

R B S C & C O.
CHARTERED ACCOUNTANTS
(Formerly S. S. Kothari & Co.)

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Independent Auditor's Report on the Audited Annual Financial Results of The Ganges Manufacturing Company Limited Pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of The Ganges Manufacturing Company Limited

Report on the audit of the Annual Financial Results

Opinion

We have audited the accompanying audited financial results ('the Statements') of **The Ganges Manufacturing Company Limited** for the quarter and year ended 31st March, 2023, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, these Financial Results:

- (i) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- (ii) give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net profit/loss and other comprehensive income and other financial information for the quarter and year ended 31st March, 2023.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our opinion on the annual financial results.



Management's and Board of Directors' Responsibilities for the Financial Statements

These annual financial results have been prepared on the basis of annual financial statement.

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these annual financial results that give a true and fair view of the financial position, financial performance (including total comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the annual financial results, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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



- Identify and assess the risks of material misstatement of the annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statement on whether the Company has adequate internal financial controls system with reference to financial statement in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

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

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



Other Matters

The Annual Financial Results include the results for the Quarter ended March 31, 2023 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For R.B.S.C. & CO.

(Formerly S.S. Kothari & Co.)

Chartered Accountants

Firm Regd. No. 302034E



Place : "Centre Point "

21, Old Court House Street,

Kolkata – 700 001

Date 30th day of May , 2023.

A handwritten signature in blue ink, appearing to read 'Ranjan Kumar Roy Chaudhury'.

(RANJAN KUMAR ROY CHAUDHURY)

Partner

MEMBERSHIP NO. 008816

UPIV No:- 23008816B G Y S P H 1166

THE GANGES MANUFACTURING COMPANY LIMITED
(CIN:L51909WB1916PLC002713)
33-A, JAWAHAR LAL NEHRU ROAD, KOLKATA - 700 071
Audited Financial Results for the Quarter and Year Ended 31st March,2023

Rs. In lakhs

Particulars	Quarter Ended			Year Ended	
	March 31, 2023	Dec 31, 2022	March 31, 2022	March 31, 2023	March 31, 2022
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1 Income					
(a) Revenue from operations	10,583.35	9,976.63	9,660.44	41,450.75	39,572.77
(b) Other Income	182.11	275.75	84.21	837.62	562.63
Total Revenue	10,765.46	10,252.38	9,744.65	42,288.37	40,135.40
2 Expenses					
(a) Cost of Materials Consumed	6,493.78	5,576.41	7,075.66	27,488.90	28,249.15
(b) Change in Inventories of Finished Goods, Work-In-Progress and Stock-in-Trade	358.90	534.19	(471.78)	(142.38)	(404.82)
(c) Employee Benefits Expenses	2,033.47	1,859.52	1,666.25	7,810.36	7,216.61
(d) Finance Costs	192.70	7.02	119.17	215.45	131.61
(e) Depreciation and Amortisation Expense	104.44	97.59	105.39	392.91	396.11
(f) Other Expenses	1,118.44	1,013.64	1,051.15	4,294.95	3,882.19
Total Expenses	10,301.73	9,088.37	9,545.84	40,060.19	39,470.85
3 Profit/(Loss) before Exceptional Items and tax (1-2)	463.73	1,164.01	198.81	2,228.18	664.55
4 Exceptional Items	0.00	0.00	0.00	0.00	0.00
5 Profit/(Loss) before Tax (3-4)	463.73	1,164.01	198.81	2,228.18	664.55
6 Tax Expenses					
(a) Current Tax	191.80	293.58	50.25	600.46	149.53
(b) Deferred Tax Expense/(Credit)	4.80	(1.45)	(61.85)	44.49	(31.45)
(c) Income Tax for earlier year	0.00	0.00	7.95	0.00	8.61
Total tax expenses	196.60	292.13	(3.65)	644.95	126.69
7 Profit/(Loss) for the period (5-6)	267.13	871.88	202.46	1,583.23	537.86
8 Other comprehensive income (Net of tax)					
(a) Items that will not be reclassified to profit or loss	0.00	0.00	0.00	0.00	0.00
(b) Items that will be reclassified to profit or loss	0.00	0.00	0.00	0.00	0.00
Total other comprehensive income (Net of tax)	0.00	0.00	0.00	0.00	0.00
9 Total comprehensive income for the period (7+8)	267.13	871.88	202.46	1,583.23	537.86
10 Paid up Equity Share Capital (Face value-Rs 10 each)	365.93	365.93	365.93	365.93	365.93
11 Earnings Per Share of Rs 10 each (EPS)					
(a) Basic	7.30	23.83	5.53	43.27	14.70
(b) Diluted	7.30	23.83	5.53	43.27	14.70



THE GANGES MANUFACTURING COMPANY LIMITED
AUDITED STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST MARCH 2023

Rupees in Lakhs

Particulars	As at 31st March 2023	As at 31st March 2022
ASSETS		
Non-Current Assets		
a) Property , Plant & Equipment	2,307.80	2,193.21
b) Capital Work-in-Progress	49.78	109.85
c) Intangible Assets	10.23	0.00
d) Intangible assets under development	2.13	14.28
e) Financial Assets		
i) Investments	0.06	0.06
ii) Other Financial Assets	812.36	687.55
f) Non- Current Tax Assets (Net)	7.57	57.14
g) Other Non- Current Assets	118.71	129.83
Total Non- Current Assets	3,308.64	3,191.92
Current Assets		
a) Inventories	8,909.55	4,412.93
b) Financial Assets		
i) Trade Receivables	1,101.36	946.55
ii) Cash and Cash Equivalents	50.60	48.89
iii) Other Bank Balances	0.00	60.69
iv) Loans	6,350.00	6,638.02
v) Other Financial Assets	18.24	20.75
c) Current Tax Assets (Net)	10.99	9.80
d) Other Current Assets	213.78	270.05
Total Current Assets	16,654.52	12,407.68
Total Assets	19,963.16	15,599.60
EQUITY AND LIABILITIES		
Equity		
a) Equity Share Capital	365.93	365.93
b) Other Equity	1,317.94	(265.29)
Total Equity	1,683.87	100.64
LIABILITIES		
Non-Current Liabilities		
a) Financial Liabilities		
i) Borrowings	156.72	69.60
ii) Other Financial Liabilities	101.33	107.64
b) Provisions	4,664.50	4,520.78
c) Deferred Tax Liabilities (Net)	93.43	48.94
d) Other Non - Current Liabilities	17.99	26.45
Total Non-Current Liabilities	5,033.97	4,773.41
Current Liabilities		
a) Financial Liabilities		
i) Borrowings	324.04	283.20
ii) Trade Payables		
- Total Outstanding Dues of MSME	99.50	102.87
- Total Outstanding Dues of Others	4,470.10	7,839.18
iii) Other Financial Liabilities	1,324.32	1,503.92
b) Other Current Liabilities	6,456.92	460.48
c) Provisions	570.44	535.90
Total Current Liabilities	13,245.32	10,725.55
Total Liabilities	18,279.29	15,498.96
Total Equity and Liabilities	19,963.16	15,599.60

Place : Kolkata

Date : 30th May 2023



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R K Poddar
Chairman & Jt. Managing Director
(DIN: 00240643)

THE GANGES MANUFACTURING COMPANY LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2023

Rupees in Lakhs

	For the year ended 31st March 2023	For the year ended 31st March 2022
<u>A. CASH FLOW FROM OPERATING ACTIVITIES</u>		
Net Profit/Loss Before Tax	2,228.18	664.55
<u>Adjustment for</u>		
- Depreciation and amortisation expenses	392.91	396.11
- Income from Deferred Government Grant	(11.55)	(15.92)
- (Profit)/Loss on Sale of property, plant and equipment (net)	(41.44)	11.67
Interest Income on Loan	(640.10)	(467.94)
- Finance Cost	212.79	128.90
- Provisions for Employee Benefits	178.26	(258.83)
	90.87	(206.01)
Operating profit before working capital changes	2,319.05	458.54
<u>Adjustment for</u>		
- (Increase)/decrease in inventories	(4,496.62)	1,401.14
- (Increase)/decrease in trade receivables	(154.81)	1,342.56
- (Increase)/decrease in other financial assets	(61.61)	(39.20)
- (Increase)/decrease in Other assets	115.77	(50.78)
- Increase/(decrease) in trade payables	(3,372.45)	1,571.41
- Increase/(decrease) in other financial liabilities	(185.91)	49.83
- Increase/(decrease) in other liabilities	5,999.53	(2,938.33)
	(2,156.10)	1,336.63
Cash generated from operations	162.95	1,795.17
Direct Taxes Paid	(600.46)	(158.14)
Net Cash from Operating Activities	(437.51)	1,637.03
<u>B. CASH FLOW FROM INVESTING ACTIVITIES</u>		
Purchase of property, plant and equipment (including changes in capital work-in-progress, capital advances/creditors)	(485.07)	(373.76)
Sale of property, plant and equipment	81.00	14.37
Loans Receivable	288.02	(1,309.38)
Interest Received on loans	640.10	467.94
	524.05	(1,200.83)
Net cash (used in) Investing Activities	524.05	(1,200.83)
<u>C. CASH FLOW FROM FINANCING ACTIVITIES</u>		
Proceeds from non-current borrowings (net)	87.12	69.60
(Repayment of)/proceeds from current borrowings (net)	27.96	(131.13)
(Repayment of)current maturities of Long Term Liabilities	12.88	(268.16)
Interest and other finance charges paid	(212.79)	(128.90)
	(84.83)	(458.59)
Net cash (used in)/from financing activities	(84.83)	(458.59)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	1.71	(22.39)
Cash and cash equivalents (opening balance)	48.89	71.28
Cash and cash equivalents (closing balance)	50.60	48.89

Notes:

1. Cash and cash equivalents included in the cash flow statement comprise the following balance sheet amounts :

Balances with banks		
- in current accounts	5.22	11.60
Cheques, Drafts on Hand	0.03	0.00
Cash on hand	45.35	37.29
Cash and cash equivalents (closing balance)	50.60	48.89

2. The above cash flow statement has been prepared under 'Indirect Method' as set out in Ind AS - 7, "Statement of Cash Flows".

Place : Kolkata

Date : 30th May 2023



R K

R K Poddar
Chairman & Jt. Managing Director
(DIN: 00240643)

Notes:

- 1 As the Company's business activity falls within a single significant primary business segment i.e. Jute Goods, no separate segment information is disclosed.
- 2 The above audited financial results after review of the Audit Committee were approved by the Board of Directors at their meeting held on 30th May 2023.
- 3 Figures for the three months ended 31st March, 2023 and 31st, March, 2022 are the balancing figures between audited figures in respect of full financial year and the published year to date figures upto the third quarter of the respective financial years.
- 4 Provision for Gratuity and Leave benefits on actuarial basis as required under Ind AS 19 has been made for the year ended 31.03.2023.
- 5 The previous period figures have been regrouped/re-classified to make them comparable to the current period presentation.

Place: Kolkata

Date : 30th May 2023



For & On behalf of the Board

A handwritten signature in black ink, appearing to be "R. K. Poddar".

R. K. Poddar
Chairman & Jt. Managing Director
(DIN: 00240643)