	94.54%	1,59,06,626	94.57%
Foreign Investors (including Non-Resident Indians, Foreign Nationals, FIIs and Foreign Mutual funds)	-	-	-	-
Financial Institutions / Banks, Insurance Companies & Mutual Funds promoted by Banks / Institutions	1,00,270	0.56%	92,800	0.55%
Others (Public, Public Bodies Corporate etc.)	8,86,650	4.90%	8,20,591	4.88%
Total	1,80,86,040	100.00%	1,68,20,017	100.00%

#The Post-Buyback holding shall be as per the Buyback Entitlement, assuming full acceptance. However, the post-Buyback issued, subscribed and paid-up capital may differ depending upon the actual number of Equity Shares bought back.

vii. The aggregate shareholding of the Promoters and Promoter Group of the Company who are in control of the Company before and after the Buyback as on the record date.

Sr. No.	Name of the Promoters	No. of Equity Shares Pre-Buyback	Percentage of pre-Buyback Equity Share capital (%)	No. of Equity Shares post-Buyback [#]	Percentage of post-Buyback Equity Share capital (%)
1.	New India Exports Private Limited	1,60,05,820	88.50%	1,48,13,326	88.07%
2.	Smt. Aruna Kanoria	9,160	0.05%	9,160	0.05%
3.	Smt. Vineeta Kanoria	731,510	4.04%	731,510	4.35%
4.	Shri Anurag Kanoria	237,630	1.31%	237,630	1.41%
5.	Shri Paritosh Kanoria	115,000	0.64%	115,000	0.68%
	Total	1,70,99,120	94.54%	1,59,06,626	94.57%

The Post-Buyback holding shall be as per the Buyback Entitlement, assuming full acceptance. However, the post-Buyback percentage and shareholding may differ depending upon the actual number of Equity Shares bought back.

- viii. The aggregate shareholding of (a) the Promoter and Promoter Company; (b) Directors of the Promoter Companies; and (c) the Directors and Key Managerial Personnel of the Company as on date of the Board meeting at which Buyback was approved, i.e. September 10, 2022 and Record Date is as follows:

Sr. No.	Name	No. of Equity shares	% of Shareholding
a.	<u>Promoter and Promoter Company</u>		
1.	New India Exports Private Limited	1,60,05,820	88.50%
2.	Smt. Aruna Kanoria	9,160	0.05%
3.	Smt. Vineeta Kanoria	7,31,510	4.04%
4.	Shri Anurag Kanoria	2,37,630	1.31%
5.	Shri Paritosh Kanoria	1,15,000	0.64%
b.	<u>Directors of the Promoter Company</u>		
	NIL		
c.	<u>Directors and Key Managerial Personnel of the Company</u>		
1.	Shri Vinod K. Lohia	50	0.00%
2.	Shri Raj Kumar Jhunjhunwala	50	0.00%
	Total	1,70,99,220	94.54%

- ix. Aggregate Equity Shares purchased or sold by (i) Promoters/Promoter Companies; (ii) Directors of the Promoters/ Promoter Companies; and (iii) Directors and Key Managerial Personnel of the Company during a period of 12 (twelve) months preceding the date of the Letter of Offer: **NONE**

13. BRIEF INFORMATION OF THE COMPANY

Brief of the Company

The Company is a public limited company incorporated in India on December 15, 1873 having CIN U17110MH1873PLC000015. The Company is not listed on any stock exchange. The registered office of the Company is located at 25-29, Dr Ambedkar Road, Byculla, Mumbai – 400 027, Maharashtra, India.

Overview of the Business of the Company

The Company is engaged in the business of manufacture of yarn, trading of home décor products. The Company also holds investments in quoted equity shares of various listed companies and mutual funds. Further, the Company has also given loan to various entities.

The details regarding the Board of Directors as on the date of Letter of Offer are as follows:

Sr. No.	Name	DIN	Designation	Date of Appointment
1	Anurag Kantikumar Kanoria	00200630	Whole Time Director	01.08.2011
2	Vinod Jiwanram Lohia	01509730	Whole Time Director & CFO & General Manager (Works)	01.08.2011
3	Vineeta Arvindkumar Kanoria	00775298	Whole Time Director	01.04.2015
4	Bimalkumar Kanodia	00819671	Independent Director	28.09.2018
5	Rajkumar Gulzarilal Jhunjhunwala	01527573	Independent Director	26.05.2014

List of Holding and Subsidiary Companies of the Company as on the date of this Letter of Offer:

Sr. No.	Name & Registered Address of the Company	CIN/GLN	Holding/ Subsidiary	% of shares held
1	New India Exports Private Limited 401/405, Jolly Bhavan No. 1, 10, New Marine Lines, Mumbai - 400 020	U51900MH1972PTC015770	Holding	88.50%
2	Kanoria Udyog Limited 25-29, Dr. Ambedkar Road, Byculla, Mumbai - 400027.	U18492MH1961PLC018492	Subsidiary	100%

The Buyback will not result in any benefit to any directors of the Company, promoters and members of the promoter group and persons in control of the Company except to the extent of their participation in the Buyback and the change in their shareholding as per the response received in the Buyback, as a result of the extinguishment of Equity Shares which will lead to a reduction in the equity share capital post Buyback.

14. FINANCIAL INFORMATION ABOUT THE COMPANY

- a. The salient features of the financial information of the Company as extracted from the **Standalone** audited financial statements of the Company for the financial year ended March 31, 2022, 2021, 2020 and 2019:

(Rs. in Lakhs)

Particulars	For the Year Ended March 31,			
	2022	2021	2020	2019
Revenue from Operations	3,092.83	1,933.00	2,611.66	2,813.63
Other Income	105.19	85.36	144.50	184.05
Total Revenue	3,198.02	2,018.36	2,756.16	2,997.68
Total Expenses (excluding finance cost, depreciation & amortization)	2,760.36	1,544.43	2,430.30	2,858.15
Finance Cost	10.86	10.51	45.85	24.22
Depreciation & amortization	104.53	129.80	119.42	127.93
Exceptional Item	-	-	-	-
Profit/(Loss) before Tax	322.27	333.62	160.59	(12.62)
Tax Expenses (including Deferred tax)	484.67	(790.83)	1,829.65	(171.55)
Net Profit/(Loss) for the period	(162.40)	1,124.45	(1,669.06)	158.93
Paidup Capital (A)	1,808.60	1,808.60	1,808.60	1,808.60
Other Equity (B)	56,921.81	47,396.57	34,439.76	43,000.29
Networth (A+B)	58,730.41	49,205.17	36,248.36	44,808.89
Total Debt	-	-	22.10	-

Financial Ratios on standalone basis are as under:

Key Ratios	For the Year ended March 31,			
	2022	2021	2020*	2019*
Basic Earnings per share	(0.90)	6.22	(9.23)	0.88
Diluted Earnings per share	(0.90)	6.22	(9.23)	0.88

Book value per equity share	324.73	272.06	200.42	247.75
Return on Net worth (%)	-0.28%	2.29%	-4.60%	0.35%
Debt/Net Worth	0	0	0.001	0

**Values have been considered after Sub-Division of Equity Shares of face value of Rs. 100 per share into ten equity shares of face value of Rs. 10 per share.*

- b. The salient features of the financial information of the Company as extracted from the **Consolidated** audited financial statements of the Company for the financial year ended March 31, 2022, 2021, 2020 and 2019:

(Rs. in Lakhs)

Particulars	For the Year Ended March 31,			
	2022	2021	2020	2019
Revenue from Operations	3,128.99	1,960.36	2,624.73	2,814.77
Other Income	107.33	87.56	146.10	184.05
Total Revenue	3,236.32	2,047.92	2,770.83	2,998.82
Total Expenses (excluding finance cost, depreciation & amortization)	2,762.23	1,545.03	2,430.76	2,858.58
Finance Cost	10.86	12.12	45.85	24.22
Depreciation & amortization	104.53	129.80	119.42	127.93
Exceptional Item	-	-	-	-
Profit/(Loss) before Tax	358.70	360.97	174.80	(11.91)
Tax Expenses (including Deferred tax)	487.31	(790.69)	1,829.65	(171.55)
Net Profit/(Loss) for the period	(128.61)	1,151.66	(1,654.85)	159.64
Paidup Capital (A)	1,808.60	1,808.60	1,808.60	1,808.60
Other Equity (B)	56,737.57	47,178.54	34,194.52	42,740.85
Networth (A+B)	58,546.17	48,987.14	36,003.12	44,549.45
Total Debt	-	-	22.10	-

Financial Ratios on consolidated basis are as under:

Key Ratios	For the Year ended March 31,			
	2022	2021	2020*	2019*
Basic Earnings per share	(0.71)	6.37	(9.15)	0.88
Diluted Earnings per share	(0.71)	6.37	(9.15)	0.88
Book value per equity share	323.71	270.86	199.07	246.32
Return on Net worth (%)	-0.22%	2.35%	-4.60%	0.36%
Debt/Net Worth	0	0	0.001	0

**Values have been considered after Sub-Division of Equity Shares of face value of Rs. 100 per share into ten equity shares of face value of Rs. 10 per share.*

The key ratios have been computed in the manner indicated below:

Basic Earnings per share	Net Profit attributable to Equity Shareholders / Weighted average number of Equity Shares outstanding during the year
Diluted Earnings per share	Net Profit attributable to equity shareholders / Weighted average number of Shares outstanding during the year (assuming issuance of all the shares kept in abeyance)

Book value per equity share	Networth / Weighted average number of Shares outstanding during the year
Return on Net worth (%)	Net Profit After Tax / Net Worth excluding revaluation reserves
Debt / Net Worth	Total Debt / Net Worth

15. DETAILS OF THE STATUTORY APPROVALS

1. Approval of the Board of Directors at their meeting held on September 10, 2022
2. The Buyback Offer is subject to approval, if any required, under the provisions of the Act, and / or such other applicable rules and regulations in force for the time being.
3. The Buyback of Shares from Non-Resident Shareholders will be subject to approvals, if any, of the appropriate authorities, including Reserve Bank of India (RBI), as may be required. The Company will have the right to make payment to the Eligible Shareholders in respect of whom no prior RBI approval is required and not accept Equity Shares from the Eligible Shareholders in respect of whom prior RBI approval is required in the event copies of such approvals are not submitted.
4. Non-Resident Shareholders permitted under general permission under the consolidated Foreign Direct Investment policy issued by the Government of India read with applicable regulations issued under FEMA, are not required to obtain approvals from RBI.
5. By agreeing to participate in the Buyback, the Non-Resident Shareholders give the Company the authority to make, sign, execute, deliver, acknowledge and perform all applications to file regulatory reporting, if required, including disclosure under FC-TRS in form SMF or any successor thereof, if necessary and undertake to provide assistance to the Company for such regulatory reporting, if required by the Company.
6. As of date, there is no other statutory or regulatory approval required to implement the Buyback Offer, other than that indicated above. If any statutory or regulatory approval becomes applicable subsequently, the Buyback will be subject to such statutory or regulatory approval(s).

16. PROCESS AND METHODOLOGY FOR THE BUYBACK

1. The Company proposes to buy back up to 12,66,023 (Twelve Lakh Sixty Six Thousand and Twenty Three) Equity Shares representing 7% of the total issued and paid-up equity share capital of the Company at a price of Rs. 255.75 (Rupees Two Hundred Fifty-Five and Seventy-Five Paise Only) per Equity Share for an aggregate consideration not exceeding Rs. 3,238 Lakhs (Rupees Three Thousand Two Hundred Thirty-Eight Lakhs Only), which is 5.51% of the total paid-up capital and free reserves as per the latest Audited Financial Statement of the Company for the year ended 31st March, 2022 (excluding transaction costs) available as on the date of Board Meeting approving the proposal of the Buyback, from the Eligible Shareholders on a proportionate basis, pursuant to Article 42A of the Articles of Association of the Company, applicable provisions of the Act, the relevant Rules framed thereunder to the extent applicable. The Buyback is subject to the receipt of approvals as may be required, including but not limited to ROC.
2. **THE COMPANY EXPRESSES NO OPINION AS TO WHETHER SHAREHOLDERS SHOULD PARTICIPATE IN THE BUYBACK AND ACCORDINGLY SHAREHOLDERS ARE ADVISED TO CONSULT THEIR OWN ADVISORS TO CONSIDER PARTICIPATION IN THE BUYBACK.**
3. **All the Eligible Shareholders, wishing to participate in the Buyback offer and holding Shares in physical form shall get their Shares dematerialized at their own cost before offering the Shares in Buyback before the closure of the offer.**

4. Each Shareholder shall submit the duly filled Delivery Instruction Slip (DIS) with off market instruction to his respective Depository Participant. In this DIS he shall indicate the number of shares tendered by him for the Buyback along with ISIN of the Company (INE067V01025). Simultaneously, the Shareholder shall submit (dispatch / deliver / email or post) the duly filled Form of Acceptance-cum-Acknowledgement to the Company and the Registrar to the Buyback as per the details as provided in this letter of offer.
5. The New India Exports Private Limited (Promoter Company) intend to participate in the Buyback. For further details, see para 8 "*Management Discussion and Analysis and The Likely Impact of Buyback on The Company*" on page no. 12.
6. The Company will not accept any Equity Shares offered for Buyback where there exists any encumbrance on the Shares or any restraint order of a Court for transfer / disposal/ sale or where loss of Share Certificates has been notified to the Company or where the title to the Equity Shares is under dispute or otherwise not clear or where any other restraint subsists.
7. **Record Date:**
 - i. As required under the Buyback Regulations, the Company has fixed September 16, 2022 as the Record Date for the purpose of determining the entitlement and the names of the Eligible Shareholders.
 - ii. The Eligible Shareholders participation in the Buyback will be voluntary. The Eligible Shareholders can choose to participate, in full or in part, and get cash in lieu of equity shares to be accepted under the Buyback or they may choose not to participate and enjoy a resultant increase in their percentage shareholding, post Buyback, without additional investment.
 - iii. The maximum tender under the Buyback by any shareholder cannot exceed the number of equity shares held by the shareholders as on the Record Date. In case, the eligible shareholders holds equity shares through multiple demat accounts, the tender through a demat account cannot exceed the number of equity shares held in that demat account.
 - iv. Participation in the Buyback by the shareholders may trigger capital gains taxation in India and their country of residence. The shareholders are advised to consult their own legal, financial and tax advisors prior to participating in the Buyback.
 - v. Detailed instructions for participation in the Buyback (tendering of Equity Shares in the Buyback) as well as the relevant time table is included in this Letter of Offer.
8. **Basis of Acceptance of Equity Shares:**
 - i. Shareholders' participation in Buyback will be voluntary. Eligible Shareholders holding Equity Shares can offer the Shares in Buyback only in dematerialized form and choose to participate and get cash in lieu of Shares to be accepted under the Buyback or they may choose not to participate. Eligible Shareholders holding Equity Shares of the Company may also participate for a part of their entitlement.
 - ii. Eligible Shareholders holding Equity Shares of the Company also have the option of tendering additional Shares (over and above their entitlement) which may be considered by the Company in case of a shortfall created due to non-participation of some other shareholders, if any.
 - iii. The maximum tender under the Buyback by any Eligible Shareholder cannot exceed the number of Equity Shares held by the Shareholder as on the Record Date.
 - iv. The Equity Shares tendered as per the entitlement by Eligible Shareholders holding Equity Shares of the Company as well as additional Shares tendered, if any, will be accepted as per the procedure laid down in the Act.
9. **Last date for tendering the shares and verification of offers:**
 - i. Since the Company is accepting only demat Equity Shares in this Buyback offer, it may be noted that the Eligible Shareholders accepting the Offer shall tender their Form of Acceptance-cum-Acknowledgement alongwith all the necessary enclosures to the Company through their Depository Participants on or before 27th October 2022 date i.e. the date of closure of Offer.

- ii. The Company shall complete verifications of the offers received within the prescribed timeline from the date of the closure of the Buy Back Offer or earlier and the shares lodged shall be deemed to be accepted unless a communication of rejection is made within 21 days from the date of closure of the Buyback Offer or on such earlier date on receiving written confirmations on the Buyback Offer from all the Equity Shareholders.
- iii. The Eligible Shareholders will have to ensure that they keep their respective demat account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to non-acceptance of Equity Shares under Buyback.

THE NON-RECEIPT OF THE LETTER OF OFFER BY, OR ACCIDENTAL OMISSION TO MAILED OR POST THE LETTER OF OFFER TO ANY PERSON WHO IS ELIGIBLE TO RECEIVE THE SAME TO PARTICIPATE IN THE BUYBACK, SHALL NOT INVALIDATE THE BUYBACK OFFER IN ANY WAY.

- iv. In case of non-receipt of the Letter of Offer:
 - a. **In case the Eligible Shareholder holds Equity Shares in dematerialized form:** If Eligible Shareholder(s) who have been sent the Letter of Offer through electronic means wish to obtain a physical copy of the Letter of Offer, they may send a request in writing to the Company or Registrar at the address or email ID mentioned on the cover page of the Letter of Offer stating name, address, number of Equity Shares held on Record Date, Client ID number, DP name / ID, beneficiary account number, and upon receipt of such request, a physical copy of the Letter of Offer shall be provided to such Eligible Shareholder. An Eligible Shareholder may participate in the Buyback by downloading the Form of Acceptance-cum- Acknowledgement from the website of the Company at www.newgreat.in, the Registrar to the Buyback at www.purvashare.com and the Manager to the Buyback at www.fedsec.in or by providing his / her / its application in writing on a plain paper, signed by all Eligible Shareholders (in case of joint holding), stating name and address of the Eligible Shareholder(s), number of Equity Shares held as on the Record Date, Client ID number, DP Name, DP ID, beneficiary account number and number of Equity Shares tendered for the Buyback.
 - b. **In case the Shareholder holds Equity Shares in physical form:**
Since the Company is accepting only Equity Shares in dematerialized form in this Buyback offer, it may be noted that the eligible Shareholders will first have to dematerialize the physical Shares.
 - c. The acceptance of the Buyback made by the Company is entirely at the discretion of the Eligible Shareholders of the Company. The Company does not accept any responsibility for the decision of any Eligible Shareholder to either participate or to not participate in the Buyback. The Company will not be responsible in any manner for any loss of Delivery Instruction Slips (DIS) and other documents during transit and the Eligible Shareholders are advised to adequately safeguard their interest in this regard.

10. Procedure to be followed for tendering the Shares by:

Eligible Shareholders holding Shares in dematerialized form:

- i. **In accordance with the provisions of Section 29(1A) of the Act, effective from 15th August 2019, transfers of securities of the Company shall not be processed unless the securities are held in the dematerialized form with a depository. Accordingly, the Company will not be able to accept Equity Shares tendered in physical form in the Buyback. Eligible Shareholders are advised to approach the concerned depository participant to have their Equity Shares dematerialized before tendering their Equity Shares in the Buyback.**

In case any shareholder who has submitted the Equity Shares held by them in the physical form for dematerialization should ensure that the process of getting the Equity Shares dematerialized is completed before such Eligible Shareholders tender their Equity Shares in the Buyback, so that they can participate in the Buyback.

- ii. Eligible Shareholders who desire to offer their Equity Shares under the Buyback would have to do so through their respective DP.

- iii. Eligible Shareholder would be required to submit Delivery Instruction Slip (DIS) to DP mentioning the details of the Special Demat Account and the details of Equity Shares they intend to tender under the Buyback.

For Equity Shares held by Eligible Shareholders, being Non-Resident Shareholders:

In addition to the above procedure, the Buyback of Shares from Non-Resident Shareholders will be subject to approvals, if any, of the appropriate authorities, including Reserve Bank of India (RBI), as may be required and any payments against the accepted shares in the Buyback shall be processed only after the necessary approvals have been received.

17. NOTE ON TAXATION

THE FOLLOWING SUMMARY OF THE TAX CONSIDERATIONS ARE BASED ON THE READING OF THE CURRENT PROVISIONS OF THE TAX LAWS OF INDIA AND THE REGULATIONS THEREUNDER, THE JUDICIAL AND THE ADMINISTRATIVE INTERPRETATIONS THEREOF, WHICH ARE SUBJECT TO CHANGE OR MODIFICATION BY SUBSEQUENT LEGISLATIVE, REGULATORY, ADMINISTRATIVE OR JUDICIAL DECISIONS. ANY SUCH CHANGES COULD HAVE DIFFERENT IMPLICATIONS ON THESE TAX CONSIDERATIONS.

IN VIEW OF THE COMPLEXITY AND THE SUBJECTIVITY INVOLVED IN THE TAX CONSEQUENCES, SHAREHOLDERS ARE REQUIRED TO CONSULT THEIR TAX ADVISORS FOR THE APPLICABLE TAX PROVISIONS INCLUDING THE TREATMENT THAT MAY BE GIVEN BY THEIR RESPECTIVE TAX OFFICERS IN THEIR CASE, AND THE APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE.

SHAREHOLDERS ARE ADVISED TO CONSULT THEIR TAX ADVISORS FOR THE APPLICABLE TAX PROVISIONS INCLUDING THE TREATMENT THAT MAY BE GIVEN BY THEIR RESPECTIVE ASSESSING OFFICERS IN THEIR CASE AND THE APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE. THE COMPANY DOES NOT ACCEPT ANY RESPONSIBILITY FOR THE ACCURACY OR OTHERWISE OF THIS TAX SUMMARY AND THERE CAN BE NO LIABILITY ON THE COMPANY IF ANY ACTION, INCLUDING A TAX POSITION IS TAKEN BY THE SHAREHOLDER SOLELY BASED ON THIS TAX SUMMARY. THEREFORE, SHAREHOLDERS CANNOT RELY ON THIS ADVICE AND THE SUMMARY TAX IMPLICATIONS RELATING TO THE TREATMENT OF INCOME TAX IN THE CASE OF BUYBACK OF EQUITY SHARES LISTED ON THE STOCK EXCHANGE SET OUT BELOW SHOULD BE TREATED AS INDICATIVE AND FOR GUIDANCE PURPOSES ONLY.

1. GENERAL

The Indian tax year runs from April 1 to March 31. The basis of charge of Indian income-tax depends upon the residential status of the taxpayer during a tax year. A person who is a tax resident of India is liable to taxation in India on his worldwide income, subject to certain prescribed tax exemptions provided under the Income Tax Act 1961 ('Income Tax Act' or 'ITA').

A person who is treated as a non-resident for Indian tax purposes is generally liable to tax in India only on his/her India sourced income or income received by such person in India. In case of shares of a company, the source of income from shares would depend on the 'situs' of the shares. As per judicial precedents, generally the "situs" of the shares is where company is "incorporated" and where its shares can be transferred. Accordingly, since the Company is incorporated in India, the shares of the Company would be "situated" in India and any gains arising to a non-resident on transfer of such shares should be taxable in India under the ITA subject to any specific exemption in this regard. Further, the non-resident can avail the beneficial tax treatment prescribed under the relevant Double Tax Avoidance Agreement ("DTAA") subject to satisfaction of the relevant conditions including non-applicability of General Anti-Avoidance Rule ("GAAR") and providing and maintaining necessary information and documents as prescribed under the ITA.

The summary of tax implications on buyback of equity shares in India is set out below. All references to equity shares in this note refer to equity shares not listed on the stock exchanges in India unless stated otherwise.

2. Classification of Shareholders

Section 6 of the ITA, determines the residential status of an assessee. Accordingly, shareholders can be classified broadly in two categories as below:

- A. Resident Shareholders being:
 - a. Individuals, Hindu Undivided Family (HUF), Association of Persons (AOP) and Body of Individuals (BOI), Firm, LLP.
 - b. Others (corporate bodies):
 - Company
 - Other than Company
- B. Deemed Resident Shareholder –an individual being a citizen of India who is not liable to tax in any other country or territory by reason of domicile, residence or any other criteria of similar nature and has total income other than foreign sourced income exceeding Rs 15 lakh during the tax year.
- C. Non-Resident Shareholders being:
 - a. Non-Resident Indians (NRIs)
 - b. Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)
 - c. Others:
 - Company
 - Other than Company

3. INCOME TAX PROVISIONS IN RESPECT OF BUYBACK OF UNLISTED EQUITY SHARES

Section 115QA of the IT Act provides for the levy of additional Income-tax at the rate of twenty per cent (as increased by surcharge and Health and Education cess, as applicable) of the distributed income on account of buyback of shares of all domestic Indian companies including listed companies i.e. companies whose shares are listed on a recognized stock exchange. "Distributed income" means the consideration paid by the Company on buyback of shares as reduced by the amount, which was received by the Company for issue of such shares, determined in the manner as may be prescribed. Thus, the tax implications to the following categories of shareholders are as under:

A. Resident Shareholders or Deemed Resident Shareholders

As an additional income-tax has been levied on the Company under Section 115QA of the ITA, the consequential income arising in the hands of shareholders has been exempted from tax under sub-section (34A) of section 10 of the ITA. Accordingly, any income arising in the hands of shareholder on account of buyback of shares shall be exempt from tax under sub-section (34A) of section 10 of the ITA. The said income will be exempted in the hands of the shareholder irrespective of the class/residential status of the shareholder and purpose for which shares are held (i.e. as "Investments" or "Stock in Trade").

B. Non-Resident Shareholders

While the income arising to the shareholder on account of buyback of shares as referred to in section 115QA of the ITA is exempt from tax under the provisions of the amended section 10(34A) in the hands of a Non-resident as well, the same may be subject to tax in the country of

residence for non-resident shareholders as per the provisions of the tax laws of that country subject to provisions of Double Taxation Avoidance Agreement, if any. The credit of tax may or may not be allowed to such Non- resident shareholder to be claimed in the country of residence in respect of the Buyback tax paid by the company in view of Sec 115QA (4) and (5) of the ITA. Non-resident shareholders need to consult their tax advisors with regard to availability of such a tax credit.

4. Tax Deduction at Source

In view of the above and currently, there are no provisions for tax deduction at source in respect of income earned from transfer/ Buyback of shares in case of resident shareholders/ deemed resident / non-resident shareholders.

Given that income arising on account of the buy-back of shares is exempt from tax under Section 10(34A) of ITA, the same would not be subject to tax deduction at source for non-resident shareholders.

5. Caveat

The summary of the tax considerations as above is based on the current provisions of the tax laws of India, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. The above note on taxation sets out the provisions of law in a summary manner only and does not purport to be a complete analysis or listing of all potential tax consequences of the disposal of equity shares. This note is neither binding on any regulators nor can there be any assurance that they will not take a position contrary to the comments mentioned herein.

18. DECLARATION BY THE BOARD OF DIRECTORS

Declaration as required under the Buyback Regulations, as under:

The Board of Directors of the Company confirm that there are no defaults subsisting in repayment of deposits, redemption of debentures or interest thereon or redemption of Preference Shares or payment of dividend, or repayment of any term loans or interest payable thereon to any financial institution or banking company.

The Board has confirmed that it has made a full enquiry into the affairs and prospects of the Company and has formed an opinion:

- (a) that immediately following the date of the Board Approval, being September 10, 2022, there will be no grounds, on which the Company can be found unable to pay its debts;
- (b) that as regards the Company's prospects for the year immediately following the date of the Board Approval and the date of the Letter of Offer; having regards to the Board's intentions with respect to the management of the Company's business during that year and to the amount and character of the financial resources which will, in Board's view, be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from date of the Board meeting approving the Buyback and date of the Letter of Offer; and
- (c) In forming its opinion aforesaid, the Board has taken into account the liabilities as if the Company were being wound up under the provisions of the Companies Act, 2013 or the Insolvency and Bankruptcy Code, 2016 (including prospective and contingent liabilities).

This declaration is made and issued under the authority of the Board of Directors passed at the meeting of the Board held on September 10, 2022.

For and on behalf of the Board

Sd/-
SHRI VINOD JIWANRAM LOHIA
Whole Time Director &
CFO & General Manager
(Works)
DIN: 01509730

Sd/-
DR. ANURAG KANORIA

Whole Time Director
DIN: 00200630

19. AUDITORS CERTIFICATE

The text of the Report dated 08.09.2022 received from M/s. BANSI S. MEHTA & CO, Chartered Accountants, (FRN: 100991W) the Statutory Auditors of the Company, addressed to the Board of Directors of the Company is reproduced below:

QUOTE

The Board of Directors
The New Great Eastern Spinning and Weaving Company Limited
29/27, Dr. Ambedkar Road,
Byculla,
Mumbai-400010,
Maharashtra, India.

Independent Auditor's Certificate on requirements for buy-back of Equity Shares

Dear Sirs,

Re : Proposed Buy-back of equity shares of face value of ₹ 10 each ("Equity Shares") of The New Great Eastern Spinning and Weaving Company Limited ("Company" and such buy-back, the "buy-back")

1. We, **Bansi S. Mehta & Co.**, Chartered Accountants, being the Statutory Auditors of the Company, have received a letter of September 5, 2022 from the Company requesting us to issue a Certificate in terms of Clause (n) of Rule 17(1) of Companies (Share Capital and Debentures) Rules, 2014 read with Section 68(1) and Section 68(2) of the Companies Act, 2013 on the proposed buy-back of the Company's fully paid Equity Shares. We have been informed that the Board of Directors of the Company at their Meeting to be held on September 10, 2022 would take up the above matter of buy-back of Equity Shares.

2. Management's Responsibility

The Management of the Company is solely responsible for maintenance of books of account and other relevant records and preparation of the Statement of Affairs of the Company as at March 31, 2022;

This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Statement, and applying an appropriate basis of preparation and making estimates that are reasonable in the circumstances.

The Management is also responsible for ensuring that the Company complies with the requirements of Rule 17 of Companies (Shares and Debentures) Rules, 2014 read with Sections 68(1) and Section 68(2) of the Companies Act, 2013 with respect to proposed buy-back of the securities.

3. Auditor's Responsibility

Our responsibility to report on the Statement of Affairs of the Company based on our examination of the matters in the Statement with reference to the audited financial statements of the Company for the year ended March 31, 2022, and the books of account and other relevant records of the Company pursuant to the requirements of Clause (n) of Rule 17 of Companies (Share Capital and Debentures) Rules, 2014 read with Section 68(1) and Section 68(2) of the Companies Act, 2013

The statutory audit of the Company for the year ended March 31, 2022 has been carried out by us and we have issued an unqualified opinion dated July 25, 2022 on the Company's financial statements as at March 31, 2022 which were prepared in accordance with the requirements of the Companies Act, 2013.

We conducted our examination on the above said requirements for proposed buy-back of securities in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

We confirm that while providing this certificate, we have complied with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI"). We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, 'Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements,' issued by the ICAI.

4. Opinion

Based on our examination as above, and the information and explanations given to us, we state that:

- i. We have enquired into the state of affairs of the Company with reference to its audited financial statements as at March 31, 2022;
- ii. The amount of permissible capital payment (including securities premium) towards the proposed buy-back of Equity Shares, in our view, has been properly determined in accordance with the provisions of Section 68(1) of the Companies Act, 2013, as shown below:

Particulars	₹ in Lakhs
	As at March 31, 2022
Paid up Capital	1,808.60
Free Reserves(Total of Securities premium and debit balance of profit and loss account excluding Employee stock option provision)	56,921.81
Total (based on the Company's audited financial statements as at March 31, 2022)	58,730.41

Maximum amount permissible for the buy-back i.e. 25% of total paid-up capital and free reserves as follows:	
Paid up Capital	14,682.60
Free Reserves	
Total	14,682.60

- iii. The basis of calculation with reference to proposed buy-back is done on the basis of audited financial statements that are not older than six months from the date of the buy-back offer document.
- iv. Based on the information and explanations given to us and the represented by the Company, we state that the Board of Directors vide resolution dated September 8, 2022 have formed the opinion as specified in clause (m) of Rule 17 of Companies (Share Capital and Debentures) Rules, 2014 on reasonable grounds and that the Company having regard to its state of affairs, shall not be rendered insolvent within a period of one year from that date. We are not aware of anything to indicate that the opinion expressed by the directors in the declaration as to any of the matters mentioned in the declaration is unreasonable in all the circumstances.

Restrictions on Use

This report issued is addressed to and provided to the Board of Directors of the Company solely for the purposes of complying with the provisions of Rule 17 of Companies (Share Capital and Debentures) Rules, 2014 read with Section 68(1) and Section 68(2) of the Companies Act, 2013. This report should not be used, quoted, or referred to for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

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

PARESH H. CLERK
Partner
Membership No. 036148
UDIN: 22036148ARKWQG3424

PLACE : Mumbai
DATED : September 8, 2022

UNQUOTE

20. DOCUMENTS FOR INSPECTION

The copies of the following documents referred to hereunder are available for inspection by Eligible Shareholders of the Company at the corporate office at 401/405, Jolly Bhavan No.1,10 New Marine Lines, Mumbai - 400 020, Maharashtra, India between 11 a.m. and 1 p.m. on any Working Day (excluding Saturday) during the Tendering Period:

- a. Certificate of Incorporation;
- b. Memorandum and Articles of Association of the Company;
- c. Annual reports of the Company for the financial year ended March 31, 2022, March 31, 2021, March 31, 2020 and March 31, 2019;
- d. Certified true copy of the resolution passed by the Board of Directors in relation to the Buyback at their meeting held on September 10, 2022;
- e. Copy of the Auditor's Report dated September 8, 2022 received from M/s. BANSI S. MEHTA & CO, Chartered Accountants, (FRN: 100991W) in terms the Buyback Regulations;
- f. Copy of the Valuation Report dated September 10, 2022 received from M/s. Gandhi Paleja And Associates, Chartered Accountants (Firm Registration No. 112041W);
- g. Copy of Declaration of solvency and an affidavit as per Form SH-9 of the Share Capital Rule.

21. DETAILS OF THE OFFICER OF THE COMPANY

The details are provided below:

Mrs. Nisha Chopra and Mr. Krishna Kumar Kunwar

The New Great Eastern Spinning and Weaving Company Limited.

401/405, Jolly Bhavan No.1,10 New Marine Lines, Mumbai - 400 020, Maharashtra

Phone: +91 22 003231/4325,

E- mail: nge@newgreat.in

Eligible Shareholders may contact above person(s) for any clarification or to address their grievances, if any, during office hours, being 10:30 a.m. to 5:00 p.m. on any Day, except Saturday, Sunday and public holidays.

22. DETAILS OF THE REMEDIES AVAILABLE TO THE EQUITY SHAREHOLDERS

1. In case of any grievances relating to the Buyback (including non-receipt of the Buyback consideration, share certificate, demat credit, etc.), the Eligible Shareholders can approach either of the Company Officer, Manager to the Buyback, Registrar to the Buyback for redressal thereof.
2. In the event the Company makes any default in compliance with the provisions of the Companies Act, 2013 or rules made thereunder as may be applicable to the Buyback, the Company or any officer of the Company who is in default shall be liable in terms of the Companies Act.
3. The address of the concerned office of the Registrar of Companies is as follows:
The Registrar of Companies
Registrar Of Companies, 100, Everest,
Marine Drive, Mumbai- 400002.

23. DETAILS OF THE REGISTRAR & TRANSFER AGENT TO THE BUYBACK

The Company has appointed Purva Sharegistry (India) Private Limited as the Registrar to the Buyback their contact details are set forth below:

PURVA SHAREGISTRY (INDIA) PRIVATE LIMITED

Unit No. 9, Ground Floor, Shiv Shakti Industrial Estate,

J.R. Boricha Marg, Lower Parel (East), Mumbai 400 011

TEL No.: + 91-91-22-23010771 /022-49614132

Email id: support@purvashare.com

Website: www.purvashare.com

Contact Person: Ms. Deepali Dhuri

SEBI Registration No.: INR000001112;

In case of any query, the shareholders may contact the Registrar on any day except Saturday, Sunday and public holidays between 10.00 a.m. and 4.00 p.m.

24. MANAGER TO THE BUY-BACK



FEDEX SECURITIES PRIVATE LIMITED

(Formerly known as Fedex Securities Limited)

B 7, 3rd Floor, Jay Chambers, Dayaldas Road, Vile Parle (East),

Mumbai - 400 057, Maharashtra, India

Tel No.: +91 81049 85249 Fax No.: 022 2618 6966

E-mail: mb@fedsec.in Website: www.fedsec.in

SEBI Registration Number: INM000010163

Contact Person: Yash Kadakia

25. DECLARATION BY THE DIRECTORS REGARDING AUTHENTICITY OF THE INFORMATION IN THE LETTER OF OFFER

In terms of the Buyback Regulations, the Board accepts full and final responsibility for the information contained in this Letter of Offer and confirms that the information in such documents contain and will contain true, factual and material information and does not and will not contain any misleading information.

This Letter of Offer is issued under the authority of the Board in terms of the resolution passed by the Board on September 10, 2022.

For and on behalf of the Board

Sd/-

SHRI VINOD JIWANRAM LOHIA

Whole Time Director &

CFO & General Manager

(Works)

DIN: 01509730

Sd/-

DR. ANURAG KANORIA

Whole Time Director

DIN: 00200630

Date: September 24, 2022

Place: Mumbai

FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT
(FOR ELIGIBLE SHAREHOLDERS HOLDING EQUITY SHARES IN DEMATERIALIZED FORM)

Buyback Opening Date		Friday, September 30, 2022
Buyback Closing Date		Thursday, October 27, 2022
For the Registrar & Transfer Agent		
Inward No.	Date	Stamp
Status (please tick appropriate box)		
<input type="checkbox"/>	Individual	
<input type="checkbox"/>	Company	
<input type="checkbox"/>	Body Corporate	
<input type="checkbox"/>	Others	

Date: _____

To,
The Board of Directors,
THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED
401/405, Jolly Bhavan No.1, 10 New Marine Lines, Mumbai - 400 020, Maharashtra, India

Dear Sirs,

Sub: Letter of Offer dated September 24, 2022 in relation to the buyback of up to 12,66,023 (Twelve Lakh Sixty Six Thousand and Twenty Three) Equity Shares of New Great Eastern Spinning and Weaving Company Limited (Company) at a price of Rs. 255.75 (Rupees Two Hundred Fifty-Five and Seventy-Five Paise Only) per Equity Share (Buyback Offer Price) payable in cash (Buyback)

1. I / We, (having read and understood the Letter of Offer dated September 24, 2022) hereby tender my / our Equity Shares in response to the Buyback in accordance with the terms and conditions set out below and in the Letter of Offer.
2. I / We authorize the Company to buy back the Equity Shares offered (as mentioned below) and to issue instruction(s) to the Registrar to the Buyback to extinguish such Equity Shares.
3. I / We hereby affirm that the Equity Shares comprised in this tender are offered for the Buyback by me / us free from all liens, equitable interests, charges and encumbrances.
4. I / We declare that there are no restraints / injunctions or other order(s) of any nature which limits / restricts in any manner my / our right to tender / offer Equity Shares for the Buyback and that I / we am / are legally entitled to tender / offer for the Buyback.
5. I / We agree that the Company will pay the Buyback Offer Price only after due verification of the validity of the documents and that the consideration will be paid.
6. I / We agree that the excess demat Equity Shares or unaccepted demat Equity Shares tendered, if any, may be delivered to the respective demat account of the eligible shareholder.
7. I / We undertake to return to the Company any consideration in respect of the Buyback that may be wrongfully received by me / us.
8. I / We undertake to execute any further documents and give any further assurances that may be required or expedient to give effect to my / our tender / offer and agree to abide by any decision that may be taken by the Company to effect the Buyback in accordance with the Act.

9. Details of Equity Shares held and tendered / offered in the Buyback:

Particulars	In Figures	In Words
Number of Equity Shares held as on Record Date (September 16, 2022)		
Number of Equity Shares entitled for Buyback (Buyback Entitlement)		
Number of Equity Shares offered for Buyback (Including Additional Shares)		

Note: Eligible Shareholders also have the option of tendering Additional Equity Shares (over and above their Buyback Entitlement) and participate in the shortfall created due to non-participation of some other Eligible Shareholders, if any. The Acceptance of any Equity Shares tendered in excess of the Buyback Entitlement by the Eligible Shareholder shall be in terms of Paragraph 16 (Point 8) of the Letter of Offer. Equity Shares tendered by any Eligible Shareholder over and above the number of Equity Shares held by such Eligible Shareholder as on the Record Date shall not be considered for the purpose of Acceptance.

Acknowledgement Slip for THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED – Buyback
(to be filled by the Eligible Shareholder) (subject to verification)

DP ID		Client ID	
Received from Mr. / Ms. / M/s.			
No. of Equity Shares offered for Buyback (in figures)		(in words)	
Please quote Client ID and DP ID for all future correspondence		Stamp of Duty	

10. Details of Account with Depository Participant (DP):

Name of the Depository (tick whichever is applicable)		NSDL		CDSL
Name of the Depository Participant				
DP ID No.				
Client ID No. with the DP				

11. Eligible Shareholders Details:

Particulars	First / Sole Holder	Joint Shareholder 1	Joint Shareholder 2	Joint Shareholder 3
Full Name(s) of the Eligible Shareholder				
Signature(s)*				
PAN				
Address of the First / Sole Eligible Shareholder				
Telephone No. / Email ID				

* Corporate must affix rubber stamp and sign under valid authority. The relevant corporate authorisation should be enclosed with the application form submitted.

INSTRUCTIONS:

1. The Buyback will open on Friday, September 30, 2022 and close on Thursday, October 27, 2022.
2. This Form of Acceptance-cum-Acknowledgement has to be read along with the Letter of Offer and is subject to the terms and conditions mentioned in the Letter of Offer.
3. Eligible Shareholders who desire to tender their Equity Shares in the dematerialized form under the Buyback would have to do so through their respective DP by indicating the details of Equity Shares they intend to tender under the Buyback. In order to participate, the shareholder needs to fill in the Delivery Instruction slip in favour the special Demat account opened with R R S SHARES & STOCK BROKERS PRIVATE LIMITED, as under:

DP ID-	12029000
Client ID-	00051529
Name of the Account	THE NEW GREAT EASTERN SPINNING & WEAVING COMPANY LTD- BUYBACK-PURVA SHAREGISTRY(INDIA) PVT.LTD.

4. The Equity Shares tendered in the Buyback shall be rejected if (i) the Equity Shareholder is not an Eligible Shareholder of the Company as on the Record Date; (ii) if there is a name mismatch in the demat account of the Eligible Shareholder, (iii) in case of receipt of the completed Form of Acceptance-cum-Acknowledgement and other documents but non-receipt of Equity Shares in the special demat account,
5. The Eligible Shareholders will have to ensure that they keep the DP account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to the Buyback being on a proportionate basis in terms of the Buyback Entitlement.
6. In case of non-receipt of the Letter of Offer, Eligible Shareholders holding Equity Shares may participate in the Buyback by providing their application in plain paper in writing signed by all Eligible Shareholders (in case of joint holding), stating name and address of the Eligible Shareholder(s), number of Equity Shares held as on the Record Date, Client ID number, DP Name, DP ID, beneficiary account number and number of Equity Shares tendered for the Buyback.
7. Eligible Shareholders to whom the Buyback is made are free to tender Equity Shares to the extent of their Buyback Entitlement in whole or in part or in excess of their Buyback Entitlement.
8. All documents sent by Eligible Shareholders will be at their own risk. Eligible Shareholders are advised to safeguard adequately their interests in this regard.
9. By agreeing to participate in the Buyback the Non-Resident Shareholders give the Company the authority to make, sign, execute, deliver, acknowledge and perform all applications to file regulatory reporting, if required, including disclosure under FC-TRS in Form SMF or any Successor thereof, if necessary and undertake to provide assistance to the Company for such regulatory reporting, if required by the Company.

For details, please also read and follow the procedures set out in the Paragraph 16 of the Letter of Offer.

All capitalised items shall have the meaning ascribed to them in the Letter of Offer

Tear along this line _____

ALL FUTURE CORRESPONDENCE IN CONNECTION WITH THIS BUYBACK SHOULD BE ADDRESSED TO THE REGISTRAR AT THE FOLLOWING ADDRESS QUOTING YOUR DP ID & CLIENT ID:

PURVA SHAREGISTRY (INDIA) PRIVATE LIMITED

Unit No. 9, Ground Floor, Shiv Shakti Industrial Estate, J.R. Boricha Marg, Lower Parel (East),

Mumbai, Maharashtra 400 011,

Email: support@purvashare.com