

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 (as defined hereinafter) in accordance with the Companies (Share Capital and Debentures) Rules, 2014, (“Buyback Rules”) 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., Marwadi Chandarana Intermediaries Brokers Private 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.

<p>THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY LIMITED CIN: U151100MH1873PLC000015 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: Mr. Krishna Kumar Kunwar, Chief Financial Officer</p>	
<p>OFFER FOR BUYBACK UP TO 4,40,965 (FOUR LAKHS FORTY THOUSAND NINE HUNDRED AND SIXTY-FIVE) FULLY PAID-UP EQUITY SHARES OF THE COMPANY OF FACE VALUE OF RS. 10/- (RUPEES TEN ONLY) EACH, REPRESENTING 2.70% OF THE ISSUED, SUBSCRIBED AND PAID-UP EQUITY SHARES OF THE COMPANY, FROM ALL THE ELIGIBLE SHAREHOLDERS AS ON FRIDAY, MARCH 28, 2025 (“THE RECORD DATE”) ON A PROPORTIONATE BASIS, AT A PRICE OF RS. 413.96/- (RUPEES FOUR HUNDRED THIRTEEN AND NINETY-SIX PAISE ONLY) PER FULLY PAID-UP EQUITY SHARE, FOR AN AGGREGATE MAXIMUM AMOUNT NOT EXCEEDING RS. 1,826 LAKHS/- (RUPEES ONE THOUSAND AND EIGHT TWENTY-SIX LAKHS ONLY) PAYABLE IN CASH, EXCLUDING TRANSACTION COST (“BUY-BACK”). THE BUY-BACK SIZE REPRESENTS 4.61% OF THE AGGREGATE OF THE FULLY PAID-UP EQUITY SHARE CAPITAL AND FREE RESERVES (INCLUDING SECURITIES PREMIUM ACCOUNT) AS PER THE LATEST UNAUDITED LIMITED REVIEWED FINANCIAL STATEMENTS OF THE COMPANY FOR THE NINE MONTHS PERIOD ENDED DECEMBER 31, 2024 RESPECTIVELY.</p>	
<p>1. 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.</p> <p>2. The Buyback Offer Size is RS. 1,826 Lakhs/- (Rupees One Thousand and Eight Twenty-Six Lakhs Only), which represents 4.61% of the aggregate of the Company’s paid-up capital and free reserves (including securities premium) as per the unaudited limited reviewed financial statements of the Company as on 31st December, 2024 (the latest unaudited limited reviewed 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.</p> <p>3. The Letter of Offer will be sent to all Eligible Shareholders (Equity Shareholders as on the Record Date, being March 28, 2025 in accordance with Buyback Rules.</p> <p>4. 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 Registrar (as mentioned in this letter of offer) so as to reach the Corporate Office of the Company on or before 28th April 2025 before the close of business hours. Note that dispatch / delivery of the same shall be at the risk and cost of the respective Shareholder.</p> <p>5. 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.ib.marwadichandaranagroup.com</p> <p>6. 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 him in the physical form for dematerialization should ensure that the process of getting the Equity Shares dematerialized is completed before such Eligible Shareholders tenders his Equity Shares in the Buyback, so that he can participate in the Buyback.</p> <p>7. Eligible Shareholders are advised to refer to “Details of Statutory Approvals” and “Note on Taxation” on pages 20 and 23, respectively, before tendering their Equity Shares in the Buyback.</p>	
MANAGER TO THE BUYBACK	REGISTRAR TO THE BUYBACK
 <p>MARWADI CHANDARANA INTERMEDIARIES BROKERS PRIVATE LIMITED X-change Plaza, Office no. 1201 to 1205, 12th Floor, Building No. 53E, Zone-5, Road 5E, Gift City, Gandhinagar - 382355, Gujarat, India. Tel No.: 022-69120027 E-mail: mb@marwadichandarana.com Website: www.ib.marwadichandaranagroup.com Contact Person: Radhika Maheshwari / Jigar Desai SEBI Registration Number: INM000013165</p>	<p>PURVA SHAREGISTRY (INDIA) PRIVATE LIMITED 9 Shiv Shakti Industrial Estate, J.R Boricha Marg, Lower Parel (East), Mumbai 400 011 TEL No.: +91 – 022 49614132 / 31998810 Email id: support@purvashare.com Website: www.purvashare.com Contact Person: Ms. Deepali Dhuri SEBI Registration No.: INR000001112</p>
BUYBACK PROGRAMME	
BUYBACK OPENS ON: April 1, 2025	BUYBACK CLOSES ON: April 28, 2025
LAST DATE AND TIME OF RECEIPT OF COMPLETED TENDER FORMS AND OTHER SPECIFIED DOCUMENTS BY THE REGISTRAR: WEDNESDAY, APRIL 28, 2025 by 5.00 PM IST	

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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	Monday, March 24, 2025
2.	Record Date for determining the Buyback Entitlement and the names of Eligible Shareholders	Friday, March 28, 2025
3.	Dispatch of letter of offer to the shareholders	Monday, March 31, 2025
4.	Date of opening of the Buyback Offer	Tuesday, April 1, 2025
5.	Date of closing of the Buyback Offer	Monday, April 28, 2025
6.	Finalisation of basis of allocation/ verification of offers received	Friday, May 2, 2025
7.	Last date of intimation regarding acceptance / non- acceptance of tendered Equity Shares by the Registrar	Tuesday, May 6, 2025
8.	Last date of payment to Eligible Shareholders/ return of unaccepted shares to Eligible Shareholders	Wednesday, May 7, 2025
9.	Last date of extinguishment of Equity Shares bought back	Friday, May 9, 2025

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 / 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).
Board Meeting	Meeting of the Board of Directors held on March 24, 2025 approving the proposal of Buyback.
Buyback Closing Date	Monday; April 28, 2025
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. 413.96/- (Rupees Four Hundred Thirteen and Ninety-Six 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 4,40,965 (Four Lakhs Forty Thousand Nine Hundred and Sixty-Five) fully paid-up Equity Shares multiplied by the Buyback Offer Price i.e., Rs. 413.96/- (Rupees Four Hundred Thirteen and Ninety-Six Paise only) per Equity Share aggregating to Rs. 1,826 Lakhs/- (Rupees One Thousand And Eight Twenty-Six 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 Opening Date	Tuesday; April 1, 2025
Buyback or Buyback Offer or Offer	Cash Offer by The New Great Eastern Spinning and Weaving Company Limited to Buyback up to 4,40,965 (Four Lakhs Forty Thousand Nine Hundred and Sixty-Five) fully paid up equity shares of face value Rs. 10/- (Rupees Ten Only) each at a price of Rs. 413.96/- (Rupees Four Hundred Thirteen and Ninety-Six Paise only) per Equity Share from all the Eligible Shareholders on a proportionate basis.
Buyback Rules	Companies (Share Capital and Debentures) Rules, 2014 as amended
CDSL	Central Depository Services (India) Limited

Term	Description
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 March 28, 2025, 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 March 28, 2025 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	Marwadi Chandarana Intermediaries Brokers 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 Rules. The Record Date for the Buyback is March 28, 2025.
Registrar to the Buyback or Registrar	Purva Shareregistry (India) Private Limited
Special Bank Account	A separate bank account will be opened immediately after the date of closure of the offer

Term	Description
Special Demat Account	The Special Demat Account titled “The New Great Eastern Spinning & Weaving Company Ltd-Buyback-Purva Shareregistry (India) Pvt. Ltd.” opened with R R S Shares & Stock Brokers Private Limited
STCG	Short-Term Capital Gains
Tender Form	The Acceptance–cum–Acknowledgement form to be filled in by the Shareholders to participate in the Buy-back
Tendering Period	Period of 28 Days from the Buyback Opening Date (April 1, 2025) till the Buyback Closing Date (April 28, 2025) (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, 2022, 2023 and 2024 and unaudited limited review financials for the period ended December 31, 2024.

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, Marwadi Chandarana Intermediaries Brokers Private 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 of 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 Rules. 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 March 24, 2025. 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, the Articles of Association of the Company, 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 4,40,965 fully paid up equity shares (**“Maximum Buy-Back Shares”**) (representing 2.70% of the total paid-up equity share capital of the Company as on 31st December, 2024) of the face value of Rs. 10/- (Rupee Ten Only) each (**“Equity Shares”** or **“Shares”**) at a price of Rs. 413.96 (Rupees Four Hundred Thirteen and Ninety-Six Paise Only) per Equity Share payable in cash (**“Buy-back Price”**) for a maximum aggregate consideration not exceeding Rs. 1,826 Lakhs/- (Rupees One Thousand And Eight Twenty-Six Lakhs Only) (**“Buy-back Size”**), representing 4.61% of the fully paid-up Equity Share capital and free reserves as per the latest Limited Review Financial Statement as on 31st December, 2024 alongwith Auditor’s Review 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 28th March, 2025 (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 statement of permissible capital limit for buy-back, 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 of the Directors of the Board of the Company, be and are hereby 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. 24th March, 2025, 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. 1,826 Lakhs does not exceed 10% of the Total Paid-Up Share Capital and Free Reserves of the Company as per the Limited Review Financial Statements as on 31st December, 2024, with Limited Review 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 4,40,965 Equity shares and does not exceed 2.70% of the Total Paid-Up Equity Share Capital as per the Limited Review Financial Statements as on 31st December, 2024 with Limited Review 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 Marwadi Chandarana Intermediaries Brokers Private Limited (SEBI Registration Number: INM000013165) 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 24th March 2025 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 21st March, 2025 issued by M/s. Harsh Kirtikumar Shah, Registered Valuer and Chartered Accountants (Registration No. IBBI/RV/06/2018/10211, RV Membership ICAI/RVO/06/RV-P00028/2018-19, FCA Membership Number 105844), 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 or physically 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 any of the directors of the Company, Chief Financial Officer and/or Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds, matters, and sign requisite documents and forms as it may in its absolute discretion deems necessary expedient, usual or as may be considered to be in the best interest of the shareholders including but not limited to:

- a) opening of a special bank account;
- b) opening operation and closure of all necessary accounts including bank accounts including special bank account for the purpose of payment and authorising persons to operate the said accounts;
- c) the appointment and finalisation of the bankers, solicitors, brokers, registrars, lawyers, and other advisors/consultants/intermediaries/agencies as may be required for the implementation of the buy-back;
- d) obtaining all necessary certificates and reports from statutory auditors and other third parties as required under applicable law, extinguishment of the physical shares in respect of the securities bought back by the Company and filing of certificate of extinguishment required to be filed in connection with the buy-back on behalf of the Company and/or the Board;
- e) finalizing the terms and timeline of the buy-back including not limited to the schedule of activities, entitlement ratio, opening date and closing date of the offer period and the timeframe for completing the buy-back;
- f) to do all such acts, matters and things incidental and in connection with the buy- back and sign, execute and deliver such documents as may be necessary or desirable and execution of documents under the stamp of the company as may be required; and

g) to sign and/or file forms and requisite documents with Registrar of Companies and any other statutory bodies.”

“RESOLVED FURTHER THAT the Company shall maintain a register of securities bought back wherein details of shares bought back, consideration paid for the shares bought back, date of cancellation of shares and date of extinguishing and physically destroying of share certificates and such other particulars as may be prescribed shall be entered in the register.”

“RESOLVED FURTHER THAT, for the purpose of giving effect to this resolution, any one of the Directors or the Chief Financial Officer of the Company 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 March 24, 2025. The details of the Buyback are provided below:

Maximum number of Equity Shares proposed to be bought back	Up to 4,40,965 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 December 31, 2024	The Shares to be bought back pursuant to the Buyback represents up to 2.70% of the total number of equity shares in the total paid up equity share capital of the Company as on December 31, 2024
Buyback Offer Price	Rs. 413.96/- (Rupees Four Hundred Thirteen and Ninety-Six 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 March 28, 2025.
Maximum amount to be expensed towards the Buyback and its percentage with respect to the net worth of the Company	The maximum amount required for Buyback will not exceed Rs. 1,826 Lakhs/- (Rupees One Thousand And Eight Twenty-Six Lakhs Only), which represents 4.61% of 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 unaudited limited reviewed financial statements of the Company as on December 31, 2024, (i.e., the last unaudited limited reviewed financial statements available as on the date of the Board Meeting recommending the proposal for approving the Buyback on March 24, 2025.)

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), the Promoters, directors of the Promoter Company, directors of the Company and KMP of the Company have informed the Company regarding their intention not to participate in the Buyback.
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 March 24, 2025 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:

- (a) Optimize returns to shareholders;
- (b) Enhance overall shareholders value and
- (c) 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 March 24, 2025, considered the accumulated free reserves as well as the cash liquidity reflected in the unaudited limited reviewed financial statement as on December 31, 2024 and considering these, the Board decided to allocate a sum of Rs. 1,826 Lakhs/- (Rupees One Thousand And Eight Twenty-Six 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. 413.96/- (Rupees Four Hundred Thirteen and Ninety-Six Paise Only) per Equity Share for an aggregate consideration of Rs. 1,826 Lakhs/- (Rupees One Thousand And Eight Twenty-Six 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, 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. 1,826 Lakhs/- (Rupees One Thousand And Eight Twenty-Six Lakhs Only). This shall impact the investment income earned by the Company, on account of reduced amount of surplus funds available.
- ii. 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 Buyback is expected to contribute to the overall enhancement of the shareholder value and result in an increase in the return on equity of the Company.
- iii. New India Exports Private Limited (Promoter Company), the Promoters, directors of the Promoter Company, directors of the Company and KMP have expressed their intention by way of letter dated March 21, 2025, not to participate in the Buyback.
- iv. 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.; March 24, 2025 and Record Date is as follows:

Sl. No.	Name	No. of Equity shares	% of Shareholding
a.	<u>Promoter and Promoter Company</u>		
	New India Exports Private Limited	1,48,02,982	90.61%
	Smt. Aruna Kanoria	9,160	0.06%
	Smt. Vineeta Kanoria	7,31,510	4.48%
	Shri Anurag Kanoria	2,37,630	1.45%
	Shri Paritosh Kanoria	1,15,000	0.70%
b.	<u>Directors of the Promoter Company</u>		
	NIL		
c.	<u>Directors and Key Managerial Personnel of the Company</u>		
1.	Shri Vinod Jiwanram Lohia	50	0.00%
	Total	1,58,96,332	97.30%

- v. 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.

- vi. The Buyback shall not result in a change in control or otherwise affect the existing management structure of the Company.
- vii. 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.
- viii. As per the provisions of the Buyback Rules 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.
- ix. 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.
- x. We believe that the Buyback is not expected to impact growth opportunities for the Company.
- xi. 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.
- xii. Salient financial parameters pursuant to the Buyback based on the unaudited limited reviewed financial statements as on December 31, 2024, of the Company are as under:

Particulars	Pre-Buyback	Post-Buyback
	Standalone	Standalone#
Book Value per Equity Share (in Rs.)	412.15	412.10
Basic EPS (In Rs.)	(1.36)	(1.40)
Networth (In Lakhs)	67,333.92	65,507.92
Return on Networth (in%)	-0.33%	-0.34%
Total debt/equity Ratio (total debt/net worth)	-	-

The Company does not have any debt as on December 31, 2024

- 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 unaudited limited reviewed financial statements as on December 31, 2024, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.*
- c. *Pre and post Buyback calculations are based on unaudited limited reviewed financial statements as on December 31, 2024. 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 / Number of Equity Shares subscribed outstanding at period end December 31, 2024.*
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. 413.96/- (Rupees Four Hundred Thirteen and Ninety-Six 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. 403.96 (Rupees Four Hundred Three and Ninety-Six Paise Only) per share.

The Offer Price has been arrived at based on the valuation report dated March 21, 2025 issued by M/s. M/s. Harsh Kirtikumar Shah, Registered Valuer and Chartered Accountants (Registration No. IBBI/RV/06/2018/10211, RV Membership ICAI/RVO/06/RV-P00028/2018-19, FCA Membership Number 105844) 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 4.61% of the paid-up equity capital and free reserves of the Company as on December 31, 2024. 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

- 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 March 24, 2025.
- 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.
- 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

- 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	1,63,37,247	1,633.72
Issued, Subscribed and Paid-up Equity Shares (after buyback)#	1,58,96,282	1,589.63

#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:
- a. In the FY 2022-23, the Company had introduced an offer to Buyback up to 12,66,023 (Twelve Lakhs Sixty Six Thousand and Twenty Three) of its equity shares at a fair market price of Rs. 255.75 per share. The buyback represented 7% of the total issued and paid-up equity shares of the Company. The shareholders holding 12,66,023 equity shares participated in the buyback offer and the transaction was completed on November 11, 2022. The Company paid a total consideration of Rs. 3,962.65 lakhs (including buyback tax of Rs. 724.80 lakhs) to the participating shareholders in the buyback process. The promoters of the Company did participated in the buyback.
- b. In the FY 2023-24, the Company had introduced an offer to Buyback up to 6,72,801 (Six Lakh Seventy Two Thousand and Eighty One) of its equity shares at a fair market price of Rs. 308.42 per share. The buyback represented 4% of the total issued and paid-up equity shares of the Company. The shareholders holding 4,82,770 equity shares participated in the buyback offer and the transaction was completed on March 8, 2024. The Company paid a total consideration of Rs. 1,824.58 lakhs (including buyback tax of Rs. 335.62 lakhs) to the participating shareholders in the buyback process. The promoters of the Company did not participated in the buyback.
- 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., March 28, 2025 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”)	1,58,96,282	97.30%	1,58,96,282	100.00%
Foreign Investors (including Non-Resident Indians, Foreign Nationals, FIIs and Foreign Mutual funds)	-	-	-	-
Financial Institutions / Banks, Insurance Companies & Mutual Funds promoted by Banks / Institutions	30,800	0.19%	-	-
Others (Public, Public Bodies Corporate etc.)	4,10,165	2.51%	-	-
Total	1,63,37,247	100.00%	1,58,96,282	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	1,48,02,982	90.61%	1,48,02,982	93.12%
2.	Smt. Aruna Kanoria	9,160	0.06%	9,160	0.06%
3.	Smt. Vineeta Kanoria	731,510	4.48%	731,510	4.60%
4.	Shri Anurag Kanoria	237,630	1.45%	237,630	1.49%
5.	Shri Paritosh Kanoria	115,000	0.70%	115,000	0.72%
6.	Total	1,58,96,282	97.30%	1,58,96,282	100.00%

[#] 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.; March 24, 2025 and Record Date is as follows:

Sr. No.	Name	No. of Equity shares	% of Shareholding
a.	<u>Promoter and Promoter Company</u>		
	New India Exports Private Limited	1,48,02,982	90.61%
	Smt. Aruna Kanoria	9,160	0.06%
	Smt. Vineeta Kanoria	731,510	4.48%
	Shri Anurag Kanoria	237,630	1.45%
	Shri Paritosh Kanoria	115,000	0.70%
b.	<u>Directors of the Promoter Company</u>		
	NIL		
c.	<u>Directors and Key Managerial Personnel of the Company</u>		
1.	Shri Vinod Jiwanram Lohia	50	0.00%
	Total	1,58,96,332	97.30%

- ix. Aggregate Equity Shares purchased or sold by entities mentioned in clause viii above during a period of 12 (Twelve) months preceding the date of the Board meeting at which the Buyback was approved:

- Aggregate of Equity Shares purchased or sold by the Promoter Company/Promoters: **23,030 equity shares purchased by New India Exports Private Limited**
- Aggregate of Equity Shares purchased or sold by Directors of the Promoter Company: **None**
- Aggregate of Equity Shares purchased or sold by Directors and Key Managerial Personnel of the Company: **None**

13. BRIEF INFORMATION OF THE COMPANY

Brief of the Company

The Company is a public limited company incorporated in India on December 15, 1973 having CIN U51100MH1873PLC000015. 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's primary business is manufacturing and trading/marketing activities. The Company owns substantial financial investments in the form of shares, mutual funds and other financial securities.

The 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 & General Manager (Works)	30.06.2023
3	Vineeta Arvindkumar Kanoria	00775298	Whole Time Director	01.04.2015
4	Bimalkumar Kanodia	00819671	Independent Director	28.09.2018

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	90.61%
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 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

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, 2024, 2023, 2022 and unaudited limited reviewed financial statement of the Company for the period ended December 31, 2024:

(Rs. in Lakhs)

Particulars	Nine months ended	For the Year Ended March 31,		
	1 st April 2024 to 31 th December 2024	2024	2023	2022
Revenue from Operations	1,549.08	2,477.68	2,456.33	3,092.83
Other Income	117.34	325.40	234.92	105.19
Total Revenue	1,666.42	2,803.08	2,691.25	3,198.02
Total Expenses (excluding finance cost, fees & commission and depreciation & amortization)	1,583.06	2,654.14	2,483.33	2,760.36
Finance Cost and Fees and Commission	5.11	14.15	20.60	10.86
Depreciation & amortization	78.06	107.25	94.01	104.53
Exceptional Item	-	(234.68)	-	-
Profit/(Loss) before Tax	0.19	(207.14)	93.31	322.27
Tax Expenses (including Deferred tax)	222.53	214.27	434.81	484.67
Net Profit/(Loss) for the period	(222.34)	(421.41)	(341.50)	(162.40)
Paidup Capital (A)	1,633.72	1,633.72	1,682.00	1,808.60
Other Equity (B)	65,700.20	58,539.89	54,720.06	56,921.81
Networth (A+B)	67,333.92	60,173.61	56,402.06	58,730.41
Total Debt	-	-	-	-

Financial Ratios on standalone basis are as under:

Key Ratios	Nine months ended	For the Year ended March 31,		
	1 st April 2024 to 31 th December 2024	2024	2023	2022
Basic Earnings per share	(1.36)	(2.51)	(1.96)	(0.90)
Diluted Earnings per share	(1.36)	(2.51)	(1.96)	(0.90)
Book value per equity share	412.15	368.32	335.33	324.73
Return on Net worth (%)	-0.33%	-0.70%	-0.61%	-0.28%
Debt/Net Worth	0	0	0	0

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 / Number of Shares outstanding at the end of the year/period
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 March 24, 2025
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 4,40,965 (Four Lakhs Forty Thousand Nine Hundred and Sixty Five) Equity Shares representing 2.70% of the total issued and paid-up equity share capital of the Company at a price of Rs. 413.96 (Rupees Four Hundred Thirteen and Ninety-Six Paise Only) per Equity Share for an aggregate consideration not exceeding Rs. 1,826 Lakhs/- (Rupees One Thousand And Eight Twenty-Six Lakhs Only), which is 4.61% of the total paid-up capital and free reserves as per the Unaudited limited reviewed Financial Statement of the Company for the period ended 31st December, 2024 (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 Promoters, directors of the Promoter Company, directors of the Company and KMP of the Company have informed the Company regarding their intention not 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. 13

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 Rules, the Company has fixed March 28, 2025 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 28th April, 2025 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.ib.marwadichandaranagroup.com 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 UNLISTED EQUITY SHARES 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. Certain non-resident individuals, being a citizen of India are deemed to be resident in India upon triggering of certain conditions. Deemed residents would be liable to pay tax in India only on their Indian sourced income or income from business or professional controlled 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.

A non-resident can avail the beneficial tax treatment prescribed under the relevant Double Tax Avoidance Agreement ("DTAA") as modified by the Multilateral Instrument ("MLI"), if the same is applicable to the relevant DTAA between India and the respective country of which the said non-resident shareholder is tax resident 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 as well as satisfying the relevant conditions under the respective DTAA including anti-abuse measures under the MLI, if applicable.

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 categories as mentioned 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

- a) With respect to buy-back transactions that occurred till 30 September 2024, tax on buy-back of shares was governed by the provisions of Section 115QA of ITA, wherein the Company making the buy-back was liable to pay tax on the distributed income and the income arising to the shareholders on such buyback was exempt from tax under section 10(34A) of the ITA.

Provisions w.e.f.1 October 2024

- b) Finance (No.2) Act, 2024 has made amendments in relation to buy-back of shares w.e.f. 1st October 2024, shifting the tax liability in the hands of the shareholders (whether resident or non-resident) and the Company is not required to pay tax on the distributed income.
- c) The sum paid by a domestic company for purchase of its own shares shall be treated as dividend in the hands of shareholders. No deduction is allowed against such dividend while computing the income from other sources.
- d) The cost of acquisition of the shares which has been bought back by the company shall be treated as capital loss in the hands of the shareholder and allowed to be carried forward and set off against capital gains as per the provisions of the ITA.

4. Tax Deduction at Source ('TDS')

The company is required to deduct tax at source at 10% under section 194 of the ITA in respect of the consideration payable to Resident shareholders on buy-back of the shares.

In respect of consideration payable to Non-resident shareholders, tax shall be withheld at the rate of 20% as per the ITA or as per the rate in the respective Tax Treaty, whichever is beneficial subject to availability of prescribed documents by such non-residents.

Provided as per the provisions of the Income Tax Act, Company is not required to deduct Tax at source on consideration payable to Individual Shareholder, if :-

- a. The amount of consideration for the buyback and dividend payable by the company in aggregate during the financial year does not exceed ₹5,000; or
- b. If the income is below the taxable limit and declaration in Form 15G (for individuals up to age of 60 years) or in Form 15H (for individuals above the age of 60 years) is received.

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. There can be no liability on the Company if any action is taken by the shareholder solely based on this tax summary.

In view of the specific nature of tax consequences, shareholders who are not tax residents of India are required to consult their tax advisors for the applicable tax and the appropriate course of action that they should take considering the provisions of the relevant Country or State Tax Law and provisions of DTAA where applicable.

18. DECLARATION BY THE BOARD OF DIRECTORS

Declaration as required under the Buyback Rules, 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 March 24, 2025, 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 March 24, 2025.

For and on behalf of the Board

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

Sd/-
DR. ANURAG KANORIA
Whole Time Director

DIN: 00200630

19. AUDITORS CERTIFICATE

The text of the Report dated 24.03.2025 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

To,

The Board of Directors

The New Great Eastern Spinning and Weaving Company Limited

29/27, Dr. Ambedkar Road, Byculla, Mumbai-400010, Maharashtra, India.

Statutory Auditor's Report on requirements for proposed 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 an email on March 7, 2025 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.
2. The management of the Company has prepared the accompanying "Annexure A - Statement of Permissible Capital Payment" as on December 31, 2024 ('the Statement') pursuant to the proposed buy-back of Equity Shares as approved by the Board of Directors of the Company at their meeting held on March 24, 2025, in accordance with the provisions of Sections 68, 69 and 70 of the Companies Act, 2013 ('the Act') and Rule 17 of the Companies (Share Capital and Debentures) Rules, 2014 (as amended). The Statement contains the computation of amount of permissible capital payment towards buy-back of Equity Shares in accordance with the requirements of Section 68(2)(b) of the Act and based on the unaudited special purpose interim standalone financial information for the period April 1, 2024 to December 31, 2024 which have been subjected to limited review by us. We have initialed the Statement for the identification purposes only.

Management's Responsibility for the Statement

3. The preparation of the Statement, in accordance with the requirements of Section 68(2)(b) of the Act and ensuring compliance with the Rule 17 of the Companies (Share Capital and Debentures) Rules, 2014 (as amended), is the responsibility of the management of the Company, including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of 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.
4. The Board of Directors is also responsible to make a full inquiry into the affairs and prospects of the Company and to form an opinion on reasonable grounds that the Company will be able to pay its debts from the date of Board meeting at which the proposal for buy-back was approved; and will not be rendered insolvent within a period of one year from the

date of the Board meeting at which the proposal for buy-back was approved by the Board of Directors of the Company, and in forming the opinion, it has taken into account the liabilities (including prospective and contingent liabilities) as if the Company were being wound up under the provisions of the Act. Further, a declaration is required to be signed by at least two directors of the Company in this respect in accordance with the requirements of the Section 68 (6) of the Act.

Auditor's Responsibility

5. Pursuant to the requirements of the Rule 17 of the Companies (Share Capital and Debentures) Rules, 2014 (as amended), it is our responsibility to provide reasonable assurance on whether:
 - a. We have inquired into the state of affairs of the Company in relation to the unaudited special purpose interim standalone financial information as at and for the nine months ended December 31, 2024;
 - b. The amount of permissible capital payment, as stated in the Statement, has been properly determined considering the unaudited special purpose interim standalone financial information as at and for the nine months ended December 31, 2024 in accordance with Section 68 of the Act;
 - c. The unaudited special purpose interim financial information, on the basis of which calculation with reference to buy-back is done, are not more than six months old from the date of offer document; and
 - d. The Board of Directors of the Company, in its meeting dated March 24, 2025, has formed the opinion as specified in Section 68 of the Act read with clause (m) of Rule 17 of the Companies (Share Capital and Debentures) Rules, 2014 (as amended), on reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the date of passing the board resolution dated March 24, 2025.
6. The unaudited special purpose interim standalone financial information, referred to in paragraph 5 above, have been reviewed by us, on which we have issued unmodified conclusion vide our review report dated March 12, 2025. Our review of these financial information was conducted in accordance with the Standard on Review Engagement (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India ('the ICAI'). This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial information is free of material misstatement. A review is limited primarily to inquiries of the company personnel and analytical procedures applied to the financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
7. We conducted our examination of the Statement in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes' ('Guidance Note'), issued by the ICAI. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
8. 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.
9. A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the matters mentioned in paragraph 5 above. The procedures selected depend on the auditor's judgment, including the

assessment of the risks associated with the matters mentioned in paragraph 5 above. We have performed the following procedures in relation to the matters mentioned in paragraph 5 above:

- a. Inquired into the state of affairs of the Company in relation to the unaudited special purpose financial information for the period April 1, 2024 to December 31, 2024;
- b. Examined authorisation for buy back from the Articles of Association of the Company;
- c. Agreed the balance of the Paid-up Share Capital, Statement of Profit and Loss, and Free Reserves as at December 31, 2024 as disclosed in the Statement with the unaudited special purpose interim standalone financial information;
- d. Examined that the ratio of secured and unsecured debt owed by the Company, if any, is not more than twice the capital and its free reserves after such buy-back;
- e. Examined that all the shares for buy-back are fully paid-up;
- f. Examined that the amount of capital payment for the buy-back as detailed in the Statement is within the permissible limit computed in accordance with Section 68(2)(b) of the Act;
- g. Inquired if the Board of Directors of the Company, in its meeting held on March 24, 2025 has formed the opinion as specified in clause (m) of Rule 17 of the Companies (Share Capital and Debentures) Rules, 2014 (as amended), on reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the aforesaid date of the board meeting;
- h. Examined minutes of the meetings of the Board of Directors;
- i. Examined the Directors' declarations for the purpose of buy-back and solvency of the Company;
- j. Verified the arithmetical accuracy of the Statement; and
- k. Obtained appropriate representations from the management of the Company.

Opinion

10. Based on inquiries conducted and our examination as above and the information, explanations and representations provided to us by the management, we report that:
 - a. We have inquired into the state of affairs of the Company in relation to its unaudited special purpose interim standalone financial information as at and for the nine months ended December 31, 2024 which have been approved by the Board of Directors of the Company on March 12, 2025;
 - b. The amount of the permissible capital payment towards the proposed buy-back of equity shares as computed in the accompanying Statement, in our view has been properly determined in accordance with the requirements of Section 68 of the Act based on the unaudited special purpose interim standalone financial information as at and for the nine months ended December 31, 2024;
 - c. The unaudited special purpose interim standalone financial information as at and for the nine months ended December 31, 2024, on the basis of which calculation with reference to buy-back is done, would not be more than six months old from the date of offer document; and

- d. The Board of Directors of the Company, in its meeting held on March 24, 2025 has formed opinion as specified in Section 68 of the Act read with clause (m) of Rule 17 of the Companies (Share Capital and Debentures) Rules, 2014 (as amended), on reasonable grounds and that the Company, having regard to its state of affairs, will not be rendered insolvent within a period of one year from date of passing the board resolution dated March 24, 2025.

Restriction on distribution or use

11. This Report has been issued solely to assist you in meeting your responsibilities in relation to your compliance with the provisions of Section 68 and other applicable provisions of the Act read with Rule 17 of the Companies (Share Capital and Debentures) Rules, 2014 (as amended), pursuant to the proposed buy-back of equity shares. Our obligations in respect of this report are entirely separate from, and our responsibility and liability is in no way changed by, any other role we may have had as auditors of the Company or otherwise. Nothing in this report, nor anything said or done in the course of or in connection with the services that are the subject of this report, will extend any duty of care we may have in our capacity as auditors of the Company.
12. This report is addressed to and provided to the Board of Directors of the Company solely for the purpose of enabling it to comply with the aforesaid requirements. Accordingly, this report may not be suitable for any other purpose, and therefore, should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose for which 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

MONARK B. PADMANI

Partner

Membership No.185781

UDIN: 25185781BMUMFA3689

PLACE : Mumbai

DATED: March 24, 2025

**Annexure A - Statement of permissible capital payment (including securities premium)
as at December 31, 2024**

Computation of amount of permissible capital payment towards buy-back of equity shares in accordance with Section 68 of Companies Act, 2013 and rule 17 of the Companies (Share Capital and Debentures) Rules, 2014 (as amended), based on latest Unaudited Special Purpose Interim Standalone Financial Information as at and for the nine months ended December 31, 2024, which is subjected to a limited review by the auditors of the Company.

	Particulars	Amount (₹ in lakhs)
A	Paid up capital	
(i)	Equity share capital	1,633.72
	Total paid up capital (A)	1,633.72
B	Free reserves*	
(i)	Retained earnings	38,011.21
(ii)	Securities premium	0.00
(iii)	General reserve	0.00
	Total free reserves (B)	38,011.21
	Total paid up capital and free reserves (including securities premium) [A+B]	39,644.93
C	Maximum amount permissible for buy-back under section 68(2)(b) of the Companies Act, 2013 (i.e. upto 10% of total paid up capital and free reserves)	3,964.49
D	Amount Proposed by Board Resolution dated March 24, 2025 approving the Buyback, based on the Unaudited Special Purpose Interim Standalone Financial Information as at and for Nine months ended December 31, 2024	1,826.00

Notes-

- A) The aforesaid balances have been extracted accurately from the Unaudited Special Purpose Interim Standalone Financial Information as at and for nine months ended December 31, 2024 and secretarial records of the Company.
- B) The aforesaid Statement has been prepared in connection with the proposed buy-back of upto 4,40,965 equity shares at a price of INR 413.96/- per share aggregating upto INR 1,826 Lakhs. The shares proposed for buy- back have been determined in accordance with the provisions of the Companies Act, 2013 including section 68.

*As per Section 2(43) of the Companies Act, 2013, “free reserves” means such reserves which, as per the latest audited balance sheet of a company, are available for distribution as dividend, provided that:

- (i) any amount representing unrealised gains, notional gains or revaluation of assets, whether shown as a reserve or otherwise, or
- (ii) any change in carrying amount of an asset or of a liability recognised in equity, including surplus in profit and loss account on measurement of the asset or the liability at fair value, shall not be treated as free reserves.

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 and Sunday) 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, 2024, March 31, 2023 and March 31, 2022;
- d. Unaudited Limited Review Report of the Company for the period ended December 31, 2024;
- e. Certified true copy of the resolution passed by the Board of Directors in relation to the Buyback at their meeting held on March 24, 2025;
- f. Copy of the Auditor's Report dated March 24, 2025 received from M/s. BANSI S. MEHTA & CO, Chartered Accountants, (FRN: 100991W) in terms the Buyback Rules;
- g. Copy of the Valuation Report dated March 21, 2025 received from M/s. Harsh Kirtikumar Shah, Registered Valuer and Chartered Accountants (Registration No. IBBI/RV/06/2018/10211, RV Membership ICAI/RVO/06/RV-P00028/2018-19, FCA Membership Number 105844);
- h. 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:

Mr. Krishna Kumar Kunwar, Chief Financial Officer

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 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

MARWADI CHANDARANA INTERMEDIARIES BROKERS PRIVATE LIMITED

X-change Plaza, Office no. 1201 to 1205, 12th Floor, Building No. 53E, Zone-5, Road 5E, Gift City, Gandhinagar - 382355, Gujarat, India

Tel No.: 022-69120027

E-mail: mb@marwadichandarana.com

Website: ib.marwadichandanagroup.com

SEBI Registration Number: INM000013165

Contact Person: Radhika Maheshwari / Jigar Desai

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

In terms of the Buyback Rules, 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 March 24, 2025.

For and on behalf of the Board

Sd/-

SHRI VINOD JIWANRAM LOHIA

**Whole Time Director & General Manager
(Works)**

DIN: 01509730

Sd/-

DR. ANURAG KANORIA

**Whole Time Director
DIN: 00200630**

Date: March 28, 2025

Place: Mumbai