

107TH

ANNUAL REPORT

2023

**THE GANGES MANUFACTURING
COMPANY LIMITED**

THE GANGES MANUFACTURING COMPANY LIMITED

BOARD OF DIRECTORS

MR. RAVINDRA KUMAR PODDAR – *Chairman & Jt. Managing Director - DIN : 00240643*

MR. SANJAY KUMAR OSATWAL – *Jt. Managing Director and CFO - DIN : 00248585*

DR. DILIP DATTA - *Independent Director _ DIN : 00406151*

MR. PRADEEP KUMAR TRIPATHI – *Non- Executive Director - DIN : 06519781*

MRS. MADHU JAIN - *Independent Director - DIN : 07129506*

MR. PAWAN KUMAR AGARWAL- *Independent Director - DIN : 00228448*

COMPANY SECRETARY

MS. SWATI TRIVEDI

REGISTERED OFFICE

CHATTERJEE INTERNATIONAL CENTRE

33A, JAWAHAR LAL NEHRU ROAD

6TH FLOOR, FLAT NO. A-1

KOLKATA 700 071

PHONE : 4012 - 3123

E-MAIL : gmcltd@gmail.com

WEBSITE : www.gangesjute.co.in

CIN : L51909WB1916PLC002713

MILLS

P.O. BANSBERIA (Dist. Hooghly), W.B.

AUDITORS

R B S C & CO.

(Formerly S.S. Kothari & Co)

Chartered Accountants

BANKERS

PUNJAB NATIONAL BANK

REGISTRAR & TRANSFER AGENT

NICHE TECHNOLOGIES PRIVATE LIMITED

3A, AUKLAND PLACE, 7TH FLOOR,

ROOM NO. 7A & 7B

KOLKATA - 700 017

PHONE : 2280-6616/6617/6618

Email id : nichetechpl@nichetechpl.com

THE GANGES MANUFACTURING COMPANY LIMITED**(CIN: L51909WB1916PLC002713)****DIRECTORS' REPORT TO THE MEMBERS**

Your Directors have pleasure in presenting the 107th Annual Report of the Company along with the Audited Financial Statements for the financial year ended 31st March 2023.

1. FINANCIAL RESULTS

Particulars	(Rs. in Lakhs)	
	2022-23	2021-22
Revenue from operations	41,450.75	39,572.77
Operating profit after depreciation and amortization	1,390.56	90.25
Add: Other Income	837.62	574.30
Profit before Tax	2,228.18	664.55
Tax Expenses	644.95	(126.69)
Profit for the year	1,583.23	537.86
Other Comprehensive Income	0.00	0.00
Total Comprehensive Income for the year	1,583.23	537.86
Retained Earnings-Opening Balance	(410.04)	2,146.93
Add/(Less): Profit for the year	1,583.23	537.86
Unprovided liability of Gratuity based on Actuarial Valuation for earlier years	0.00	(2,971.81)
Unprovided liability of Leave Benefits based on Actuarial Valuation for earlier years	0.00	(123.02)
Retained earnings-closing balance	1,173.19	(410.04)

2. TRANSFER TO RESERVES

The Board of Directors of your Company has decided not to transfer any amount to the Reserves for the year under review.

3. PERFORMANCE HIGHLIGHT

During the year under review the Company's revenue from operations was Rs. 41,450.75 lakhs (previous year 39,572.77 lakhs). The Company has net profits of Rs. 2,228.18 lakhs before exceptional items and taxation as against net profits of Rs. 664.55 lakhs in the previous year. The finished goods production during the year under review was 38,981 tonnes as compared to 37,710 tonnes in the previous year.

4. DIVIDEND

The directors do not recommend any dividend for the financial year 2022-23.

5. MANAGEMENT DISCUSSION AND ANALYSIS**a) Industry Structure and Developments**

There was a good harvest of Raw Jute and the prices prevailed for the year at very beneficial levels.

Domestic markets were buoyant and there was an increase in production and capacity utilisation for the Jute Industry. Expectation of bulk buying for foodgrains by the Government of India shall continue.

Valued added sectors have suffered as a result of poor demand both domestically and in overseas market. Mills with traditional jute products have performed better in such scenario.

There was increase in wage cost due to increase in Dearness Allowance during the year under review.

b) Opportunities and Threats

Opportunities

- i) Full support extended by the Government of India for eco-friendly products and continuation of 100% reservation norms for using Jute Bags for foodgrain packaging.
- ii) Greater awareness among the people about the demerits of using plastic is leading to a higher demand for natural bio-degradable jute goods.
- iii) The diversified use of jute in floor coverings, jute geo-textiles, shopping bags and other industrial purposes is giving a boost in the demand for jute goods.

Threats

- i) Shortage of workers for the Jute Industry is a concern.
- ii) Raw Jute forms the major portion of the conversion costs and with inflation there has been sharp increases in cost of Raw Jute which needs to be absorbed by the Jute Industry. Fluctuations in prices of raw jute is a matter of concern.
- iii) Prosperity in the Jute Industry may lead to further wage increases and cost increases in future years.
- iv) Global economic crisis looming large may affect the overseas market for Jute Industry.

c) Segment-wise or Product-wise Performance

As the Company's business activities remain with a single primary business segment of Jute goods, the disclosure requirement of IND AS-108 is not applicable.

d) Outlook

Profits during the year have increased and we are now optimistic on the future outlook. We feel the worst is behind us.

e) Risks and Concerns

The major areas of risk and concern for the Jute Industry are:

- Long term interest of the farmers in jute cultivation is at risk due to the hard manual work involved which the younger generation are not keen to get involved in.
- New generation workers and supervisors are looking for more modern sectors than Jute. This is creating a vacuum for skilled Jute mill workers.
- Lack of modernisation of the Jute Industry and inadequate new technologies for the Jute Sector.
- In the unorganised sector, small units have been setting up in the last 2-3 years. They are operating with lower wages and costs. Further increase is expected in this sector which may lead to unequal competition.
- Limitations: Excessive Government interference and dependence of the Jute Industry on Government Sales.

f) Cautionary Statement

Statement made in this section of the report is based on the prevailing situation and future expectations are anticipated based on the prevailing market situation. Actual results may differ from those expressed or implied in the statements depending on the circumstances.

6. ENVIRONMENT AND SAFETY

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy requires the conduct of all operations in such manner to ensure safety of all concerned, compliance of statutory and industrial requirements for environment protection and conservation of natural resources to the extent possible.

7. SHARES

- a) Buyback of Securities: The Company has not bought back any of its securities during the year under review.

- b) Sweat Equity: The Company has not issued any Sweat Equity Shares during the year under review.
- c) Bonus Shares: No Bonus Shares were issued during the year under review.
- d) Employees Stock Option Plan: The Company has not provided any Stock Option Scheme to the employees.
- e) Shares with Differential Rights: No Equity Shares with differential rights were issued during the year under review.

8. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

During the year under review the Company was not required to transfer any amount to Investors Education and Protection fund under section 125(2) of the Companies Act, 2013.

9. CORPORATE GOVERNANCE

In terms of Regulation 34(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate report on corporate governance together with a certificate from Mr. Babu Lal Patni (FCS:2304. COP:1321), Practising Company Secretary, confirming compliance thereof is given in Annexure-A forming part of this report.

10. CODE OF CONDUCT

The Company has a Code of Conduct which is applicable to directors and management personnel of the Company. The Company believes in conducting business in accordance with the highest standards of business ethics and complying with applicable laws, rules and regulations.

The Code lays down the standard procedure of business conduct which is expected to be followed by the directors and management personnel in their business dealings and in particular on matters relating integrity in the workplace, in business practices and complying with applicable laws etc.

All the directors and management personnel have submitted declaration confirming compliance with the code.

11. RISK MANAGEMENT POLICY

Pursuant to section 134(3)(n) of the Companies Act, 2013, the Board of directors of the Company has adopted a Risk Management Policy of the Company. The Company manages, monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives. The Company has introduced several improvements to Integrated Enterprise Risk Management, Internal Controls Management and Assurance Frameworks and processes to drive a common integrated view of risks, optimal risk mitigation responses and efficient management of internal control and assurance activities. This integration is enabled by all three being fully aligned across group wide Risk Management, Internal Control and Internal Audit methodologies and processes.

12. VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. The Company has a Vigil Mechanism and Whistle Blower Policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. The reportable matters may be disclosed to the Ethics and Compliance Task Force which operates under the supervision of the Audit Committee. Employees may also report to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.

13. PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. All the Board of Directors and designated employees have confirmed compliance with the Code.

14. INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed. During the year, the company appointed M/s Mitra Kundu & Basu, Chartered Accountants, Kolkata as an Internal Auditor. The firm is authorized by the Audit Committee to assess the adequacy and compliance of internal control process, statutory requirements etc. The Audit Committee met regularly to review reports submitted by the Internal Auditor. The Audit Committee upon discussion with Internal Auditor set up applicable control measures for the Company.

15. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The Company has not entered into any contract or arrangement with related parties referred in the section (1) of section 188 of the Companies Act 2013 during the year under review.

16. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

During the year, the Company has granted loan to a Company within the limit specified under Section 186 of the Companies Act, 2013. The Company has neither made any Investments nor given any guarantees or provided any security during the year.

17. ANNUAL RETURN

The Annual Return shall be uploaded by the Company on Company's website at www.gangesjute.co.in after filing the same with the Registrar of Companies and thereafter the same can be viewed by the members and stakeholders on the Company's website.

18. BOARD EVALUATION

Pursuant to the provisions of section 134(3)(p), 178(2) of the Companies Act, 2013 read with Schedule IV regarding Code of Independent Directors, Rule 8(4) of the Companies (Accounts) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Committees.

The evaluation of all the directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board. The exercise was carried out through a structured evaluation process covering various aspects of the board functioning such as composition of the board & committees, experience & competencies, performance of specific duties & obligations, attendance of the meetings, governance issues etc. Separate exercise was carried out to evaluate the performance of individual directors who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgment, safeguarding of minority shareholders interest etc.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Non-Independent Directors were carried out by the Independent Directors.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

19. DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The required details are provided in Annexure 'B' annexed to this Report.

20. DISCLOSURE UNDER RULE 5(2) AND 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The required details are provided in Annexure 'C' annexed to this Report.

21. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Sanjay Kumar Osatwal (DIN No-00248585) retires by rotation at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment.

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At the Annual General Meeting held on 23rd September 2022, the members of the Company appointed Mr. Pawan Kumar Agarwal (DIN: 00228448) as an Independent Director for a term of 5(Five) consecutive years w.e.f. 12th November 2021 till 11th November 2026.

At the same meeting, the members of the Company reappointed Ms. Madhu Jain (DIN: 07129506) as an Independent Director for a second term of 5(Five) years w.e.f. 23rd September 2022 till 22nd September 2027.

The members of the Company also re-appointed Mr. Ravindra Kumar Poddar (DIN: 00240643) and Mr. Sanjay Kumar Osatwal (DIN: 00248585) as the Joint Managing Directors of the Company for a term of further 3 (Three) years commencing from 1st October 2022 till 30th September 2025.

The information about the directors seeking appointment/re-appointment as required by Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 on General Meetings, issued by The Institute of Company Secretaries of India, have been given in the Notice convening the ensuing Annual General Meeting.

The Company has received requisite declarations from all the Independent Directors under section 149(7) of the Companies Act, 2013 confirming that they meet the criteria of independence as provided in section 149 (6) of the Companies Act, 2013 read with Regulation 16(1)(b) and Regulation 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. All the independent directors have registered themselves on Independent Directors Databank.

As stipulated in para VII of Schedule IV regarding Code of Independent Directors under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, one separate meeting of independent directors was held during the year.

22. NUMBER OF MEETINGS OF THE BOARD

The Board of Directors met 5(Five) times during the year under review. More details are available in the report on corporate governance.

23. COMPOSITION OF AUDIT COMMITTEE AND OTHER COMMITTEES OF THE DIRECTORS

The Board of Directors have constituted the Audit Committee with three directors as members, all of whom are financially literate. Two-third of the members of the Audit Committee are independent directors. More details on the audit committee are given in the report on corporate governance. Details relating to other committees of the Board of Directors is given in the report on corporate governance.

24. DIRECTORS RESPONSIBILITY STATEMENT

In terms of section 134(5) & 134(3)(c) of the Companies Act 2013, with respect to Directors Responsibility Statement, it is hereby confirmed that:

- a) In the preparation of the annual accounts, the applicable accounting standards aligned with IND AS had been followed along with proper explanation relating to material departures;
- b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit/loss of the company for that period;
- c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The directors had prepared the annual accounts on a going concern basis;
- e) The directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

25. SIGNIFICANT AND MATERIAL ORDERS BY REGULATORS

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

26. MATERIAL CHANGES AND COMMITMENTS, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THIS REPORT

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and date of this report.

27. STATUTORY AUDITORS

At the 106th Annual General Meeting held on 23rd September 2022, the members of the Company appointed M/s. R B S C & Co., Chartered Accountants (Firm Registration No: 302034E), as the Statutory Auditors of the Company to hold office from the conclusion of the 106th Annual General Meeting until the conclusion of sixth consecutive Annual General Meeting to be held in the year 2027.

There has been no qualification, reservation or adverse remark in the Independent Auditors' Report for the financial year ended 31st March, 2023. The statutory auditors have not reported any incidence of fraud during the year under review in terms of Section 143(12) of the Companies Act, 2013 necessitating disclosure in the Board's Report.

28. COST AUDIT

In terms of section 148 of the Companies Act, 2013 read with rule 14 of the Companies (Audit and Auditors) Rules, 2014 on the recommendation of Audit Committee, the Board of Directors had appointed M/s D. Radhakrishnan & Co., Cost Accountants (Registration No.000018), being eligible and having sought reappointment, as cost auditor of the Company, for a remuneration of Rs 30,000/-, plus applicable taxes and reimbursement of out of pocket expenses incurred by them to conduct an audit of the cost accounting records maintained by the Company for the current financial year beginning from 1st April 2023 and ending on 31st March 2024 as required in terms of directive issued by cost audit branch, Ministry of Corporate Affairs, Government of India. M/s D. Radhakrishnan & Co., Cost Accountants, have furnished a declaration as required under section 141(3)(g) read with section 148(3) and 148(5) of the Companies Act, 2013.

As required under section 148 of the Companies Act, 2013 read with rule 14 of the Companies (Audit and Auditors) Rules, 2014 the remuneration payable to cost auditor is being placed at the ensuing Annual General Meeting for ratification by the members.

The Company has duly made and maintained such accounts and records as specified by the Central Government under sub section (1) of section 148 of the Companies Act, 2013.

29. CORPORATE SOCIAL RESPONSIBILITY

The annual report on CSR activities, in terms of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, is provided in Annexure "D" forming part of this report.

The Corporate Social Responsibility Policy of the Company as adopted by the Board of Directors is available on Company's websites www.gangesjute.co.in. The composition of CSR Committee is disclosed in the report on corporate governance forming part of this report.

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

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in Annexure 'E' attached to this report.

31. SECRETARIAL AUDIT

The Company has appointed Mr. Babu Lal Patni (FCS 2304, CP 1321), a Practicing Company Secretary, to conduct Secretarial Audit pursuant to section 204 of the Companies Act, 2013. Their report in form MR-3 is attached to this report as Annexure 'F'. As regards his observation made in the Secretarial Audit, we are to state that the necessary steps are being taken to comply with the requirements.

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Further, the Company has received the Secretarial Compliance Report for the year ended 31st March, 2023 issued by the secretarial auditor and the same was filed with Calcutta Stock Exchange on 26th May 2023.

32. SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANY

The Company has no Subsidiary, Associate or Joint Venture Company.

33. DEPOSITS

During the year under review, your Company did not accept any deposits within the meaning of section 73 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014.

34. SOCIAL OBLIGATION

Your Company has taken up and is constantly in touch with the various socio-economic projects for uplifting standards of living of the people in and around its estate where it operates.

35. LISTING ARRANGEMENTS

The Equity shares of the Company continues to be listed on the Calcutta Stock Exchange (CSE). The annual listing fees of CSE have been paid as and when bills received from the Exchange.

36. ACKNOWLEDGMENT

Your Directors place on record their sincere thanks to bankers, business associates, consultants and various Government Authorities for their continued support extended to your Company's activities during the year under review. Your Directors also acknowledge gratefully the shareholders for their support and confidence reposed in your Company.

Registered Office:

Chatterjee International Centre

33A, Jawaharlal Nehru Road

6th Floor, Flat No.-A-1

Kolkata- 700 071

Dated: 30th May 2023

By Order of the Board
Ravindra Kumar Poddar
Chairman & Jt. Managing Director
(DIN: 00240643)

ANNEXURE -A

REPORT ON CORPORATE GOVERNANCE

A Report on compliance with the Corporate Governance provisions as prescribed under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (“SEBI Listing Regulations”) for the financial year 2022-23 is given herein below:

1. Company’s philosophy on Code of Governance

The Ganges Manufacturing Company Limited (“the Company”) believes in cultivating the virtues of good corporate governance across the organisation to attain sustained growth through fair and ethical dealing. In pursuit to this objective, the Company is guided by a strong emphasis to uphold the integrity, transparency and accountability in all its affairs. The Company’s code of corporate governance is aimed to protect the long term interest of all its stakeholders.

2. Board of Directors

The composition of the Board of Directors is in conformity with the provisions of the Companies Act, 2013 (“Act”) and Rules made thereunder and SEBI Listing Regulations. The Board has an optimum combination of Executive/Non-Executive Directors, Woman Director and Independent Directors with diversified skills, professional knowledge and relevant experience in diverse fields.

Your Board of Directors closely monitor the performance of the Company and Management, approves the plans, reviews the strategy and strives to achieve organisational growth. Your Board also ensures statutory and ethical conduct and place high importance on the internal financial reporting. It shoulders the responsibility and holds itself accountable to the Shareholders as well as other stakeholders for the long-term well-being of the Company.

a) Composition and category of directors

Your Company’s Board comprised of 6 (Six) Directors, out of which 2 (Two) are Executive Directors and 4 (Four) are Non-Executive Directors. The Company has 3 (Three) Independent Directors (‘IDs’), including 1 (One) Woman Independent Director, which comprised half of the total strength of the Board.

None of the Directors on the Board is a member of more than 10 (Ten) committees or a Chairperson of more than 5 (Five) committees as stipulated in Regulation 26(1) of the SEBI Listing Regulations across all the Indian Public Companies in which he/she is a Director. The annual disclosure providing the committee position and other Directorship has been made by the Directors hereinafter.

b) During the financial year 2022-23, 5 (Five) Board meetings were held on 30th May 2022, 10th August 2022, 13th September 2022, 14th November 2022 and 27th January 2023.

The names and categories of the Directors on the Board, their attendance at Board Meetings, last Annual General Meeting held during the year, number of Directorships held by them in Indian Companies and Committee Chairmanship/Membership held by them in Indian Public Companies are given below. For reckoning the maximum number of Chairmanships/Memberships in committees, only 2 (Two) committees viz. ‘Audit Committee’ and ‘Stakeholders Relationship Committee’ of the Board have been considered.

Name of the Directors	Category of Directorship	Attendance Particulars		No. of other directorship(s) and other Board committee membership/chairmanship held		
		At Board Meeting(s)	At last AGM held on 23-09-2022	Other Directorship	Committee Membership	Committee Chairmanship(s)
Ravindra Kumar Poddar	Chairman & Jt. Managing Director	5	Yes	3	-	-

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Sanjay Kumar Osatwal	Jt. Managing Director & CFO	5	Yes	3	-	-
Dilip Datta	Non-Executive Independent Director	5	Yes	4	3	-
Pradeep Kumar Tripathi	Non-Executive Director	5	Yes	-	-	-
Madhu Jain	Non-Executive Independent Director	4	Yes	-	-	-
Pawan Kumar Agarwal	Non-Executive Independent Director	5	Yes	3	-	-

c) Names of the other listed entities where the person is a director and the category of directorship.

	Name of the Directors	Name of other listed entities where the person is a director	Category of Directorship
1	Dilip Datta	1. Riga Sugar Co. Ltd.(*)	Independent Director
		2. Nicco Corporation Ltd. (*)	Independent Director

(*) Companies under liquidation.

The other directors of the Company do not hold directorship in any other listed entity.

d) **Disclosure of relationships between directors inter-se**

No director is, inter se, related to any other director on the Board.

e) **Shareholding of the Non-Executive Directors**

None of the non-executive directors hold any shares in the company. The Company has not issued any convertible instruments.

f) **Web link where details of familiarisation programmes imparted to independent directors is disclosed**

The details of familiarisation programme imparted to independent directors are disclosed on the website of the Company at www.gangesjute.co.in.

g) **A chart or a matrix setting out the skills/expertise/competence of the Board of Directors.**

The list of core skills/expertise/competence identified by the Board of Directors as required in the context of its business and sector(s) for it to function effectively and those actually available with the Board are as under:

Sl. No.	Areas of core skill/ expertise/ competence	Available with the Board	Skill areas actually available with the Board	Names of directors who have such skills /expertise/ competence
1	Strategy and planning	Ability to think strategically; identify and critically assess strategic opportunities and threats; Develop effective strategies in the context of the Company's strategic objectives, relevant policies and priorities.	Yes	1. Mr. Ravindra Kumar Poddar 2. Mr. Sanjay Kumar Osatwal 3. Dr. Dilip Datta
2	Governance, Risk and Compliance	Experience in the application of Corporate Governance principles. Ability to identify key risks to the Company in a wide range of areas including legal and regulatory compliance.	Yes	1. Mr. Ravindra Kumar Poddar 2. Mr. Sanjay Kumar Osatwal 3. Dr. Dilip Datta 4. Mr. Pradeep Kumar Tripathi

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3	Financial	Comprehensive understanding of financial accounting, reporting and internal controls and analysis	Yes	1. Mr. Ravindra Kumar Poddar 2. Mr. Sanjay Kumar Osatwal 3. Dr. Dilip Datta 4. Ms. Madhu Jain
4	Sales, Marketing & Brand building	Experience in developing policies to grow sales and market share, create brand awareness and brand equity, and enhance enterprise reputation on a sustainable basis.	Yes	1. Mr. Ravindra Kumar Poddar 2. Mr. Sanjay Kumar Osatwal 3. Mr. Pawan Kumar Agarwal

h) Confirmation

In the opinion of the Board, the Independent Directors fulfil the conditions specified in SEBI Listing Regulations and are independent from the management.

i) During the financial year 2022-2023, none of the Independent Directors have resigned from the Company before the expiry of their tenure.

3. Audit Committee

The composition of the Audit Committee of the Board of Directors is in compliance with the provisions of Section 177 of the Act and Regulation 18 of the SEBI Listing Regulations. The Audit Committee comprises of Dr. Dilip Datta, Ms. Madhu Jain and Mr. Sanjay Kumar Osatwal. All the members of Audit Committee are financially literate and majority of them have Accounting and Financial Management expertise.

During the year ended 31st March, 2023, 5 (Five) meetings of the Audit Committee were held on 30th May 2022, 10th August 2022, 13th September 2022, 14th November 2022 and 27th January 2023.

The composition and attendance details of the committee meetings are as follows:

Name of the Members	Nature of Directorship	Membership	Attendance
Dr. Dilip Datta	Independent Director	Chairman	5
Ms. Madhu Jain	Independent Director	Member	4
Mr. Sanjay Kumar Osatwal	Jt. Managing Director and CFO	Member	5

Chief Financial Officer, representatives of statutory auditor, internal auditor and cost auditor were invitees to the meetings of the audit committee. The Chairman of the Audit Committee was present at the previous AGM of the Company held on 23rd September 2022. Minutes of Audit Committee are placed before the Board for noting. The Company Secretary acts as the Secretary to the Audit Committee.

The terms of reference of the Audit Committee include matters specified in the Companies Act, 2013, Rules made thereunder, the SEBI Listing Regulations. Besides having access to all required information within the Company, the Committee may investigate any activity within its terms of reference, seek information from any employee, obtain legal or other professional advice from external sources, whenever required. The brief terms of reference of the Audit Committee include:

- Review of the Company's financial reporting process and financial statements.
- Review of accounting and financial policies and practices.
- Review of internal control and internal audit systems and their adequacy.
- Discussion with Internal Auditors on any significant findings and follow-up thereon.
- Reviewing the Quarterly and Annual Financial Statements before submission to the Board.
- Recommending the appointment and removal of Statutory Auditors, Internal Auditor, Cost Auditor and Secretarial Auditor, audit fees and payment for any other services.
- To discuss post-audit observations with the statutory auditors.
- To review the compliance of all statutes as applicable to the company and to review the legal cases filed by or against the company.

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- i) To frame and to review Risk Management Policy.
- j) To review forex exposure.

4. Nomination and Remuneration Committee

The Company has a duly constituted Nomination and Remuneration Committee of the Board of Directors in compliance with the provisions of Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations. The Nomination and Remuneration Committee comprises of Ms. Madhu Jain, Dr. Dilip Datta and Mr. Pradeep Kumar Tripathi.

The Chairman of the Nomination and Remuneration Committee was present at the previous AGM of the Company held on 23rd September 2022. The Company Secretary acts as the Secretary to the Nomination and Remuneration Committee.

During the year ended 31st March 2023, 2 (two) meetings of the Nomination and Remuneration Committee were held on 30th May 2022 and 10th August 2022.

The composition and attendance details of the committee meetings are as follows.

Name of the Members	Nature of Directorship	Membership	Attendance
Ms. Madhu Jain	Independent Director	Chairman	2
Dr. Dilip Datta	Independent Director	Member	2
Mr. P.K. Tripathi	Non-Executive Director	Member	2

The powers, role and terms of reference of the Nomination and Remuneration Committee are in accordance with the provisions of Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations. The terms of reference inter alia include:

- a) Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel and Senior Management;
- b) Formulation of criteria for performance evaluation of Independent Directors and the Board of Directors;
- c) Devising a policy on Board succession and diversity;
- d) Identifying persons who are qualified to become Directors and who may be appointed in Senior Management positions in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- e) Recommendation to the Board all remuneration, in whatever form, payable to the Directors or Senior Management.

Performance Evaluation Criteria for Independent Directors

The criteria for performance evaluation of Independent Directors include:

- a) Attendance at the meetings;
- b) Preparedness and active participation in meetings;
- c) Staying updated on developments;
- d) Constructive contribution made in the meetings;
- e) Being objective and protecting interest of all shareholders;
- f) Engaging as well as challenging Management without being confrontational or obstructionist;
- g) Ensuring integrity of financial statements/internal controls;
- h) Fulfillment of the independence criteria (as specified in the SEBI Listing Regulations) and independence from the Management.

5. Stakeholders Relationship Committee

The composition of the Stakeholders Relationship Committee of the Board of Directors is in compliance with the provisions of Section 178(5) of the Act and Regulation 20 of the SEBI Listing Regulations. The Stakeholders Relationship Committee comprises of (3) three members i.e. Mr. Pradeep Kumar Tripathi, Mr. Ravindra Kumar Poddar and Mr. Sanjay Kumar Osatwal.

The Ganges Manufacturing Company Limited

No meeting was required to be held during the year ended 31st March 2023.

The present composition of the Committee is as under:

Name of the Members	Nature of Directorship	Membership
Mr. Pradeep Kumar Tripathi	Non-Executive Director	Chairman
Mr. Ravindra Kumar Poddar	Chairman and Jt. Managing Director	Member
Mr. Sanjay Kumar Osatwal	Jt. Managing Director & CFO	Member

Details of Pending Complaints

Complaint Received from	No. of Complaints Received	No. of Complaints Pending
SEBI	NIL	NIL
Stock Exchanges	NIL	NIL
Investors	NIL	NIL
Government Authorities	NIL	NIL

The Committee, in addition to considering share transfer matters, also oversees redressal of shareholders'/ investors' complaints/grievances and recommends measures to improve the level of investor services, besides discharging such other related functions, which may be referred to it by the Board from time to time. Your company is making all attempts to ensure that correspondences are expeditiously attended to the full satisfaction of the Shareholders.

6. Risk Management Committee

Provisions of Regulation 21 of the SEBI Listing Regulations are not applicable to the Company. Hence, the Board of Directors has not constituted the Risk Management Committee. However, the Audit Committee and the Board of Directors identify, evaluate and mitigate the risks associated with the Company from time to time.

7. Corporate Social Responsibility (CSR) Committee

The Corporate Social Responsibility Committee ("CSR Committee") of the Board is constituted pursuant to the provisions of Section 135 of the Companies Act, 2013. The CSR Committee comprises of 3 (Three) members i.e. Dr. Dilip Datta, Mr. Ravindra Kumar Poddar and Mr. Sanjay Kumar Osatwal. During the year 1 (One) meeting of the CSR committee was held on 30th May 2022.

The composition and attendance details of the committee meetings are as follows:

Name of the Members	Nature of Directorship	Membership	Attendance
Dr. Dilip Datta	Independent Director	Chairman	1
Mr. Ravindra Kumar Poddar	Chairman and Jt. Managing Director	Member	1
Mr. Sanjay Kumar Osatwal	Jt. Managing Director & CFO	Member	1

Terms of Reference of CSR Committee

The Committee acts in accordance with the terms of reference which, inter alia, include:

- To formulate and recommend to the Board a CSR Policy which will define the focus areas and indicate the activities to be undertaken by the Company under CSR domain;
- To recommend to the Board necessary amendments, if any, in the CSR Policy from time to time;
- To formulate the Annual Action Plan, monitor the budget under the CSR activities of the Company; and
- To accomplish various CSR projects of the Company independently or through intermediary agencies, as the case may be.

8. Management Committee

The Company had constituted a Management Committee in accordance with the terms of Rehabilitation Scheme sanctioned for monitoring the implementation of the Revival Scheme. The Company Secretary acts as the Secretary to the Committee. During the financial year ended 31st March 2023, 1 (One) meeting of the

The Ganges Manufacturing Company Limited

Committee was held on 30th May 2022. Since the company is no more a Sick Company. The Board of Directors resolved to dissolve the Management Committee w.e.f 31st May 2022.

The composition and attendance details of the committee meetings are as follows:

Name of the Members	Nature of Directorship	Membership	Attendance
Mr. R. K. Poddar	Chairman and Jt. Managing Director	Chairman	1
Dr. Dilip Datta	Independent Director	Member	1
Mr. S. K. Osatwal	Jt. Managing Director & CFO	Member	1

9. Remuneration to Executive Directors

a) Remuneration to Executive Directors

The remuneration is paid to the Executive Directors as per the terms and conditions of his appointment/re-appointment and subject to the compliance of applicable provisions of the Act and the Rules made thereunder, read with Schedule V of the Act and approval of the Shareholders.

In case of revision in remuneration, the revised remuneration of Executive Directors is being determined and recommended by the Nomination and Remuneration Committee for approval of the Board & the Company in General Meeting and/or such other authorities as may be necessary in accordance with the provisions of the Companies Act, 2013 and rules and schedules made thereunder.

The details of remuneration paid to the Executive Directors during the year ended 31st March, 2023 are as follows:

Particulars	Mr. Ravindra Kumar Poddar Chairman and Jt. Managing Director (Rs. in Lakhs)	Mr. Sanjay Kumar Osatwal Jt. Managing Director and CFO (Rs. in Lakhs)
Salary and Allowances	130.00	149.20
Contribution to Provident Fund	12.00	12.00
Value of other perquisites as per Income Tax Rules	87.81	0.65
Commission on Profit	-	-
Total	229.81	161.85

Terms of Contract of Executive Directors

Name of Director	Date of Appointment/ Re-appointment	Expiry of Contract	Severance Fees	Notice Period
Mr. Ravindra Kumar Poddar	01-10-2022	Re-appointed for 3 years from 01-10-2022	-	-
Mr. Sanjay Kumar Osatwal	01-10-2022	Re-appointed for 3 years from 01-10-2022	-	-

b) Remuneration to Non-Executive Directors

Pecuniary relationship or transactions of the Non-Executive Directors

There was no pecuniary relationship or transactions of the Non-Executive Directors vis-a-vis the Company which has a potential conflict with the organization's interests.

Criteria for making payments to Non-Executive Directors

The Non-Executive/Independent Directors of the Company are paid remuneration by way of sitting fees. During the year, Non-Executive Directors were paid sitting fees Rs. 38,000/- for each meeting of the Board and Rs. 32,000/- for each Committee meeting thereof. No remuneration except sitting fee was paid to the Non-Executive Directors. The Company has not issued any stock options to the Directors.

10. General Body Meetings

Annual General Meetings

Details of the last three Annual General Meetings of the Company held along with Special Resolutions passed therein are as follows:

Financial Year	Location/Venue	Date	Time (IST)	Details of Special Resolution Passed
2019-2020	Through video conferencing (VC) or <i>other audio-visual means (OAVM)</i> . The venue of the AGM deemed to be the registered office of the Company at 33A, Jawaharlal Nehru Road, 6th Floor, Flat No. A-1, Chatterjee International Centre, Kolkata-700071.	26-09-2020	10:00 A.M.	No Special Resolution was passed.
2020-2021	Through video conferencing (VC) or other audio-visual means (OAVM). The venue of the AGM deemed to be the registered office of the Company at 33A, Jawaharlal Nehru Road, 6th Floor, Flat No. A-1, Chatterjee International Centre, Kolkata-700071.	27-09-2021	10:00 A.M.	<ol style="list-style-type: none"> 1. Increasing the limits applicable for making investments, giving loans, guarantees and providing securities under section 186 of the Companies Act, 2013 to Rs. 200 crores. 2. Revision in the remuneration of Mr. Ravindra Kumar Poddar (DIN: 00240643), Chairman of the Company. 3. Revision in the remuneration of Mr. Sanjay Kumar Osatwal (DIN: 00248585), Managing Director and CFO of the Company
2021-22	Through video conferencing (VC) or other audio-visual means (OAVM). The venue of the AGM deemed to be the registered office of the Company at 33A, Jawaharlal Nehru Road, 6th Floor, Flat No. A-1, Chatterjee International Centre, Kolkata-700071.	23-09-2022	11:00 A.M.	<ol style="list-style-type: none"> 1. Re-appointment of Ms. Madhu Jain (DIN: 07129506) as an Independent Director of the Company for a second term of 5 (Five) years w.e.f 23rd September 2022. 2. Re-appointment of Mr. Ravindra Kumar Poddar (DIN: 00240643) as the Joint Managing Director of the Company, designated as the Executive Chairman of the Company, for a term of further 3(Three) years w.e.f 1st October 2022. 3. Re-appointment of Mr. Sanjay Kumar Osatwal (DIN: 00248585) as the Joint Managing Director, designated as Managing Director of the Company, for a term of further 3(Three) years w.e.f 1st October 2022.

				4. Alteration of the Capital Clause of the Memorandum of Association of the Company by reclassification of Authorised Share Capital of the Company and consequential alteration of Memorandum of Association of the Company.
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No extra-ordinary general meeting of members of the Company was convened during the financial year 2022-23. No Special Resolution was passed through Postal Ballot during the financial year 2022-23 and no special resolution is proposed to be conducted through postal ballot for the time being.

11. Means of Communication

The Company recognizes communication as a key element to the overall Corporate Governance framework and therefore emphasizes on prompt, continuous, efficient and relevant communication to all external constituents.

Your Company strives to achieve full and timely disclosure of information. For this purpose, the Company:

- prepares and dispatches through permitted modes a full version of its Annual Report, despite an abridged version being allowed by the SEBI Listing Regulations;
- Submits quarterly, half yearly and annual results of your Company to the Calcutta Stock Exchange through its designated web portal and also uploads on Company's website www.gangesjute.co.in in the "Investors" Section. These results are simultaneously published in two leading newspapers i.e. Financial Express, English Newspaper and Arthik Lipi, Bengali Local Newspaper.
- Promptly reports all material information to Calcutta Stock Exchange on which shares of your Company is listed.

12. General Shareholders Information

- Annual General Meeting: 20th September 2023 at 11:00 a.m. through video conferencing
Date, Time through VC (VC)
- Financial Calendar (Tentative) Financial Year: 1st April, 2023 to 31st March, 2024
Results for the quarter ending
June 30, 2023 : Second week of August, 2023
September 30, 2023 : Second week of November, 2023
December 31, 2023 : Second week of February, 2023
March 31, 2024 : Fourth week of May, 2024
- Date of Book Closure Thursday, 14th September 2023 to, Wednesday 20th September 2023 (both days inclusive).
- Final Dividend Payment Date Company has not declared any dividend.
- Listing on Stock Exchanges and their Code

Name of Stock Exchanges	Code
Calcutta Stock Exchange	003

The Company is yet to receive the listing fees bill for the financial year 2023-24 from the Calcutta Stock Exchange. The ISIN number INE827E01010 is allotted under Central Depository Services (India) Limited for Dematerialisation of shares of the Company.
- Market Price Data : High, Low during each month in Financial Year 2022-2023 Data not available as trading in Calcutta Stock Exchange platform is not functioning.
- Performance in comparison to Broad based indices such as BSE, Sensex, CRISIL Index etc. The Company is not linked to Sensex/Index.

The Ganges Manufacturing Company Limited

- h) Registrar and Share Transfer Agents
Niche Technologies Private Limited
3A, Auckland Place, 7th Floor,
Room No. 7A & 7B
Kolkata-700017
Phone-2280-6616/6617/6618
Email Id:nichetechpl@nichetechpl.com
- i) Shares Transfer System
SEBI has mandated that no share can be transferred in physical mode effective 1st April, 2019. Hence, the Company has stopped accepting any fresh lodgement of transfer of shares in physical form.
As per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities with effect from 1st April, 2019 (except in case of transmission or transposition of securities) are not processed unless the securities are held in the dematerialised form with the depositories.
Shareholders holding equity shares in physical form are urged to have their shares dematerialized so as to be able to freely transfer them and participate in various corporate actions. Trading in equity shares of the Company is permitted only in dematerialised form.
- j) Reconciliation of Share Capital Audit Report
A Company Secretary in Practice carries out a Reconciliation of Share Capital Audit on a quarterly basis, as per Regulation 76 of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 read with SEBI Circular No. D&CC/FITTC/Cir- 16/2002 dated 31st December, 2002, to reconcile the total admitted capital with Central Depository Services Limited ('CDSL') and the total issued and listed capital. The audit confirms that the total issued/paid up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with CDSL).
- k) Distribution of Shareholding as on 31st March, 2023:-

No. of equity shares held	No. of Shareholders	% of total Shareholders	No. of Shares	% of Shareholding
1-500	1481	91.87	2,11,212	5.77
501-1000	80	4.97	61,673	1.69
1001-2000	23	1.43	35,240	0.96
2001-3000	5	0.31	12,650	0.35
3001-4000	2	0.12	7,850	0.21
4001-5000	2	0.12	9,100	0.25
5001-10000	1	0.06	9,000	0.25
10001 & Above	18	1.12	33,12,541	90.52
Total	1612	100.00	36,59,266	100.00

Category wise summary of Shareholding as on 31st March, 2023:-

Sl No.	Particulars	No. of Shareholders	% of total Shareholders	No. of Shares	% of Shareholding
1	Domestic Companies (Promoters)	-	-	-	-
2	Resident Individuals (Promoters)	16	1.00	4,71,399	12.88

13. Other Disclosures

- | | | |
|----|--|---|
| a) | Disclosure of Material Related Party Transactions | All related party transactions that were entered into during the financial year under review, if any, were on arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions during the year which may have a potential conflict with the interest of the Company at large. Details of transactions with related parties, if any, as specified in Indian Accounting Standards (IND AS 24) have been reported in the Financial Statements. The Audit Committee approves the related party transactions from the perspective of fulfilling the criteria of meeting arm's length pricing and being transacted in the ordinary course of business. The detailed Policy on Related Party Transactions is available on the website of the Company at www.gangesjute.co.in . |
| b) | Details of non-compliance | During the financial year, the Company has generally complied with all the requirements of the Stock Exchange(s), SEBI or any other statutory authority on all matters related to capital markets. There was no non-compliance, penalties or strictures imposed on the Company by the Stock Exchange(s) or any other statutory authority. |
| c) | Vigil Mechanism/Whistle Blower Policy | The Company has set up a Vigil Mechanism viz. a Whistle Blower Policy, as per the provisions of Section 177 of the Companies Act, 2013 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to enable its employees and Directors to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. The mechanism also provides for adequate safeguards against victimisation of the persons using the mechanism and provides direct access to the Chairperson of the Audit Committee. None of the Whistle Blowers was denied access to the Audit Committee of the Board. |
| d) | Details of compliance with mandatory requirements and adoption of non-mandatory/discretionary requirements | The Company has complied with all mandatory requirements of corporate governance as specified under SEBI Listing Regulations. |
| e) | Web-link of policy for determining material subsidiary | The Company does not have any subsidiary. |
| f) | Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under regulation 32(7A) of SEBI Listing Regulations | During the year, the Company has not raised any funds through preferential allotment or qualified institutions placement as specified under regulation 32(7A) of SEBI Listing Regulations. |
| g) | Key Managerial Personnel and Senior Management Personnel Certification | Mr. Ravindra Kumar Poddar, Chairman and Jt. Managing Director, Mr. Sanjay Kumar Osatwal, Jt. Managing Director & Chief Financial Officer and Ms. Swati Trivedi, Company Secretary and Compliance Officer of the Company have furnished the annual certification on financial reporting and internal controls for the financial year 31st March, 2023., to the Board in terms of the SEBI Listing Regulations, which forms part of this report as Annexure-I. |

The Ganges Manufacturing Company Limited

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| h) | Certificate from a Company Secretary in Practice | Certificate from Mr. Babu Lal Patni, Company Secretary in Practice, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the SEBI, Ministry of Corporate Affairs or any such other Statutory Authority, as stipulated under Regulation 34 of the SEBI Listing Regulations is attached to this Report as Annexure-II. |
| i) | Acceptance of recommendation of any committee of the Board which is mandatorily required, in the relevant financial year | The Board has accepted all the recommendations of the committees. |
| j) | Fees paid to the Statutory Auditors | The Company has paid a sum of Rs. 3,50,000/- to Statutory Auditors towards Statutory Audit fee for the financial year 2022-23. |
| k) | Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 | During the year, no complaint was received and pending pursuant to the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. |
| l) | Loans and Advances in the nature of loans to firms/companies in which Directors are interested by name and amount. | No loans and advances were given in the nature of loans to firms/companies in which Directors are interested, during the financial year under review. |
| m) | Disclosure of Non-Compliance of any Requirement of Corporate Governance Report, with Reasons | The Company has complied with and disclosed all the mandatory corporate governance requirements mentioned under sub-para (2) to (10) of part C of Schedule V of the SEBI Listing Regulations. |
| n) | Discretionary Requirements | The discretionary requirements as stipulated in Part E of Schedule II of the SEBI Listing Regulations, have been adopted to the extent and in the manner as stated under the appropriate headings in this Corporate Governance Report. |
| o) | Compliance with Corporate Governance | The Company has complied with the Corporate Governance Requirements specified under Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations. Your Company has obtained a certificate from Company Secretary in Practice, certifying compliance with conditions of Corporate Governance, as prescribed under Regulation 34 of the SEBI Listing Regulations, which forms part of this Report as Annexure-III. |

Annexure-I

Key Managerial Personnel and Senior Managerial Personnel Certificate

The Board of Directors
The Ganges Manufacturing Company Limited,
33A, Jawaharlal Nehru Road
Kolkata-700071

We, to the best of our knowledge and belief, certify that:-

- (a) We have reviewed financial statements and the cash flow statement for the year ended 31st March 2023 and to the best of our knowledge and belief:
- (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws, and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which is fraudulent, illegal, or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee:
- (i) Significant changes in internal control over financial reporting during the year;
- (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- (iii) There are no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Mr. Sanjay Kumar Osatwal
Jt. Managing Director & CFO
(DIN: 00248585)

Mr. Ravindra Kumar Poddar
Chairman & Jt. Managing Director
(DIN: 00240643)

Place: Kolkata
Date: 30th May 2023

Ms. Swati Trivedi
Company Secretary

Annexure-II

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015)

To,
The Members
The Ganges Manufacturing Company Limited,
33A, Jawaharlal Nehru Road Kolkata-700071

I have examined the relevant registers, records, forms, returns, declarations and disclosures received from the Directors of **The Ganges Manufacturing Company Limited** having CIN L51909WB1916PLC002713 and having registered office **33A, Jawaharlal Nehru Road, Kolkata-700071** (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, New Delhi or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Ravindra Kumar Poddar	00240643	07/04/1993
2.	Sanjay Kumar Osatwal	00248585	07/04/1993
3.	Dilip Datta	00406151	31/07/1993
4.	Pradeep Kumar Tripathi	06519781	19/02/2013
5.	Madhu Jain	07129506	21/03/2015
6.	Pawan Kumar Agarwal	00228448	12/11/2021

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification.

This certificate is neither an assurance as to the future viability of the Company nor of the effectiveness with which the management has conducted the affairs of the Company.

Name of the Company: BABU LAL PATNI

Secretary in Practice

FCS : 2304

C.P. No.: 1321

UDIN : F002304E000384147

P.R. No. : 1455/2021

Place: Kolkata

Dated: 26th May 2023

Annexure-III

BABU LAL PATNI
COMPANY SECRETARY

51, NALINI SETT ROAD
5TH FLOOR, ROOM NO. 19
KOLKATA – 700 007
TEL NO: 2259-7715/6
Mail id:patnibl@yahoo.com

**COMPLIANCE CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE
FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2023**

**[As prescribed under the Securities and Exchange Board of India (Listing Obligations and
Disclosure Requirements) Regulations, 2015]**

To,
The Members,
The Ganges Manufacturing Company Limited,
33A, Jawaharlal Nehru Road,
Kolkata-700071

1. I have examined the compliance of conditions of Corporate Governance by **The Ganges Manufacturing Company Limited** (hereinafter referred to as 'the Company') , for the year ended on March 31, 2023 as stipulated in Regulations 17 and 27 and clauses (b) to (i) of Regulation 46(2) and paras C,D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2018 (hereinafter referred to as 'Listing Regulations').
2. In my opinion and to the best of my information and according to the explanations given to me and the management representations letter of even date, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulation 17 and 27 and clauses (b) to (i) of Regulation 46(2) and paras C, D and E of Schedule V of the Listing Regulations, during the year ended on March 31, 2023.
3. The compliance of conditions of Corporate Governance is the responsibility of the management. My examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the certificate of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. I further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Name of the Company: BABU LAL PATNI
Secretary in Practice
FCS : 2304
C.P. No.: 1321
UDIN : F002304E000417642
P.R. No. : 1455/2021

Place: Kolkata
Dated: 30th May 2023

ANNEXURE “B”

INFORMATION PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT,2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES,2014 FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2023.

1. **Ratio of the remuneration of each Director/KMP to the median remuneration of all the employees of the Company for the financial year:**

Median remuneration of all the employees of the Company for the financial year		1.47 lakhs	
The percentage increase in the median remuneration of employees in the financial year		7.30	
The number of permanent employees on the rolls of company as on 31 st March 2023		3925	
Name of Director/KMP	Remuneration of Director/KMP for the financial year 2022-23 (Rs in lacs)	Ratio of remuneration to median remuneration of all employees	% increase in remuneration in the financial year 2022-23
Non – Executive Directors			
Mr. Pradeep Kumar Tripathi	0.14	0.10	NIL
Independent Directors			
Dr. Dilip Datta	0.26	0.18	NIL
Ms. Madhu Jain	0.20	0.14	NIL
Mr. Pawan Kumar Agarwal	0.10	0.07	NIL
Executive Directors & KMP			
Mr. Ravindra Kumar Poddar, Chairman & Jt. Managing Director	217.81	148.17	2.83
Mr. Sanjay Kumar Osatwal, Jt. Managing Director & CFO	149.85	101.94	-29.83
Ms. Swati Trivedi, Company Secretary	6.55	4.46	12.40

Notes:

- The ratio of remuneration to median remuneration is based on remuneration paid during the period 1st April 2022 to 31st March 2023.
 - The Non-executive directors were not paid any remuneration, other than the sitting fee.
2. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

Average percentile increase in the median remuneration of employees other than the Key Managerial Personnel in the last financial year i.e. 2022-23 was 7.30% whereas the increase made in the Key Managerial remuneration for the same financial year was (13.21) %.

- Remuneration is as per the remuneration policy of the Company.

Registered Office:

Chatterjee International Centre
33A, Jawaharlal Nehru Road
6th Floor, Flat No.-A-1
Kolkata- 700 071
Dated: 30th May 2023

By Order of the Board
Ravindra Kumar Poddar
Chairman & Jt. Managing Director
(DIN: 00240643)

ANNEXURE “C”

INFORMATION AS PER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) & 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 AND FORMING PART OF THE DIRECTORS’ REPORT FOR THE FINANCIAL YEAR ENDED 31STMARCH 2023

List of top 10 Employees including Contractual Employees and Key Managerial Personnel on the basis of remuneration.

Name of the Employee	Designation	Remuneration Received (Rs. In Lacs)	Qualifications and Experience	Date of commencement of employment	Age (years)	Last employment held before joining the Company
Ravindra Kumar Poddar (Note 1)	Chairman	217.81	B.Com 50 years	07-04-1993	70	Naihati Jute Mills Co. Ltd.
Sanjay Kumar Osatwal (Note 1)	MD/CFO	149.85	B.Com 37 years	07-04-1993	61	N.A.
Tapas Kumar Kundu	Chief Executive-Works	43.86	B.Sc., Jute Tech 42 years	11-05-2010	67	Bally Jute Co. Ltd.
Rakesh Kumar Jhajharia	Commercial Manager	22.04	B.com 35 years	01-07-2003	54	Lexus Shares & Stock Brokers (P) Ltd.
Soumen Narendra Dutta	Production Manager	16.06	Diploma in Man Made Textile Technology, Sasmira, Mumbai 27 years	05-07-2018	46	Ludlow Jute & Specialities Ltd
Kavita Poddar	Senior Executive (HO)	15.50	B.A (Hons.) 6 years	01-11-2016	44	N.A
Prabhanjana Patra	Chief Engineer Electric	15.36	Degree in Electrical Engineering (A.M.I.E), 31 years	06-05-2011	57	Bally Jute Co Ltd.
Gopal Agarwal	Senior Executive (HO)	14.83	B.Com, Cost Accountant 32 years	01-11-1995	58	Heera Metals Limited
Anil Kumar Srivastava	Chief Personnel Manager	14.08	B.Sc., MSW 37 years	01-04-2007	69	Reliance Jute Mills
Sanjay Pandey	Production Manager	12.98	B.Com 26 years	01-06-2016	45	Reliance Jute Mills

The Ganges Manufacturing Company Limited

Notes:

1. Key Managerial Personnel (KMP) within the meaning of Section 2(51) of The Companies Act, 2013.
2. Remuneration includes salary, allowances, bonus and value of certain perquisites evaluated on the basis of Income Tax Act and Rules.
3. Neither KMPs are related to each other or other employees related to any of the KMPs.
4. Rule 5(2)(ii) and 5(2)(iii) of Rules are not applicable to any of the employees mentioned above.

Registered Office:
Chatterjee International Centre
33A, Jawaharlal Nehru Road
6th Floor, Flat No.-A-1
Kolkata- 700 071
Dated: 30th May 2023

By Order of the Board
Ravindra Kumar Poddar
Chairman & Jt. Managing Director
(DIN: 00240643)

ANNEXURE “D”

THE ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FORMING PART OF BOARD REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2023

1.	Brief Outline on CSR Policy of the Company		The Company’s CSR Policy is in line with section 135 of the Companies Act, 2013 read together with Schedule VII and the rules made thereunder. The Company’s CSR policy is available on Company’s website www.gangesjute.co.in .			
2.	Composition of CSR Committee					
	Sl. No.	Name of the Director	Designation/ Nature of Directorship	Number of Meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year	
	1.	Dr. Dilip Datta	Chairman, Independent Director	1	1	
	2.	Mr. R. K. Poddar	Member, Chairman & Jt. Managing Director	1	1	
	3.	Mr. S. K. Osatwal	Member, Jt. Managing Director and CFO	1	1	
3.	Provide the weblink where composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company.				www.gangesjute.co.in	
4.	Provide the details of Impact assessment of CSR projects carried out in pursuance of sub rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report)				Not Applicable	
5.	Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and the amount required for set off for the financial year, if any					
	Sl. No.	Financial Year	Amount available for set-off from preceding financial years (Rs. in Lakhs)	Amount required to be set off for the financial year, if any (Rs. in Lakhs)		
	NIL					
6.	Average net profit of the company as per section 135(5) (Rs. in Lakhs)				960.83	
7.	(a) Two percent of average net profit of the Company as per section 135(5) (Rs. in Lakhs)				19.21	
	(b) Surplus arising out of CSR projects or programmes or activities of the previous financial years (Rs. in Lakhs)				NIL	
	(c) Amount required to be set off for the financial year, if any (Rs. in Lakhs)				NIL	
	(d) Total CSR obligation for the financial year (7a+7b-7c) (Rs. in Lakhs)				19.21	
8.	(a) CSR amount spent or unspent for financial year :					
	Total Amount spent for the Financial Year (Rs. in Lakhs)	Amount Unspent (Rs. in Lakhs)				
		Total Amount transferred to Unspent CSR Amount as per section 135 (6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
		Amount (Rs. in Lakhs)	Date of Transfer	Name of the fund	Amount	Date of transfer
		Rs. 19.30	NIL	N.A.	N.A.	NIL

(b) Details of CSR amount spent against ongoing projects for the financial year :												
(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of Activities in Schedule VII to the Act	Local Area (Yes/No)	Location of the Project		Project Duration	Amount allocated for the project (Rs. in Lakhs)	Amount spent in the current financial year (Rs. in Lakhs)	Amount transferred to Unspent CSR account for the project as per section 135(6) (Rs. in Lakhs)	Mode of Implementation –Direct (Yes/No)	Mode of Implementation through Implementing Agency	
				State	District						Name	CSR registration no.*
NIL												
(c) Details of CSR Amount spent against other than ongoing projects for the financial year:												
(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)				
Sl. No.	Name of the Project	Item from the list of Activities in Schedule VII to the Act	Local Area (Yes/No)	Location of the Project		Amount spent for the project (Rs. in Lakhs)	Mode of Implementation – Direct (Yes/No)	Mode of Implementation through Implementing Agency				
				State	District			Name	CSR registration no.			
1.	Promoting Healthcare	Clause (i)	Yes	West Bengal	Kolkata	0.30	Yes	-				
2.	Promoting Healthcare	Clause (i)	Yes	West Bengal	Kolkata	6.00	No	Institute of Neurosciences Kolkata		CSR00000975		

The Ganges Manufacturing Company Limited

3.	Promotion of Education	Clause (ii)	Yes	PAN INDIA	PAN INDIA	13.00	No	Vidya Vihar Education Trust	CSR00010102
(d) Amount spent in Administrative Overheads (Rs. in Lakhs)								NIL	
(e) Amount spent on Impact Assessment, if applicable (Rs. in Lakhs)								NOT APPLICABLE	
(f) Total Amount spent for the Financial Year (8b+8c+8d+8e) (Rs. in Lakhs)								Rs. 19.30	
(g) Excess Amount for set off, if any (Rs. in Lakhs)									
Sl. No.	Particular							Amount (Rs. in Lakhs)	
(i)	Two percent of average net profit of the Company as per section 135(5).							Rs. 19.21	
(ii)	Total amount spent for the financial year							Rs. 19.30	
(iii)	Excess Amount spent for the financial year [(ii) –(i)]							Rs. 0.09	
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any							Nil	
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]							Rs. 0.09	

9.	(a) Details of Unspent CSR amount for the preceding three financial years						
Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR account under section 135(6)(Rs.in Lakhs)	Amount spent in the reporting Financial Year (Rs.in Lakhs)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years (Rs.in Lakhs)
				Name of the Fund	Amount (Rs.in Lakhs)	Date of Transfer	
1.	2021-22	NIL	NIL	NIL	NIL	N.A.	NIL
2.	2020-21	NIL	NIL	NIL	NIL	N.A.	NIL
3.	2019-20	NIL	NIL	NIL	NIL	N.A.	Rs. 17.39
	TOTAL						Rs. 17.39

Note: Regarding Unspent amount of Rs. 17.39 lakhs for earlier years please refer Note no. 53 to the Financial Statements.

The Ganges Manufacturing Company Limited

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s)									
Sl. No.	Project ID	Name of the Project	Financial year in which the project was commenced	Project Duration	Total Amount allocated for the project (Rs.in Lakhs)	Amount spent on the project in the reporting financial year (Rs.in Lakhs)	Cumulative Amount spent at the end of the reporting financial year (Rs.in Lakhs)	Status of the project –Completed/ Ongoing	
NIL									
10	In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in financial year (asset- wise details)						No capital asset was created or acquired by the Company out of the CSR spent in the financial year		
	(a) Date of creation or acquisition of the capital asset (s)								
	(b) Amount of CSR spent for creation or acquisition of capital asset								
	(c) Details of entity or public authority or beneficiary under whose names such capital asset is registered, their address etc.								
	(d) Provide details of the capital asset(s) created or acquired (including complete address and location of capital asset)								
11	Specify the reason(s), if the Company has failed to spend two percent of the average net profit as per section 135(5)						NOT APPLICABLE		

Registered Office:

**Chatterjee International Centre
33A, Jawaharlal Nehru Road
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Kolkata- 700 071
Dated: 30th May 2023**

**Dilip Datta
Chairman– CSR Committee
(DIN: 00406151)**

**By Order of the Board
Ravindra Kumar Poddar
Chairman & Jt. Managing Director
(DIN: 00240643)**

ANNEXURE-“E”

INFORMATION UNDER SECTION 134(3)(M) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES 2014 AND FORMING PART OF THE BOARD’S REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2023

1. CONSERVATION OF ENERGY:

The Company during the year under review had continued its efforts in minimizing energy consumption by adding energy-efficient electrical gadgets and appliances. The following areas were identified to reach out to the goal of energy conservation for optimum operational efficiency and cost effectiveness:

- i) To achieve higher power factor, maximum demand kept within limit.
- ii) Introduced energy-efficient, innovative and improved motors, gadgets and appliances.
- iii) Utilization of machineries and ancillary equipments to the optimum, ensuring downtime at barest minimum.
- iv) Maintenance of all machines to make them energy efficient and minimize losses.

2. TECHNOLOGY ABSORPTION, RESEARCH AND DEVELOPMENT

Process improvement and product development is an ongoing process in the fully equipped Research & Development set up of the Company with a view to absorb the emerging technological innovations to catch up with shifting global market scenario by offering products to satisfy the preference of end users in the domestic and overseas markets.

The Company is a member of the Indian Jute Industries Research Association (IJIRA) and National Jute Board (NJB), the prime research body for the jute industry and are getting the benefits of Research and Development made by the Association. The Company contributes to the Indian Jute Research Association for research and development.

The Company is licensed to manufacture and market in overseas markets Hydro-Carbon-Free Jute Products (HCFJP) for Food Grade Jute Products (FGJP) under license granted by IJIRA.

Technologists of the Company continued to interact with its customers and outside R&D Centers to have a track on the new products and technology for incorporating their valued suggestions in manufacturing process to establish consistency and reliability of the products quality to match with the requirement of the end-users.

3. FOREIGN EXCHANGE EARNINGS AND OUTGO

Continuous efforts are made not only for traditional exports but also for introduction of new products. Foreign Exchange Earnings and Outgo are as under:

	<u>(Rs. in Lacs)</u>	<u>(Rs. in Lacs)</u>
	<u>2022-23</u>	<u>2021-22</u>
i) Total Foreign Exchange Used	4,513.95	1,718.04
ii) Total Foreign Exchange Earned	0.00	0.00

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Dated: 30th May 2023

By Order of the Board
Ravindra Kumar Poddar
Chairman & Jt. Managing Director
(DIN: 00240643)

ANNEXURE-“F”

**BABU LAL PATNI
COMPANY SECRETARY**

**51, NALINI SETT ROAD
5TH FLOOR, ROOM NO 19
KOLKATA – 700 007
TEL NO: 2259-7715/6
Mail id: patnibl@yahoo.com**

**FORM No MR-3
SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2023

Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
The Ganges Manufacturing Company Limited
33A, Jawaharlal Nehru Road
Kolkata-700071

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by The Ganges Manufacturing Co Ltd (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of The Ganges Manufacturing Company Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2023 generally complied with the statutory provisions listed hereunder and also the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by The Ganges Manufacturing Company Limited (“the company”) for the financial year ended on 31st March, 2023 according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable to the Company during the Audit Period).
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) *The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d) *The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - e) *The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f) *The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients;

The Ganges Manufacturing Company Limited

- g) *The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
- h) *The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; and
- i) *The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- j) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

* No event took place under these regulations during the audit period.

- vi) The other laws that are applicable and complied by the company are:
 1. The Jute Packaging Materials Act, 1987
 2. The Essential Commodities Act, 1955

I have also examined compliance with the applicable clauses of the following:

- i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii) Listing Agreement entered into by the Company with the Calcutta Stock Exchange.
- iii) Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations 2015.

During the period under review except in some cases the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc mentioned above.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The Changes in the Board of Directors of the Company that took place during the period under review were carried out in accordance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members` views, if any, are captured and recorded as part of the minutes.

I further report that there are adequate systems and process in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the Audit period there was no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc., referred to above.

Place: Kolkata
Dated: 26th May 2023

Babu Lal Patni
Practising Company Secretary
FCS No.: 2304
C.P.No.: 1321
P.R. No. : 1455/2021
UDIN: F002304E000384092

Note:

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

The Ganges Manufacturing Company Limited

**BABU LAL PATNI
COMPANY SECRETARY**

**51, NALINI SETT ROAD
5TH FLOOR, ROOM NO 19
KOLKATA – 700 007
TEL NO: 2259-7715/6
Mail id: patnibl@yahoo.com**

Annexure 'A'

To,
The Members,
The Ganges Manufacturing Company Limited
33A, Jawaharlal Nehru Road
Kolkata-700071

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis of my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules, and regulations and happenings of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**Babu Lal Patni
Practising Company Secretary
FCS No: 2304
Certificate of Practice Number: 1321
P.R. No.: 1455/2021
Date: 26th May 2023
Place: Kolkata**

INDEPENDENT AUDITOR'S REPORT

To the Members of The Ganges Manufacturing Company Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of The Ganges Manufacturing Company Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements including a summary of the significant accounting policies and other explanatory information ("the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2023, the profits and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

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 Act. Our responsibilities under those Standards 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 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 audit opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have nothing to report in this regard.

Information Other than the Financial Statements and Auditors' Report Thereon

The Company's Management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Company's annual report but does not include the financial statements and our auditors' report thereon. The Company's annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Company's annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

The Ganges Manufacturing Company Limited

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

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/loss (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (IndAS) 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Management and 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 financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 on whether the Company has adequate internal financial controls system 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 the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

The Ganges Manufacturing Company Limited

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

- 1 As required by the Companies (Auditor's Report) Order, 2020, issued by the Central Government of India in terms of section 143(11) of the Act (hereinafter referred to as the "the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure "A", a statement on the matters specified in the paragraphs 3 and 4 of the Order, to the extent applicable.
- 2 (A) As required by Section 143(3) of the Act, we report that :
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account. According to information and explanations given to us there was no Other Comprehensive Income of the Company during the year under report.
 - d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act,
 - e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in

The Ganges Manufacturing Company Limited

“Annexure B”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.

(B) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:

- a) The Company has disclosed the impact of pending litigations as at 31st March 2023 on its financial position in its financial statements. (Refer Note 41 in Notes to the Financial Statements)
- b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- d)
 - i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
 - ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall:
 - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties (“Ultimate Beneficiaries”) or
 - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.
 - iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (d) (i) and (d) (ii) contain any material misstatement.
- e) The Company has not declared or paid any dividend during the year.

(C) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

Place : “Centre Point “
21, Old Court House Street,
Kolkata – 700 001
Date : The 30th day of May 2023

For R.B.S.C. & CO.
(Formerly S.S. Kothari & Co.)
Chartered Accountants
Firm Registration No. 302034E
Ranjan Kumar Roychaudhury
Partner
Membership No. 008816
UDIN NO : 23008816BGYSPI4963

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of The Ganges Manufacturing Company Limited of even date)

- i) (a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.
(B) The Company has maintained proper records showing full particulars of Intangible assets.
- (b) There is a regular program of physical verification of Property, Plant and Equipment by the management, which in our opinion is reasonable, having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us no material discrepancies have been noticed in respect of the assets physically verified during the year as compared to book records.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company. However, the original Title Deeds has not been made available to us for our verification as the same were deposited with the Bank and are yet to be handed over to the Company as indicated in Note 50 to the Financial Statements.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right-of-use assets) or Intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company was sanctioned working capital limits (including non-fund based) in excess of Rupees five crores, in aggregate, from bank on the basis of security of current assets, which was due for renewal during the year. Quarterly returns or statement of current assets filed by the Company with the bank are in agreement with the books of accounts and there are no material differences for reporting.
- iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. The Company has granted loans to a company during the year details of which is stated in sub-clause (a)(B) below. The Company has not granted any other loans, secured or unsecured, to firms, limited liability partnerships or any other parties during the year.
- (a) (A) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company does not have any subsidiary, joint venture and associate. Accordingly, the reporting under this clause is not applicable for the company.

The Ganges Manufacturing Company Limited

- (B) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company during the year has granted loans to a party other than subsidiaries, joint ventures and associates as below :

Aggregate amount granted during the year - others	Rs. 132.00 lakhs
Balance outstanding as at the balance sheet date - others	Rs. 6,350.00 lakhs

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of the loans given are, prima facie, not prejudicial to the interest of the Company.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, the schedule of repayment of principal and payment of interest has not been stipulated.
- (d) In view of the comments in clause (c) above, the reporting under this clause is not applicable for the company.
- (e) In view of the comments in clause (c) above, the reporting under this clause is not applicable for the company.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has provided a loan to a Company as stated in clause (a) above which is repayable on demand. The Company has not provided any loan either to the promoters or to the related parties, which is repayable on demand or without specifying any terms or period of repayment.
- iv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 and the Company has not provided any guarantee or security as specified under Section 186 of the Companies Act, 2013. Further, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in relation to loans given and investments made.
- v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits during the year within the meaning of directives issued by the Reserve Bank of India and the provisions of sections 73 to 76A or any other relevant provisions of the Companies Act and the rules made thereunder. Accordingly, the reporting under this clause is not applicable for the company.
- vi) The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Companies Act, 2013. We have broadly reviewed the accounts and records maintained by the Company pursuant to the Order made by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 2013. We are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, we are of the opinion that the Company is regular in depositing undisputed statutory dues including Provident Fund, Employee's State Insurance, Income Tax, Goods and Services Tax, Customs Duty and other material statutory dues applicable to the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Provident Fund,

The Ganges Manufacturing Company Limited

Employees' State Insurance, Income Tax, Goods and Services Tax, Customs Duty and other material statutory dues were in arrears as at 31st March 2023 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no dues of Provident Fund, Employees' State Insurance, Income Tax, Goods and Services Tax, Customs Duty and other material statutory dues which have not been deposited by the Company on account of disputes as on 31st March 2023, except for the following :

	Name of the Statute	Nature of dues	Amount (Rupees in Lakhs)	Financial year to which demand/refund relates to	Forum where dispute is pending
1	Kolkata Land Revenue Act, 2003 and West Bengal Land Reforms (Amendment) Act, 2000	Land Revenue	6.25	2003-04	Calcutta High Court
2	Employees' State Insurance Act, 1948	Contribution	11.73	1995-96	Employees Insurance Court
		Contribution and Interest	(2.33)	1983, 2005, 2006, 2007, 2008, 2010, 2011	Calcutta High Court
		Interest	8.33	April 1993 to March 2000	Employees Insurance Court
		Contribution and Interest	9.98	2007-08	Employees Insurance Court
		Contribution	0.79	2009-10	Regional Director, ESIC
3	The Income Tax Act, 1961	Income Tax	0.44	2011-12	CPC, Bangalore for rectification of demand
4	West Bengal VAT Act, 2003	VAT & Interest	0.08	2008-09	Sales Tax Taxation Tribunal
5	Central Sales Tax Act, 1956	Sales Tax & Interest	10.96	2010-11	Sales Tax Revision Board

- viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.
- ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or other lender.

The Ganges Manufacturing Company Limited

- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the term loans availed by the Company were applied by the Company during the year for the purposes for which the loan was obtained.
- (d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that funds raised on short-term basis have, prima facie, not been used during the year for long term purposes.
- (e) According to the information and explanations given to us the Company does not have any subsidiary, associate or joint ventures. Accordingly, the reporting under this clause is not applicable for the company.
- (f) According to the information and explanations given to us the Company does not have any subsidiary, associate or joint ventures. Accordingly, the reporting under this clause is not applicable for the company.
- x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under this clause is not applicable for the company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, the reporting under this clause is not applicable for the company.
- xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year.
- (c) According to the information and explanations given to us, no whistle blower complaint has been received during the year.
- xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the reporting under this clause is not applicable for the company.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, in our opinion, all transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- xiv) (a) Based on information and explanations provided to us, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports issued to the Company till date for the period under audit.
- xv) According to the information and explanations given to us and based on our examination of the records of the Company, in our opinion, the Company has not entered into any non-cash transactions with

The Ganges Manufacturing Company Limited

directors or persons connected with them.

- xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under this clause is not applicable.
- (b) The Company has not conducted non-banking financial or Housing Finance activities during the year. Accordingly, the reporting under this clause is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under this clause is not applicable.
- (d) According to the information and explanations provided to us during the course of the audit, the Group does not have any CIC. Accordingly, the reporting under this clause is not applicable.
- xvii) The Company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- xviii) There has been no resignation of the statutory auditors during the year. Accordingly, the reporting under this clause is not applicable for the company.
- xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx) According to the information and explanations given to us, in our opinion, there is no unspent CSR amount for the year under sub-section (5) of section 135 of the Companies Act, 2013.

However, the Company has unspent amount of Rs. 17.39 lakhs towards CSR in respect of the financial year 2019-20. According to the information and explanation given to us, the amendment to the second proviso to sub-section (5) of Section 135 of the Companies Act, 2013 according to which the unspent CSR amount is required to be transferred to a Fund specified in Schedule VII to the Companies Act, 2013 within a period of six months of the expiry of the financial year was notified to be effective from 22nd January 2021 and was not effective retrospectively. Hence, to the best of our knowledge and belief, in our opinion, the requirement of transferring unspent CSR amount to a Fund specified in Schedule VII to the Companies Act, 2013 according to the aforesaid second proviso was not applicable to the financial year 2019-20.

Place : "Centre Point "
21, Old Court House Street,
Kolkata – 700 001
Date : The 30th day of May 2023

For R.B.S.C. & CO.
(Formerly S.S. Kothari & Co.)
Chartered Accountants
Firm Registration No. 302034E
Ranjan Kumar Roychaudhury
Partner
Membership No. 008816
UDIN NO : 23008816BGYSPI4963

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of The Ganges Manufacturing Company Limited of even date)

Report on the Internal Financial Controls over financial reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting with reference to these financial statements of The Ganges Manufacturing Company Limited (“the Company”) as of 31st March 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting, criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, both issued by ICAI, to the extent applicable to an audit of internal financial controls with reference to these financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting with reference to these financial statements included obtaining an understanding of such internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls over financial reporting with reference to these financial statements.

Meaning of Internal Financial Controls over financial reporting with reference to Financial Statements

A Company's internal financial control over financial reporting with reference to these financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting with reference to these financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the

The Ganges Manufacturing Company Limited

Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over financial reporting with reference to these financial statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at 31 March 2023, based on the internal financial controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place : "Centre Point "
21, Old Court House Street,
Kolkata – 700 001
Date : The 30th day of May 2023

For R.B.S.C. & CO.
(Formerly S.S. Kothari & Co.)
Chartered Accountants
Firm Registration No. 302034E
Ranjan Kumar Roychaudhury
Partner
Membership No. 008816
UDIN NO : 23008816BGYSPI4963

THE GANGES MANUFACTURING COMPANY LIMITED

Balance Sheet as at 31st March 2023

Rupees in Lakhs

Particulars	Notes	As at	As at
		31 st March 2023	31 st March 2022
ASSETS			
Non-Current Assets			
a) Property, Plant & Equipment	6	2,307.80	2,193.21
b) Capital Work-in-Progress	6	49.78	109.85
c) Intangible Assets	6	10.23	0.00
d) Intangible assets under development	6	2.13	14.28
e) Financial Assets			
i) Investments	7	0.06	0.06
ii) Other Financial Assets	8	812.36	687.55
f) Non - Current Tax Assets (Net)	9	7.57	57.14
g) Other Non - Current Assets	10	118.71	129.83
Total Non - Current Assets		3,308.64	3,191.92
Current Assets			
a) Inventories	11	8,909.55	4,412.93
b) Financial Assets			
i) Trade Receivables	12	1,101.36	946.55
ii) Cash and Cash Equivalents	13	50.60	48.89
iii) Other Bank Balances Other than note - 13	14	0.00	60.69
iv) Loans	15	6,350.00	6,638.02
v) Other Financial Assets	16	18.24	20.75
c) Current Tax Assets (Net)	17	10.99	9.80
d) Other Current Assets	18	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	19	365.93	365.93
b) Other Equity	20	1,317.94	(265.29)
Total Equity		1,683.87	100.64
LIABILITIES			
Non-Current Liabilities			
a) Financial Liabilities			
i) Borrowings	21	156.72	69.60
ii) Other Financial Liabilities	22	101.33	107.64
b) Provisions	23	4,664.50	4,520.78
c) Deferred Tax Liabilities (Net)	24	93.43	48.94
d) Other Non - Current Liabilities	25	17.99	26.45
Total Non-Current Liabilities		5,033.97	4,773.41
Current Liabilities			
a) Financial Liabilities			
i) Borrowings	26	324.04	283.20
ii) Trade Payables			
- Total Outstanding Dues of MSME	27	99.50	102.87
- Total Outstanding Dues of Others	27	4,470.10	7,839.18
iii) Other Financial Liabilities	28	1,324.32	1,503.92
b) Other Current Liabilities	29	6,456.92	460.48
c) Provisions	30	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

The accompanying Notes are integral part of the financial statements.

In terms of our Report of even date
For R.B.S.C & CO.
(Formerly S.S. Kothari & Co.)
Chartered Accountants
Firm Registration No. 302034E
Ranjan Kumar Roychaudhury
Partner
Membership No. 008816
Kolkata
The 30th day of May 2023

Ravindra Kumar Poddar
Chairman & Jt. Managing Director
(DIN : 00240643)

Dilip Datta
Director
(DIN : 00406151)

Sanjay Kumar Osatwal
Jt. Managing Director & CFO
(DIN : 00248585)

Pawan Kumar Agarwal
Director
(DIN : 00228448)

Swati Trivedi
Company Secretary

THE GANGES MANUFACTURING COMPANY LIMITED
Statement of Profit and Loss for the year ended 31st March 2023

Rupees in Lakhs

Particulars	Notes	For the year ended 31 st March 2023	For the year ended 31 st March 2022
Revenue from operations	31	41,450.75	39,572.77
Other Income	32	837.62	574.30
Total Income		42,288.37	40,147.07
EXPENSES			
Cost of materials consumed	33	27,488.90	28,249.15
Changes in inventories	34	(142.38)	(404.82)
Employees benefit expense	35	7,810.36	7,216.61
Finance Cost	36	215.45	131.61
Depreciation and amortization expenses	37	392.91	396.11
Other Expenses	38	4,294.95	3,893.86
Total Expenses		40,060.19	39,482.52
Profit/(Loss) Before Tax		2,228.18	664.55
Tax Expenses			
a) Current Tax Expenses	39	600.46	149.53
b) Deferred Tax Expense/ (Credit)	39	44.49	(31.45)
c) Income Tax for Earlier years	39	0.00	8.61
Total Tax Expense		644.95	126.69
Profit/(Loss) for the year		1,583.23	537.86
Other Comprehensive Income for the year		0.00	0.00
Total Comprehensive Income for the year		1,583.23	537.86
Earnings Per Share of Rs. 10/- each - Basic and Diluted	40	43.27	14.70

The accompanying Notes are integral part of the financial statements.

In terms of our Report of even date
For R.B.S.C & CO.
(Formerly S.S. Kothari & Co.)
Chartered Accountants
Firm Registration No. 302034E
Ranjan Kumar Roychaudhury
Partner
Membership No. 008816
Kolkata
The 30th day of May 2023

Ravindra Kumar Poddar
Chairman & Jt. Managing Director
(DIN : 00240643)

Dilip Datta
Director
(DIN : 00406151)

Sanjay Kumar Osatwal
Jt. Managing Director & CFO
(DIN : 00248585)

Pawan Kumar Agarwal
Director
(DIN : 00228448)

Swati Trivedi
Company Secretary

THE GANGES MANUFACTURING COMPANY LIMITED
Statement of Changes in Equity for the year ended 31st March 2023

Rupees in Lakhs

a) Equity Share Capital

	Amount
Balance as at 1st April 2021	365.93
Changes in Equity Share Capital due to prior period errors	0.00
Restated balance as at 1 st April 2021	365.93
Changes in Equity Share Capital during the year	0.00
Balance as at 31st March 2022	365.93
Changes in Equity Share Capital due to prior period errors	0.00
Restated balance as at 1 st April 2022	365.93
Changes in Equity Share Capital during the year	0.00
Balance as at 31st March 2023	365.93

b) Other Equity

Particulars	Capital Reserve	Retained Earnings	Total
Balance as at 1st April 2021	144.75	2,146.93	2,291.68
<u>Changes in accounting policy or prior period adjustments</u>			
Unprovided liability of Gratuity based on Actuarial Valuation for earlier years (Refer note 44.2)	0.00	(2,971.81)	(2,971.81)
Unprovided liability of Leave Benefits based on Actuarial Valuation for earlier years (Refer note 44.2)	0.00	(123.02)	(123.02)
Restated balance as at 1st April 2021	144.75	(947.90)	(803.15)
Total Comprehensive Income for the year	0.00	537.86	537.86
Balance as at 31st March 2022	144.75	(410.04)	(265.29)
Changes in accounting policy or prior period errors	0.00	0.00	0.00
Total Comprehensive Income for the year	0.00	1,583.23	1,583.23
Balance as at 31st March 2023	144.75	1,173.19	1,317.94

The accompanying Notes are integral part of the financial statements.

In terms of our Report of even date
For R.B.S.C & CO.
(Formerly S.S. Kothari & Co.)
Chartered Accountants
Firm Registration No. 302034E
Ranjan Kumar Roychaudhury
Partner
Membership No. 008816
Kolkata
The 30th day of May 2023

Ravindra Kumar Poddar
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Jt. Managing Director & CFO
(DIN : 00248585)

Pawan Kumar Agarwal
Director
(DIN : 00228448)

Swati Trivedi
Company Secretary

THE GANGES MANUFACTURING COMPANY LIMITED
Cash Flow Statement For The Year Ended 31st March 2023

	For the year ended 31 st March 2023	Rupees in Lakhs For the year ended 31 st 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 Loans	(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
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)
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) (Refer Note - 13)	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".

The accompanying Notes are integral part of the financial statements.

In terms of our Report of even date
For R.B.S.C & CO.
(Formerly S.S. Kothari & Co.)
Chartered Accountants
Firm Registration No. 302034E
Ranjan Kumar Roychaudhury
Partner
Membership No. 008816
Kolkata
The 30th day of May 2023

Ravindra Kumar Poddar
Chairman & Jt. Managing Director
(DIN : 00240643)

Dilip Datta
Director
(DIN : 00406151)

Sanjay Kumar Osatwal
Jt. Managing Director & CFO
(DIN : 00248585)

Pawan Kumar Agarwal
Director
(DIN : 00228448)

Swati Trivedi
Company Secretary

The Ganges Manufacturing Company Limited
Notes to the Financial Statements for the year ended 31st March 2023

1. CORPORATE AND GENERAL INFORMATION

The Ganges Manufacturing Company Limited is a listed Public Limited Company incorporated in India. The Company has its registered office at Chatterjee International Centre 33A, Jawahar Lal Nehru Road, 6th Floor, Flat No. A-1, Kolkata -700071

The Company manufactures jute products with flexibility to cater to both domestic and international market.

2. BASIS OF PREPARATION AND MEASUREMENT

2.1 Statement of Compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (“Ind AS”) as prescribed by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 (“the Act”), read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended), other relevant provisions of the Act and other accounting principles generally accepted in India.

2.2 Basis of Measurement

The financial statements have been prepared on historical cost convention.

2.3 Functional and Presentation Currency

The financial statements have been presented in Indian Rupees, which is also the Company’s functional currency. All financial information presented in Rupees has been rounded off to the nearest lakhs as per the requirements of Schedule III to the Companies Act, 2013 (“the Act”) unless otherwise stated.

2.4 Key Accounting Estimates and Judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgements based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively.

2.5 Current Vs Non-Current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is classified as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All the other assets are classified as non-current.

A liability is classified as current when:

- It is expected to be settled in normal operating cycle which is not more than 12 months;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Net of Deferred tax assets and liabilities are classified as non-current assets or non-current liabilities as the case may be.

3. SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies applied in the preparation of the financial statements are given below. These accounting policies have been applied consistently to all the periods presented in the

The Ganges Manufacturing Company Limited
Notes to the Financial Statements for the year ended 31st March 2023

financial statements.

3.1 Inventories

- Raw materials, stores and spares and loose tools are valued at lower of cost and net realisable value. Cost includes cost of purchase, non-refundable taxes and other costs incurred in bringing the inventories to their present location and condition. Cost is computed on weighted average basis.
- Finished goods are valued at lower of cost and net realisable value. Process stock is valued at cost. Finished goods and Process stock include cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is computed on weighted average basis.
- Net realisable value is the estimated selling price in the ordinary course of business, less estimated cost necessary to make the sale.
- Adequate provision is made for obsolete and slow-moving stocks, wherever necessary.

3.2 Cash and Cash Equivalents

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

3.3 Income Tax

Income tax comprises current and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

a) **Current Tax**

Current tax liabilities (or assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the taxation authorities based on tax rates and tax laws that have been enacted or substantively enacted, at the end of the reporting period.

b) **Deferred Tax**

- Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.
- Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes (i.e., tax base). Deferred tax is also recognised for carry forward of unused tax losses and unused tax credits.
- Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.
- The carrying amount of deferred tax assets is reviewed at the end of each reporting period. The Company reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or that entire deferred tax asset to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.
- Deferred tax relating to items recognised outside the statement of profit and loss is recognised either in other comprehensive income or in equity. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.
- Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

3.4 Property, Plant and Equipment

a) **Recognition and Measurement**

- Property, plant and equipment held for use in the production or/and supply of goods or services, or

The Ganges Manufacturing Company Limited
Notes to the Financial Statements for the year ended 31st March 2023

for administrative purposes, are stated in the balance sheet at cost, less any accumulated depreciation/ amortisation and accumulated impairment losses (if any).

- Cost of an item of property, plant and equipment acquired comprises its purchase price, including non-refundable import duties and taxes, borrowing cost, if capitalisation criteria is met and any directly attributable costs of bringing the assets to its working condition and location for its intended use and after deducting any trade discounts and rebates.
- In case of self-constructed assets, cost includes the costs of all materials used in construction and direct labour incurred in bringing the item to working condition for its intended use.
- If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.
- Profit or loss arising on the disposal of property, plant and equipment are recognised in the statement of profit and loss.

b) Subsequent Expenditure

- Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced.

c) Depreciation and Amortisation

- Depreciation on property, plant and equipment is provided on straight line method at the rates determined based on the useful lives of respective assets as prescribed in the Schedule II of the Act.
- Depreciation on additions (disposals) during the year is provided on a pro-rata basis i.e., from (up to) the date on which asset is ready for use (disposed of).
- Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted, if appropriate.

d) Disposal of Assets

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

e) Capital Work-in-Progress

Capital work-in-progress is stated at cost which includes expenses incurred during construction period, interest on amount borrowed for acquisition of qualifying assets and other expenses incurred in connection with project implementation in so far as such expenses relate to the period prior to the commencement of commercial production. Advances given towards acquisition or construction of property, plant and equipment outstanding at each reporting date are disclosed as Capital Advances under "Other Non-Current Assets".

3.5 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the Government.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specific terms of each arrangement.

a) Sale of Goods

Revenue from the sale of goods is recognised when significant risks and rewards of ownership are

The Ganges Manufacturing Company Limited
Notes to the Financial Statements for the year ended 31st March 2023

transferred to customers and the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold. Revenue from the sale of goods is measured at the fair value of the consideration received or receivables, net of returns and allowances, trade discounts and volume rebates.

b) Dividend Income

Dividend income from investments is recognised when the Company's right to receive payment has been established.

c) Other Operating Revenue

Export incentives are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the incentive will be received.

3.6 Employee Benefits

a) Short Term Employee Benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services are provided. Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period.

b) Other Long-Term Employee Benefits

The liabilities for earned leaves that are not expected to be settled wholly within twelve months are measured as the present value of the expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the rate of Government securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of related obligation. Remeasurements as the result of experience adjustment and changes in actuarial assumptions are recognised in the statement of profit and loss.

c) Post-Employment Benefits

- Liability on account of Gratuity for employees already retired are accounted for on accrual basis in the year of retirement.
- Gratuity and leave benefits in respect of existing employees are determined on the basis of actuarial valuation at the end of the year as mentioned hereinafter. Unprovided liability on this account, if any, is disclosed by way of notes.
- Leave Encashment benefits – Accumulated leave are not generally allowed to be encashed as a matter of policy of the Company. However, in exceptional cases at the discretion of the management leave encashment is granted and the same is accounted for as and when paid.

The Company operates the following post-employment schemes:

• Defined Benefit Plans

The liability or asset recognised in the balance sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligation is calculated annually by Actuaries using the projected unit credit method.

The liability recognised for defined benefit plans is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognised actuarial gains or losses and past service costs. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. The benefits are discounted using the rate of Government securities (G-Sec) at the end

The Ganges Manufacturing Company Limited
Notes to the Financial Statements for the year ended 31st March 2023

of the reporting period that have terms approximating to the terms of related obligation.

• **Defined Contribution Plan**

Defined contributions to Provident Fund, Pension Scheme and Employees' State Insurance Scheme are defined contribution schemes and are charged to the statement of profit and loss of the year. The Company makes specified monthly contributions towards employees' provident fund to a trust administered by the Company as well as to provident fund plan operated by the Regional Provident Fund Commissioner. The minimum rate of interest which is payable every year by the trust to the beneficiaries is notified by the Government. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate.

3.7 Government Grants

Government grants (capital incentives) are recognised at their fair values when there is reasonable assurance that the grants will be received and the Company will comply with all the attached conditions. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed or netted off with related expenses. Grants (capital incentives) related to purchase of property, plant and equipment are included in non-current liabilities as "Deferred government grants" and are credited to profit or loss under the head "Deferred Government Grant Allocation Account" on a straight line basis over the expected useful life of the related asset and presented within other operating revenue.

3.8 Foreign Currency Transactions

Foreign currency transactions are translated into the functional currency using the rates of exchanges at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate of exchanges at the reporting date.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities are generally recognised in profit or loss in the year in which they arise except for acquisition of capital assets in which case it is adjusted against the Cost of capital assets.

3.9 Borrowing Cost

- Borrowing Costs consist of interest and other costs that an entity incurs in connection with the borrowings of funds.
- Borrowing costs directly attributable to the acquisition or construction of a qualifying asset are capitalised as a part of the cost of that asset upto the period of time to complete and prepare the asset for its intended use.
- Interest on delayed payments are recognised in the statement of profit and loss in the period in which the liability is finally settled and becomes payable.
- All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

3.10 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a) **Financial Assets**

Recognition and Initial Measurement:

All financial assets are initially recognised when the Company becomes a party to the contractual provisions of the instruments. A financial asset is initially measured at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Classification and Subsequent Measurement:

For purposes of subsequent measurement, financial assets are classified in four categories:

The Ganges Manufacturing Company Limited
Notes to the Financial Statements for the year ended 31st March 2023

- Measured at amortised cost;
- Measured at fair value through other comprehensive income (FVTOCI);
- Measured at fair value through profit or loss (FVTPL); and
- Equity Instruments measured at fair value through other comprehensive income (FVTOCI).

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

Measured at amortised cost

A financial asset is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost.

Measured at FVTOCI

A financial asset is measured at the FVTOCI if both the following conditions are met:

- The objective of the business model is achieved by both collecting contractual cash flows and selling the financial assets; and
- The asset's contractual cash flows represent SPPI.

Financial assets meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at fair value with any gains or losses arising on Remeasurements recognised in other comprehensive income, except for impairment gains or losses and foreign exchange gains or losses. Interest calculated using the effective interest method is recognised in the statement of profit and loss in interest income. Where the asset is disposed of, the cumulative gain or loss previously accumulated in other comprehensive income reserve is transferred in the statement of profit and loss.

Measured at FVTPL

FVTPL is a residual category for financial assets. Any financial assets, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as FVTPL. In addition, the Company may elect to designate a financial asset, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. Financial asset included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss. Interest /dividend income on financial instruments measured at FVTPL are presented separately under other income.

Equity Instruments measured at FVTOCI

All equity investments in scope of Ind AS – 109 are measured at fair value. Equity instruments which are, held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in other comprehensive income. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. In case the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no reclassification of the amounts from OCI to the statement of profit and loss, even on sale of investment.

Derecognition

The Company derecognises a financial asset on trade date only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

Impairment of Financial Assets

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS – 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and/ or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

b) Financial Liabilities

Recognition and Initial Measurement

Financial liabilities are classified, at initial recognition, as at fair value through profit or loss, loans and borrowings, or payables, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent Measurement

Financial liabilities are measured subsequently at amortised cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortised cost. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on Derecognition is also recognised in profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business.

3.11 Impairment of Non-Financial Assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying cost of the asset exceeds its estimated/assessed recoverable value.

An impairment loss is recognised as an expense in the statement of profit and loss in the year in which an asset is identified as impaired. The impairment loss recognised in earlier accounting period is reversed if there has been an improvement in recoverable amount.

3.12 Provisions, Contingent Liabilities and Contingent Assets

a) Provisions

Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

b) Contingent Liabilities

Contingent liability is a possible obligation arising from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events but is not recognised because it is not possible that an outflow of resources embodying economic benefit will

The Ganges Manufacturing Company Limited
Notes to the Financial Statements for the year ended 31st March 2023

be required to settle the obligations or reliable estimate of the amount of the obligations cannot be made. The Company does not provide for the same and discloses the existence of contingent liabilities in other notes to financial statements.

c) Contingent Assets

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits. Contingent assets are not recognised though are disclosed, where an inflow of economic benefits is probable.

3.13 Earnings Per Share

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

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding during the period are adjusted for the effects of all dilutive potential ordinary shares.

3.14 Cash dividend distribution to equity holders

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

3.15 Measurement of Fair Values

A number of the accounting policies and disclosures of the Company require the measurement of fair values, for both financial and non-financial assets and liabilities.

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

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

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 — Inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 — Inputs which are unobservable inputs for the asset or liability.

4. Rounding of Amounts

All amounts disclosed in financial statements and notes have been rounded off to nearest lakhs as per the requirements of Schedule III, unless otherwise stated.

5. Significant Judgements and Key sources of Estimation in applying Accounting Policies

Information about significant judgements and key sources of estimation made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

a) Recognition of Deferred Tax Assets

The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilised. In addition, significant judgement is required in assessing the impact of any legal or economic limits.

b) Useful lives of depreciable/ amortisable assets (property, plant and equipment and intangible assets)

Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to actual normal wear and tear that may change the utility of plant and equipment.

c) Defined Benefit Obligation (DBO)

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, medical cost trends, anticipation of future salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate. However, any changes in these assumptions may have a material impact on the resulting calculations.

d) Provisions and Contingencies

The assessments undertaken in recognising provisions and contingencies have been made in accordance with Indian Accounting Standards (Ind AS) 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events is applied on best judgement by management regarding the probability of exposure to potential loss.

e) Impairment of Financial Assets

The Company reviews its carrying value of investments carried at amortised cost annually, or more frequently when there is indication of impairment. If recoverable amount is less than its carrying amount, the impairment loss is accounted for.

f) Allowances for Doubtful Debts

The Company makes allowances for doubtful debts through appropriate estimations of irrecoverable amount. The identification of doubtful debts requires use of judgement and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.

g) Fair value measurement of financial Instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

The Ganges Manufacturing Company Limited
Notes to the Financial Statements for the year ended 31st March 2023

Rupees in Lakhs

6 Property, Plant & Equipment and Intangible Assets

Particulars	Year ended 31st March 2023									
	Gross Carrying Amount			Accumulated Depreciation			Net Carrying Amount			
	As at 01.04.2022	Additions	Disposals/ Discard	As at 31.03.2023	As at 01.04.2022	Expense for the year	Disposals/ Discard	As at 31.03.2023	As at 31.03.2023	As at 31.03.2022
i) Property, Plant & Equipment										
a. Freehold Land	7.18	0.00	0.00	7.18	0.00	0.00	0.00	0.00	7.18	7.18
b. Buildings	397.97	0.00	0.00	397.97	156.63	13.20	0.00	169.83	228.14	241.34
c. Plant and Equipment	5,445.73	383.70	99.99	5,729.44	3,708.93	334.73	94.99	3,948.67	1,780.77	1,736.80
d. Work Auxiliaries	391.89	14.05	0.00	405.94	318.60	12.74	0.00	331.34	74.60	73.29
e. Furnitures & Fixtures & Office Equipments	320.81	26.39	0.00	347.20	258.92	13.36	0.00	272.28	74.92	61.89
f. Motor Vehicles & Material Handling Equipments	151.85	121.00	86.96	185.89	79.14	16.96	52.40	43.70	142.19	72.71
ii) Capital Work In Progress	6,715.43	545.14	186.95	7,073.62	4,522.22	390.99	147.39	4,765.82	2,307.80	2,193.21
iii) Intangible Assets	109.85	49.78	109.85	49.78	0.00	0.00	0.00	0.00	49.78	109.85
a. Computer Software	0.00	12.15	0.00	12.15	0.00	1.92	0.00	1.92	10.23	0.00
iv) Intangible Assets under development	14.28	0.00	12.15	2.13	0.00	0.00	0.00	0.00	2.13	14.28
Total	6,839.56	607.07	308.95	7,137.68	4,522.22	392.91	147.39	4,767.74	2,369.94	2,317.34

Particulars	Year ended 31st March 2022									
	Gross Carrying Amount			Accumulated Depreciation			Net Carrying Amount			
	As at 01.04.2021	Additions	Disposals/ Discard	As at 31.03.2022	As at 01.04.2021	Expense for the year	Disposals/ Discard	As at 31.03.2022	As at 31.03.2021	As at 31.03.2021
i) Property, Plant & Equipment										
a. Freehold Land	7.18	0.00	0.00	7.18	0.00	0.00	0.00	0.00	7.18	7.18
b. Buildings	397.97	0.00	0.00	397.97	143.38	13.25	0.00	156.63	241.34	254.59
c. Plant and Equipment	5,183.25	338.29	75.81	5,445.73	3,420.06	338.64	49.77	3,708.93	1,736.80	1,763.19
d. Work Auxiliaries	373.32	18.57	0.00	391.89	303.19	15.41	0.00	318.60	73.29	70.13
e. Furnitures & Fixtures & Office Equipments	313.05	7.76	0.00	320.81	245.73	13.19	0.00	258.92	61.89	67.32
f. Motor Vehicles & Material Handling Equipments	143.67	8.18	0.00	151.85	63.52	15.62	0.00	79.14	72.71	80.15
ii) Capital Work in Progress	6,418.44	372.80	75.81	6,715.43	4,175.88	396.11	49.77	4,522.22	2,193.21	2,242.56
iii) Intangible Assets	111.02	109.85	111.02	109.85	0.00	0.00	0.00	0.00	109.85	111.02
iv) Intangible Assets under development	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
a. Computer Software	12.15	2.13	0.00	14.28	0.00	0.00	0.00	0.00	14.28	12.15
Total	6,541.61	484.78	186.83	6,839.56	4,175.88	396.11	49.77	4,522.22	2,317.34	2,365.73

Notes :

- 1) Refer Note - 26 for information on property, plant and equipment pledged as security by the Company.
- 2) Refer Note - 41 for disclosure on contractual commitment for acquisition of property, plant and equipment.

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 -2 years	2 -3 years	More than 3 years	
Capital Work in Progress ageing schedule as at 31st March 2023					
i) Projects in progress	49.78	0.00	0.00	0.00	49.78
ii) Projects temporarily suspended	0.00	0.00	0.00	0.00	0.00
	<u>49.78</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>49.78</u>

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 -2 years	2 -3 years	More than 3 years	
Capital Work in Progress ageing schedule as at 31st March 2022					
i) Projects in progress	109.85	0.00	0.00	0.00	109.85
ii) Projects temporarily suspended	0.00	0.00	0.00	0.00	0.00
	<u>109.85</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>109.85</u>

Particulars	Amount in IAUD for a period of				Total
	Less than 1 year	1 -2 years	2 -3 years	More than 3 years	
Intangible assets under development ageing schedule as at 31st March 2023					
i) Projects in progress	0.00	2.13	0.00	0.00	2.13
ii) Projects temporarily suspended	0.00	0.00	0.00	0.00	0.00
	<u>0.00</u>	<u>2.13</u>	<u>0.00</u>	<u>0.00</u>	<u>2.13</u>

Particulars	Amount in IAUD for a period of				Total
	Less than 1 year	1 -2 years	2 -3 years	More than 3 years	
Intangible assets under development ageing schedule as at 31st March 2022					
i) Projects in progress	2.13	12.15	0.00	0.00	14.28
ii) Projects temporarily suspended	0.00	0.00	0.00	0.00	0.00
	<u>2.13</u>	<u>12.15</u>	<u>0.00</u>	<u>0.00</u>	<u>14.28</u>

	As at 31st March 2023	As at 31st March 2022
7 INVESTMENTS - NON CURRENT <i>(fully paid up unless otherwise stated)</i>		
A. INVESTMENTS AT AMORTISED COST	0.00	0.00
B. INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME		
Investments in Equity Instruments (Unquoted)		
1170 Equity Shares of Rs. 10/- each of Woodlands Multispeciality Hospitals Ltd	0.06	0.06
C. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS	0.00	0.00
	<u>0.06</u>	<u>0.06</u>
Aggregate amount of Unquoted Investments	0.06	0.06
	As at 31st March 2023	As at 31st March 2022
8 OTHER FINANCIAL ASSETS (NON - CURRENT)		
i) Deposits	2.52	3.51
ii) in Fixed Deposits with Bank		
- with more than 12 months maturity	788.63	625.44
Interest Accrued on Fixed Deposits	3.01	30.20
	<u>791.64</u>	<u>655.64</u>
iii) Advances given to employees	8.70	15.20
iv) House Building Loan to employees	9.50	13.20
	<u>812.36</u>	<u>687.55</u>

Particulars	As at 31st March 2023	As at 31st March 2022
Note :		
Fixed deposits of Rs. 375.42 lakhs (including interest) with Punjab National Bank have been pledged with the bank as margin money for issuing Bank Guarantees and Letters of Credit for the Company (Previous year Rs. 328.92 lakhs and Rs. 37.88 lakhs respectively) and balance considered as collateral security for various credit facilities sanctioned to the Company. Such Bank Guarantees outstanding at the year end amounts to Rs. 366.80 lakhs (previous year Rs. 366.80 lakhs) and Letters of Credit outstanding at the year end amounts to Rs. 86.24 lakhs (previous year Rs. Nil)		
9 NON - CURRENT TAX ASSETS (NET)		
Income Tax refundable	7.57	57.14
	<u>7.57</u>	<u>57.14</u>
10 OTHER NON - CURRENT ASSETS		
<i>(Unsecured, considered good)</i>		
i) Advances	3.10	3.60
ii) Prepaid Expenses	29.35	17.12
iii) Capital Advances	0.00	3.00
iv) Advances to Suppliers	0.00	6.45
v) Indirect Taxes - Refundable	0.00	10.23
vi) TDS Receivable from Debtors	86.26	89.43
	<u>118.71</u>	<u>129.83</u>
11 INVENTORIES		
<i>(At lower of cost or net realizable value)</i>		
i) Raw Materials	5,944.40	1,660.55
ii) Process Stock	382.40	420.14
iii) Finished Goods	2,222.40	2,042.28
iv) Stores, Accessories & Spares Parts	360.35	289.96
	<u>8,909.55</u>	<u>4,412.93</u>
Stores, Accessories & Spares Parts Include Stock in transit	0.05	1.83
Mode of valuation - Refer Note 3.1 of significant accounting policies.		
12 TRADE RECEIVABLES		
<i>(Unsecured, undisputed)</i>		
i) Considered Good	1,101.36	832.35
ii) Which have significant increase in credit risk	0.00	114.20
iii) Considered Doubtful	<u>114.20</u>	<u>0.00</u>
	1,215.56	946.55
Less : Provision for Doubtful Debts	<u>(114.20)</u>	<u>0.00</u>
	<u>1,101.36</u>	<u>946.55</u>

Particulars

Rupees in Lakhs

Trade Receivables ageing Schedule as at 31st March 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1 -2 years	2 -3 years	More than 3 years	
<u>Undisputed Trade receivables</u>						
i) - considered good	1,000.41	0.95	0.00	0.00	100.00	1,101.36
ii) - which have significant increase in credit risk	0.00	0.00	0.00	0.00	0.00	0.00
iii) - credit impaired	0.00	0.00	0.00	0.00	114.20	114.20
<u>Disputed Trade receivables</u>						
iv) - considered good	0.00	0.00	0.00	0.00	0.00	0.00
v) - which have significant increase in credit risk	0.00	0.00	0.00	0.00	0.00	0.00
vi) - credit impaired	0.00	0.00	0.00	0.00	0.00	0.00
	1,000.41	0.95	0.00	0.00	214.20	1,215.56

Trade Receivables ageing Schedule as at 31st March 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1 -2 years	2 -3 years	More than 3 years	
<u>Undisputed Trade receivables</u>						
i) - considered good	697.96	4.70	0.43	0.37	128.89	832.35
ii) - which have significant increase in credit risk	0.00	0.00	0.00	0.00	114.20	114.20
iii) - credit impaired	0.00	0.00	0.00	0.00	0.00	0.00
<u>Disputed Trade receivables</u>						
iv) - considered good	0.00	0.00	0.00	0.00	0.00	0.00
v) - which have significant increase in credit risk	0.00	0.00	0.00	0.00	0.00	0.00
vi) - credit impaired	0.00	0.00	0.00	0.00	0.00	0.00
	697.96	4.70	0.43	0.37	243.09	946.55

	<u>As at 31st March 2023</u>	<u>As at 31st March 2022</u>
13 CASH AND CASH EQUIVALENTS		
i) Balances with Banks		
In Current Accounts	5.22	11.60
ii) Cheques, Drafts on Hand	0.03	0.00
iii) Cash on Hand	45.35	37.29
(Including foreign currency amounting to Rs. 7.61 lakhs (Previous year Nil))		
	<u>50.60</u>	<u>48.89</u>
	<u>As at 31st March 2023</u>	<u>As at 31st March 2022</u>
14 OTHER BANK BALANCES OTHER THAN NOTE -13		
i) In Fixed Deposits with Bank		
Less than 3 Months Maturity	0.00	55.58
Interest Accrued on Fixed Deposits	0.00	5.11
	<u>0.00</u>	<u>60.69</u>
Note : (Pledged with Punjab National Bank as mentioned in Note - 8)	0.00	60.69
	<u>0.00</u>	<u>60.69</u>
	<u>As at 31st March 2023</u>	<u>As at 31st March 2022</u>
15 LOANS (CURRENT)		
(Unsecured, considered good)		
Inter Corporate Loan - to Others	6,350.00	6,218.00
Interest Accrued on loan	0.00	420.02
The above loan is repayable on demand		
	<u>6,350.00</u>	<u>6,638.02</u>
	<u>As at 31st March 2023</u>	<u>As at 31st March 2022</u>
16 OTHER FINANCIAL ASSETS (CURRENT)		
i) Advances given to employees	14.14	17.70
ii) House Building Loan to employees	4.10	3.05
	<u>18.24</u>	<u>20.75</u>

Particulars	As at	Rupees in Lakhs
	31st March 2023	As at 31st March 2022
17 CURRENT TAX ASSETS (NET)		
Advance Income Tax (net of provision)	10.99	9.80
	<u>10.99</u>	<u>9.80</u>
Note:		
Advance Income Tax comprises of :		
Advance Income Tax/Tax deducted at source/TCS	611.45	159.33
Less : Provision for Income Tax	600.46	149.53
	<u>10.99</u>	<u>9.80</u>
	As at	As at
	31st March 2023	31st March 2022
18 OTHER CURRENT ASSETS		
i) Advances	7.96	0.74
ii) Prepaid Expenses	28.03	20.77
iii) Advances to Suppliers	36.26	39.70
iv) Balances with Government Authorities	41.13	66.39
v) Deposits against disputed demands	55.87	91.51
vi) MEIS License in hand	0.00	6.26
vii) Rent Receivable	44.53	44.68
	<u>213.78</u>	<u>270.05</u>
	As at	As at
	31st March 2023	31st March 2022
19 EQUITY SHARE CAPITAL		
Authorised Share Capital		
a) 40,00,000 (P.Y. 36,90,000) Equity Shares of Rs 10/- each	400.00	369.00
b) Nil (P.Y. 3,10,000) 10.4 % Cumulative Redeemable Preference Shares of Rs 10/- each	0.00	31.00
Total	<u>400.00</u>	<u>400.00</u>
Issued, Subscribed and Paid up (fully paid up)		
36,59,266 (P.Y. 36,59,266) Equity Shares of Rs 10/- each	365.93	365.93
	<u>365.93</u>	<u>365.93</u>
Notes:	As at	As at
	31st March 2023	31st March 2022
i) Reconciliation of Number of Shares		
Equity Shares of Rs. 10/- each		
Equity Shares - Numbers	No. of Shares	No. of Shares
At the beginning of the year	36,59,266	36,59,266
Changes during the year	0	0
At the end of the year	<u>36,59,266</u>	<u>36,59,266</u>
Equity Shares - Amount	Rupees in Lakhs	Rupees in Lakhs
At the beginning of the year	365.93	365.93
Changes during the year	0.00	0.00
At the end of the year	<u>365.93</u>	<u>365.93</u>
ii) Rights, Preferences and Restriction attached to Shares		
Equity Shares		
The Company has only one class of Equity Shares of face value Rs 10/- each. Holders of equity shares are entitled to one vote per share and equal right to dividend. In the event of liquidation of the Company, the equity shareholders will be entitled to receive the remaining assets of the Company after payment of all preferential amounts, in proportion to their shareholding.		
iii) During the year 3,10,000 numbers of 10.4 % Cumulative Redeemable Preference Shares of Rs 10/- each in the authorised share capital were reclassified into 3,10,000 Equity Shares of Rs 10/- each after cancelling the unissued 3,10,000 numbers of 10.4% Cumulative Redeemable Preference shares vide special resolution passed at the Annual General Meeting held on 23-09-2022.		
iv) No shares have been allotted for consideration other than cash during the period of preceding 5 years.		

Particulars		Rupees in Lakhs	
v) Details of shareholders holding more than 5 % shares in the Company			
Name of the shareholder	As at 31st March 2023	As at 31st March 2022	
Equity Shares of Rs. 10/- each	No. of Shares	No. of Shares	
Lyons Corporate Market Ltd.	6,50,000	6,50,000	
Millennium Holding Pvt. Ltd.	4,50,050	4,50,050	
Celestial Holdings Pvt. Ltd.	4,50,000	4,50,000	
Celestial Consultants Pvt. Ltd.	4,50,000	4,50,000	
Chariot Eximp Ltd.	2,77,756	2,77,756	
Osatwal Jute & Gunny Sales Pvt. Ltd.	2,20,000	2,20,000	
Rochak Distributors Private Limited	2,20,000	2,20,000	

vi) Shareholdings of Promoters

Shares held by promoters	As at 31 st March 2023		As at 31 st March 2022		% Changes during the year
	No. of shares	% of total Shares	No. of shares	% of total Shares	
Equity Shares of Rs. 10/- each					
1 Anand Chand Osatwal	46,900	1.28%	46,900	1.28%	0.00%
2 Anuja Osatwal	3,950	0.11%	3,950	0.11%	0.00%
3 Bimla Kumari Osatwal	1,500	0.04%	1,500	0.04%	0.00%
4 Debjani Osatwal	1,500	0.04%	1,500	0.04%	0.00%
5 Manju Osatwal	34,350	0.94%	34,350	0.94%	0.00%
6 Manju Poddar	38,000	1.04%	38,000	1.04%	0.00%
7 Rajesh Kumar Osatwal	4,600	0.13%	4,600	0.13%	0.00%
8 Ravindra Kumar Poddar	1,79,054	4.89%	1,79,054	4.89%	0.00%
9 Roy Chand Osatwal	52,100	1.42%	52,100	1.42%	0.00%
10 Sanjay Kumar Osatwal	40,234	1.10%	40,234	1.10%	0.00%
11 Shanti Devi Poddar	100	0.00%	100	0.00%	0.00%
12 Snehlata Osatwal	42,600	1.16%	42,600	1.16%	0.00%
13 Sudha Poddar	100	0.00%	100	0.00%	0.00%
14 Sunil Chand Osatwal	25,797	0.70%	25,797	0.70%	0.00%
15 Suraj Poddar	508	0.01%	508	0.01%	0.00%
16 Uma Shankar Poddar	106	0.00%	106	0.00%	0.00%
Total	4,71,399	12.88%	4,71,399	12.88%	0.00%

	Note	As at 31st March 2023	As at 31st March 2022
20 OTHER EQUITY			
Capital Reserve	20.1	144.75	144.75
Retained Earnings	20.2	1,173.19	(410.04)
		<u>1,317.94</u>	<u>(265.29)</u>
20.1 Capital Reserve			
Balance at the beginning of the year		144.75	144.75
Add : Changes during the year		0.00	0.00
Balance at the end of the year		<u>144.75</u>	<u>144.75</u>
20.2 Retained Earnings			
Balance at the beginning of the year		(410.04)	2,146.93
Unprovided liability of Gratuity based on actuarial Valuation from 01-04-2006 to 31-03-2021 (Refer Note - 44.2)		0.00	(2,971.81)
Unprovided liability of Leave Benefits based on actuarial Valuation upto 31-03-2021 (Refer Note - 44.2)		0.00	(123.02)
Add : Profits for the year		1,583.23	537.86
Balance at the end of the year		<u>1,173.19</u>	<u>(410.04)</u>

Particulars

Nature and purpose of other Reserves

Capital Reserve

Capital reserve represents capital profits appropriated as per erstwhile Companies Act, 1956 arising on one time settlement of secured and unsecured loans during the year ended 31st March 1995. This reserve can be utilised in accordance with the provisions of the Companies Act 2013.

Retained Earnings

This reserve represents the cumulative profits of the Company. This reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

	As at 31st March 2023	As at 31st March 2022
21 BORROWINGS (NON-CURRENT)		
(Secured)		
i) Working Capital Term Loan From Bank	69.60	69.60
ii) Vehicle Loan From others	100.00	0.00
	169.60	69.60
Less: Current portion (disclosed under other financial liabilities Refer Note - 26)	12.88	0.00
	<u>156.72</u>	<u>69.60</u>

Notes

i) Working Capital Term Loan received of Rs. 69.60 lakhs under GECL from Punjab National Bank is secured by hypothecation of entire present and future current assets of the Company by way of Second charge and Guarantee Coverage from NCGTC. The Term Loan is repayable in 36 monthly Instalments after moratorium period of 2 years from the date of disbursement. Interest shall be served as and when due during moratorium period. The rate of interest is MCLR i.e. 8.25 % presently (Previous year 7.25 %). The last instalment is due on 01-12-2026

ii) Vehicle Loans are secured against Hypothecation of respective vehicles repayable in Equated Monthly Installments beginning from the month subsequent to taking of the Loans. Rate of interest is 10.50 % p.a.

	As at 31st March 2023	As at 31st March 2022
22 OTHER FINANCIAL LIABILITIES (NON-CURRENT)		
Security Deposits	101.33	107.64
	<u>101.33</u>	<u>107.64</u>

	As at 31st March 2023	As at 31st March 2022
23 PROVISIONS (NON-CURRENT)		
Provision for Employee Benefits		
i) Provision for Gratuity (on Actuarial Valuation)	5,112.15	4,933.60
Less : Current Portion shown under Provisions Current (Refer Note -30)	(558.68)	(524.94)
	4,553.47	4,408.66
ii) Provision for Leave Benefits (on Actuarial Valuation)	122.79	123.08
Less : Current Portion shown under Provisions Current (Refer Note -30)	(11.76)	(10.96)
	111.03	112.12
	<u>4,664.50</u>	<u>4,520.78</u>

	As at 31st March 2023	As at 31st March 2022
24 DEFERRED TAX LIABILITIES (NET)		
Deferred Tax Liabilities		
<i>Arising on account of :</i>		
Depreciable assets	101.24	111.27
	<u>101.24</u>	<u>111.27</u>
Deferred Tax Assets		
<i>Arising on account of :</i>		
Deferred Government grant	6.66	9.57
Disallowances under Income Tax Act,1961	1.15	52.76
	<u>7.81</u>	<u>62.33</u>
Deferred Tax Liabilities (net)	<u>93.43</u>	<u>48.94</u>

Rupees in Lakhs

Particulars

Movement in deferred tax assets and liabilities during the year ended 31st March 2021 and 31st March 2022

Particulars	As at 1 st April 2021	Recognised in statement of Profit and Loss	As at 31 st March 2022
Deferred Tax Liabilities			
<i>Arising on account of:</i>			
Depreciable assets	142.09	(30.82)	111.27
	<u>142.09</u>	<u>(30.82)</u>	<u>111.27</u>
Deferred Tax Assets			
<i>Arising on account of:</i>			
Deferred Government grant	13.57	(4.00)	9.57
Disallowances under Income Tax Act,1961	48.13	4.63	52.76
	<u>61.70</u>	<u>0.63</u>	<u>62.33</u>
Deferred Tax Liabilities (net)	80.39	(31.45)	48.94

Particulars	As at 1 st April 2022	Recognised in statement of Profit and Loss	As at 31 st March 2023
Deferred Tax Liabilities			
<i>Arising on account of:</i>			
Depreciable assets	111.27	(10.03)	101.24
	<u>111.27</u>	<u>(10.03)</u>	<u>101.24</u>
Deferred Tax Assets			
<i>Arising on account of:</i>			
Deferred Government grant	9.57	(2.91)	6.66
Disallowances under Income Tax Act,1961	52.76	(51.61)	1.15
	<u>62.33</u>	<u>(54.52)</u>	<u>7.81</u>
Deferred Tax Liabilities (net)	48.94	44.49	93.43

Deferred tax assets and Deferred tax liabilities have been offset wherever the Company has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income tax levied by the same taxation authority.

	As at 31st March 2023	As at 31st March 2022
25 OTHER NON-CURRENT LIABILITIES		
Deferred Government Grants	17.99	26.45
	<u>17.99</u>	<u>26.45</u>
i) Movement of Deferred Government Grant		
Balance at the beginning of the year (Non-Current and Current)	38.00	53.92
Add : Addition during the year	0.00	0.00
Less : Transferred to Deferred Government Grant Allocation Account in Profit & Loss (Refer Note - 31)	11.55	15.92
Balance at the end of the year (Non-Current and Current)	<u>26.45</u>	<u>38.00</u>
<i>Non-Current deferred government grants</i>	17.99	26.45
<i>Current deferred government grants (Refer Note - 29)</i>	8.46	11.55
26 BORROWINGS (CURRENT)		
(Secured)		
i) Loan Repayable on Demand from Bank	311.16	283.20
ii) Current Maturities of Long Term Borrowings	12.88	0.00
	<u>324.04</u>	<u>283.20</u>

Notes

Loan repayable on Demand from Bank includes :

i) Cash Credit amounting to Rs. 311.16 lakhs (Previous Year Rs. 283.20 lakhs) from Punjab National Bank - Secured by Hypothecation of Stock of Raw Materials of Jute and Jute Products, Stock in Process, Stores, Finished Goods out of jute including stock in transit and receivables. Effective Rate of interest at the year end is 10.65 % (Previous Year 8.40%) subject to change as per RBI directives.

ii) Other Collateral securities provided for Loan repayable on demand from Bank - Refer Note - 49

Rupees in Lakhs

Particulars		
iii) Current Maturities of Long Term Borrowings : (Refer Note - 21)		
Working Capital Term Loan From Bank	5.80	0.00
Vehicle Loan from Others	7.08	0.00
	12.88	0.00
	As at	As at
	31st March 2023	31st March 2022

27 TRADE PAYABLES

(Undisputed)

i) Due to Micro, Small & Medium Enterprises (Refer Note - 43)	99.50	102.87
ii) Due to Others	4,470.10	7,839.18
	4,569.60	7,942.05

Trade Payables ageing Schedule as at 31st March 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1 -2 years	2 -3 years	More than 3 years	
i) Undisputed dues - MSME	99.50	0.00	0.00	0.00	0.00	99.50
ii) Undisputed dues - others	3,579.18	890.92	0.00	0.00	0.00	4,470.10
iii) Disputed dues - MSME	0.00	0.00	0.00	0.00	0.00	0.00
iv) Disputed dues - others	0.00	0.00	0.00	0.00	0.00	0.00
	3,678.68	890.92	0.00	0.00	0.00	4,569.60

Trade Payables ageing Schedule as at 31st March 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1 -2 years	2 -3 years	More than 3 years	
i) Undisputed dues - MSME	102.87	0.00	0.00	0.00	0.00	102.87
ii) Undisputed dues - others	6,040.99	1,795.89	1.15	1.15	0.00	7,839.18
iii) Disputed dues - MSME	0.00	0.00	0.00	0.00	0.00	0.00
iv) Disputed dues - others	0.00	0.00	0.00	0.00	0.00	0.00
	6,143.86	1,795.89	1.15	1.15	0.00	7,942.05

28 OTHER FINANCIAL LIABILITIES (CURRENT)

i) Payable to Employees	821.86	1,064.26
ii) Capital Creditors	40.46	0.00
iii) Other Liabilities	462.00	439.66
	1,324.32	1,503.92

29 OTHER CURRENT LIABILITIES

i) Interest Accrued but not due on borrowing	0.85	0.00
ii) Advances from Customers	6,232.00	252.85
iii) Deferred Government Grant (Refer Note - 25)	8.46	11.55
iv) Statutory dues Payable	215.61	196.08
	6,456.92	460.48

30 SHORT TERM PROVISIONS

i) Provision for Gratuity (on Actuarial Valuation) (Refer Note - 23)	558.68	524.94
ii) Provision for Leave Benefits (on Actuarial Valuation) (Refer Note -23)	11.76	10.96
	570.44	535.90

Particulars	For the year ended 31 st March 2023	Rupees in Lakhs For the year ended 31 st March 2022
31 REVENUE FROM OPERATIONS		
Sale of Products		
Finished Goods	41,371.51	39,502.21
Other Operating Revenues		
i) Export Benefits	0.00	6.26
ii) Deferred Government Grants Allocation A/c	11.55	15.92
iii) Sale of Scrap	67.69	48.38
	41,450.75	39,572.77
32 OTHER INCOME	For the year ended 31st March 2023	For the year ended 31st March 2022
i) Rent Received	48.57	54.76
ii) Interest Income	678.08	507.03
iii) Liability No Longer Required	61.20	10.50
iv) Profit on Sale of Property, Plant & Equipments (net)	41.44	0.00
v) Interest on Income Tax	8.18	2.01
vi) Other Non Operating Income	0.15	0.00
	837.62	574.30
Interest Income Comprises Interest from :		
i) Financial Assets carried at amortised cost	640.10	467.94
ii) Deposits with Bank carried at amortised cost	37.98	39.09
	678.08	507.03
33 COST OF MATERIALS CONSUMED	For the year ended 31st March 2023	For the year ended 31st March 2022
Raw Jute	26,315.65	26,801.19
Yarn & Cloth	580.47	822.19
Other Raw Materials	592.78	625.77
	27,488.90	28,249.15
34 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK - IN - PROGRESS AND STOCK-IN-TRADE	For the year ended 31st March 2023	For the year ended 31st March 2022
Opening Stock :		
Finished Goods	2,042.28	1,092.31
Process Stock	420.14	965.29
	2,462.42	2,057.60
Closing Stock :		
Finished Goods	2,222.40	2,042.28
Process Stock	382.40	420.14
	2,604.80	2,462.42
Net (increase) / decrease in stock	(142.38)	(404.82)
35 EMPLOYEE BENEFITS EXPENSES	For the year ended 31st March 2023	For the year ended 31st March 2022
i) Salaries, Wages, Bonus and Gratuity	6,877.90	6,644.97
ii) Contribution to Provident and Other Funds	684.78	663.43
iii) Welfare Expenses	69.42	167.04
iv) Provision for Gratuity on Actuarial Basis	178.55	(258.90)
v) Provision for Leave Benefits on Actuarial Basis	(0.29)	0.07
	7,810.36	7,216.61
36 FINANCE COSTS	For the year ended 31st March 2023	For the year ended 31st March 2022
i) Interest Expenses :		
Interest on Borrowings	28.98	17.77
Interest on Statutory dues/Taxes	0.02	0.00
Interest on Delayed Payments	183.79	111.13
ii) Other Borrowing Costs	2.66	2.71
	215.45	131.61

Particulars	For the year ended 31 st March 2023	Rupees in Lakhs For the year ended 31 st March 2022
37 DEPRECIATION AND AMORTISATION EXPENSES		
Depreciation on Property, Plant and Equipments	392.91	396.11
	392.91	396.11
38 OTHER EXPENSES		
i) Consumption of Stores & Spare Parts	1,469.07	1,168.10
ii) Power and Fuel	1,251.71	1,230.18
iii) Brokerage	0.36	1.14
iv) Repairs to Roads and Buildings	349.28	422.31
v) Repairs to Plant & Machinery	362.70	367.09
vi) Repairs to Others	94.88	89.65
vii) Freight & Delivery Charges	106.07	78.21
viii) Other Manufacturing & Selling Expenses	228.38	232.48
ix) Losses on Sale of Property, Plant & Equipments	0.00	11.67
x) Losses on Foreign Currency Translations (net)	2.07	0.00
xi) Rates & Taxes	22.03	20.95
xii) Insurance	17.54	17.33
xiii) Subscription	11.34	8.29
xiv) Other Administrative Expenses	212.07	188.87
xv) Corporate Social Responsibility Expenses	19.30	24.21
xvi) Directors Fee	0.70	0.80
xvii) Rent Paid	28.80	28.80
xviii) Indirect Taxes on Settlement of Disputes	0.00	0.03
xix) Provision of Doubtful Debts	114.20	0.00
xx) <i>Payment to Auditors</i>		
For Audit Fees	3.50	2.75
For Other Services	0.95	1.00
	4,294.95	3,893.86
39 TAX EXPENSES		
i) Current Tax Expenses	600.46	149.53
ii) Deferred Tax Expense/ (Credit)	44.49	(31.45)
	644.95	118.08
iii) Tax & Interest for Earlier Years (net)	0.00	8.61
	644.95	126.69
39.1 Reconciliation of estimated income tax expense at Indian statutory income tax rate to income tax expense reported		
Income before Income Tax	2,228.18	664.55
Indian Statutory Income Tax Rate	25.168%	25.168%
Estimated Income Tax expenses	560.79	167.25
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:		
Expenses allowed/disallowed or considered separately	84.16	(49.17)
Change in deferred tax expenses at applicable tax rate	0.00	0.00
Total tax effect	644.95	118.08
Tax expenses recognised in statement of profit and loss	644.95	118.08
40 EARNINGS PER SHARE		
Profit (Loss) for the year	1,583.23	537.86
Weighted average number of Equity share outstanding for the purpose of basic/diluted earnings per equity share (in	36,59,266	36,59,266
Earning per share of par value Rs 10/- Basic & Diluted (Rs.)	43.27	14.70

The Ganges Manufacturing Company Limited
Notes to the Financial Statements for the year ended 31st March 2023

(Rupees in Lakhs)

	As at 31 st March 2023	As at 31 st March 2022
41 Contingent Liabilities		
i) Claims against the Company not acknowledged as debts: Demands under dispute pending in appeals		
(a) Commercial Taxes	11.04	11.04
(b) Land Revenue (Net of advances of Rs. 1.00 lakh paid and debited to Profit and Loss Statement in earlier year)	7.25	7.25
(c) Employees State Insurance (Against the demands Rs. 10.61 lakhs (previous year Rs. 40.02 lakhs) deposited shown in Balance Sheet and Rs. 1.83 lakhs debited to Profit and Loss Statement (previous year Rs. 2.13 lakhs) paid and debited to Profit and Loss Statement in earlier years)	39.11	105.20
(d) Income Tax (Against the demands Rs. 28.51 lakhs (previous year Rs. 28.51 lakhs) deposited shown in Balance Sheet)	28.95	28.95
(e) Gratuity (Against the demands Rs. 2.51 lakhs (previous year Rs. 8.75 lakhs) deposited shown in Balance Sheet)	24.45	44.62
(f) Capital Subsidy (Against the demands Rs. 14.23 lakhs (previous year Rs. 14.23 lakhs) deposited shown in Balance Sheet)	14.23	14.23
The Management feels that the claims are not likely to succeed and hence not provided in the accounts. However, the consequential effect of the claims is dependent on disposal of appeals.		
ii) Against Fixed Deposits of the Company:		
Guarantees given by banks	366.80	366.80
Letters of Credit outstanding	86.24	Nil
Capital and other commitments		
Estimated Amount of Contract remaining to be executed on Capital Account (Net of Advances) and not provided for	529.76	6.69

42 Related Party Disclosures as required under Ind AS 24.

a) List of Related Parties:

Key Management Personnel and Directors

i) Mr. Ravindra Kumar Poddar	Chairman & Joint Managing Director
ii) Mr. Sanjay Kumar Osatwal	Joint Managing Director & CFO
iii) Mr. Dilip Datta	Independent Director
iv) Ms. Madhu Jain	Independent Director
v) Mr. Pawan Kumar Agarwal	Independent Director
vi) Mr. Pradeep Kumar Tripathi	Non-Executive Director
vii) Ms. Swati Trivedi	Secretary

The Ganges Manufacturing Company Limited
Notes to the Financial Statements for the year ended 31st March 2023

b) Remuneration to Key Managerial Personnel :

	For the year ended 31 st March 2023 (Rs. In Lakhs)	For the year ended 31 st March 2022 (Rs. In Lakhs)
Payment to Chairman, MD, and Company Secretary		
i) Short Term Employee Benefits		
Gross Salary	285.75	277.05
Perquisites and other benefits	88.46	153.16
ii) Post-Employment Benefits		
Contribution to P.F. & Other Funds	24.28	24.22
Total	398.49	454.43
c) Payment to Independent & Other Directors		
Sitting Fees	0.70	0.80

43 Details of dues to Micro and Small Enterprises registered under Micro, Small and Medium Enterprise Development Act, 2006 Included in Trade Payables

Particulars	For the year ended 31 st March 2023 (Rs. In Lakhs)	For the year ended 31 st March 2022 (Rs. In Lakhs)
i) The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each financial year.		
- Towards Principal amount	99.50	102.87
- Towards Interest on above	Nil	Nil
ii) The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	Nil	Nil
iii) The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil
iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	Nil	Nil
v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil

This information has been determined to the extent such parties have been identified based on information available with the Company. The amount of interest accrued/payable, if any, to the suppliers according to MSME Act, 2006 has been determined on the supplies made after the date of registration and intimation to the Company given by the suppliers under the MSME Act, 2006.

The Ganges Manufacturing Company Limited
Notes to the Financial Statements for the year ended 31st March 2023

44 Disclosure pursuant to Indian Accounting Standard -19 'Employee Benefits' as notified u/s 133 of the Companies Act, 2013

44.1 Defined Contribution Plans

The Company has during the year recognised an expense of Rs. 684.78 lakhs (F. Y. 2021-22 Rs. 663.43 lakhs) towards defined contribution plans.

Out of the total contribution made for employees' provident fund a sum of Rs. 90.79 lakhs (Previous year Rs. 89.04 lakhs) has been made to The Ganges Manufacturing Company Limited Mill Workers Provident Fund ("Trust") while the remaining contributions have been made to the provident fund plan operated by the Regional Provident Fund Commissioner and for Employers' contribution to Employees State Insurance Corporation. Further, considering the past track and fair value of the plan assets of the Trust, the Company does not envisage any shortfall in liability towards the interest payable by the Trust at the notified interest rate.

44.2 Defined Benefit Plans:

As per Actuarial valuation as on 31st March 2023 and recognized in the financial statements in respect of Defined Employee Benefit Schemes.

A) Gratuity

Description	Gratuity (Unfunded) 2023 <i>Rs. In Lakhs</i>	Gratuity (Unfunded) 2022 <i>Rs. In Lakhs</i>
a) Reconciliation of Opening Balances of the Present Value of the Defined Benefit Obligation		
Present Value of Obligation at the beginning of the year	4,933.60	5,192.50
Current Service Cost	279.50	271.06
Interest Cost	350.29	358.28
Amortization of Past Service Cost	0.00	0.00
Actuarial (Gains) / Losses	(212.20)	(616.13)
Benefit Paid	(239.04)	(272.11)
Present Value of Obligation at the end of the year	5,112.15	4,933.60
b) Reconciliation of the Opening Balance of Plan Assets		
Fair Value of Plan Assets at the beginning of the year	0.00	0.00
Actual Return of Plan Assets	0.00	0.00
Actuarial (Gains) / Losses	0.00	0.00
Contributions	239.04	272.11
Benefit Paid	(239.04)	(272.11)
Fair Value of Plan Assets at the end of the year	0.00	0.00
c) Reconciliation of the Present Value of the Defined Benefit Obligation and the Fair Value of Plan Assets		
Present Value of obligations at the end of the year	5,112.15	4,933.60
Fair Value of Plan Assets at the end of the year	0.00	0.00
Assets/ (Liabilities) to be recognized in the Balance Sheet	(5,112.15)	(4,933.60)
Assets/ (Liabilities) recognized in the Balance Sheet	(5,112.15)	(4,933.60)
Assets/(Liabilities) unprovided in the Balance Sheet	0.00	0.00

The Ganges Manufacturing Company Limited
Notes to the Financial Statements for the year ended 31st March 2023

Description	Gratuity (Unfunded) 2023 Rs. In Lakhs	Gratuity (Unfunded) 2022 Rs. In Lakhs
d) Expenses recognised in the Profit and Loss Statement		
Current Service Cost	279.50	271.06
Interest Cost	350.29	358.28
Actual Return on Plan Assets	0.00	0.00
Amortization of Past Service Cost	0.00	0.00
Actuarial (Gains) / Losses	(212.20)	(616.13)
Total Expenses to be recognized	417.59	13.21
Expenses recognized	417.59	13.21
Expenses unprovided for the year	0.00	0.00
e) Actuarial assumptions		
Financial assumptions		
Discount rate	7.40 %	7.10 %
Salary escalation rate	6.00 %	6.00 %
Demographic assumptions		
Mortality rate	IALM (2012-14) Table	IALM (2012-14) Table
Withdrawal rate	1% to 8%	1% to 8%
Retirement age	58 years	58 years
B) <u>Leave Benefits</u>		
Description	Leave Benefits (Unfunded) 2023 Rs. In lakhs	Leave Benefits (Unfunded) 2022 Rs. In lakhs
a) Reconciliation of Opening Balances of the Present Value of the Defined Benefit Obligation		
Present Value of Obligation at the beginning of the year	123.08	123.02
Current Service Cost	28.58	33.57
Interest Cost	8.74	8.49
Amortization of Past Service Cost	0.00	0.00
Actuarial (Gains) / Losses	158.80	133.96
Benefit Paid	(196.41)	(175.96)
Present Value of Obligation at the end of the year	122.79	123.08
b) Reconciliation of the Opening Balance of Plan Assets		
Fair Value of Plan Assets at the beginning of the year	0.00	0.00
Actual Return of Plan Assets	0.00	0.00
Actuarial (Gains) / Losses	0.00	0.00
Contributions	196.41	175.96
Benefit Paid	(196.41)	(175.96)
Fair Value of Plan Assets at the end of the year	0.00	0.00
c) Reconciliation of the Present Value of the Defined Benefit Obligation and the Fair Value of Plan Assets		
Present Value of obligation at the end of the year	122.79	123.08
Fair Value of Plan Assets at the end of the year	0.00	0.00

The Ganges Manufacturing Company Limited
Notes to the Financial Statements for the year ended 31st March 2023

Description	Leave Benefits (Unfunded) 2023 Rs. In lakhs	Leave Benefits (Unfunded) 2022 Rs. In lakhs
Assets/ (Liabilities) to be recognized in the Balance Sheet	(122.79)	(123.08)
Assets/ (Liabilities) recognized in the Balance Sheet	(122.79)	(123.08)
Assets/(Liabilities) unprovided in the Balance Sheet	0.00	0.00
d) Expenses recognised in the Profit and Loss Statement		
Current Service Cost	28.58	33.57
Interest Cost	8.74	8.49
Actual Return on Plan Assets	0.00	0.00
Amortization of Past Service Cost	0.00	0.00
Actuarial (Gains) / Losses	158.80	133.96
Total Expenses to be recognized	196.12	176.02
Expenses recognized	196.12	176.02
Expenses unprovided for the year	0.00	0.00
e) Actuarial assumptions		
Financial assumptions		
Discount rate	7.40 %	7.10 %
Salary escalation rate	6.00 %	6.00 %
Demographic assumptions		
Mortality rate	IALM (2012-14) Table	IALM (2012-14) Table
Withdrawal rate	1% to 8%	1% to 8%
Retirement age	58 years	58 years
C) Notes:		
a) The estimates of future salary increase, considered in actuarial valuations, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.		
b) Amount recognized as expenses: Salaries, Wages, Bonus and Gratuity in Note 35 include actual payments of Leave Encashment amounting to Rs. 196.41 lakhs (Previous Year Rs. 175.96 lakhs) and gratuity paid/provided on actual liability basis amounting to Rs. 239.04 lakhs (Previous Year Rs. 272.11 lakhs) during the year.		
c) There was accrued unprovided liabilities for existing employees as on 31 st March 2021 for future payments determined as per actuarial valuation for Gratuity amounting to Rs. 2,971.81 lakhs and for Leave benefits amounting to Rs. 123.02 lakhs. The management decided in previous year to provide in full these unprovided liabilities for earlier years and reduced the same from the opening balance of Retained Earnings in Other Equity during the previous year in Note 20.2 towards past liabilities. Due to the aforesaid prior period adjustments Other Equity has been reduced by Rs. 3,094.83 lakhs with corresponding effects in Provisions in Note 23 in the previous year.		
45 In the opinion of the management, there is no Impairment Loss in Value of assets based on the assessment of their recoverable value carried out by the technical persons.		
46 As the business activity falls within one reportable segment namely "Jute Goods" there is no segment wise information to report as per the Ind AS 108 "Operating Segment".		

The Ganges Manufacturing Company Limited

Notes to the Financial Statements for the year ended 31st March 2023

- 47** Capital Incentive from National Jute Board under Acquisition of Plant & Machinery (Capital Subsidy) Scheme – under Jute Technology Mission has been accounted for following the Ind AS 20 on “Accounting for Government Grants” as prescribed under Section 133 and rules there under. Accordingly, the incentive has been credited under the head “Deferred Government Grant”.
- 48** The FLC/ILC (Non-Fund Based) Limit of Rs. 3 Crores sanctioned by Punjab National Bank, Shakespeare Sarani Branch, Kolkata for purchase of Raw Materials is secured against stocks covered under DP/DA bills and also charge over the current assets of the Company.
- 49** Following Collateral Securities have been provided to Punjab National Bank, Shakespeare Sarani, Kolkata for various facilities sanctioned to the Company:
For Cash Credit and FLC/ILC facilities: Hypothecation of existing Plant & Machinery excluding Plant & Machinery purchased out of Term Loan situated at factory premises at Bansberia, Fixed deposits with the bank and personal guarantee of a Director of the Company.
- 50** The original Title Deeds for land held in the name of the Company were deposited with Punjab National Bank as interim arrangement for creating second charge over the said assets. Though the charge had been satisfied in full, the bank has given the No Dues Certificate during the financial year and the satisfaction of charge has been duly registered with the Registrar of Companies within the statutory period. The bank is yet to return the aforesaid original Title Deeds to the Company.

51 Capital Management

The Company’s objective is to maintain a strong capital base to ensure sustained growth in business. The capital management focuses to maintain an optimal structure that balances growth and maximizes shareholder value.

The Company is predominantly equity financed. Further, the Company has sufficient cash, cash equivalents, current investments and financial assets which are liquid to meet the debts/liabilities.

52 Disclosure on financial instruments

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 3.10 to the financial statements.

52.1 Financial Asset and Liabilities (Non-Current and Current)

The management has assessed that the fair values of cash and cash equivalents, trade receivables, trade payables, short term borrowings, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The management has assessed that the fair value of floating rate instruments approximates their carrying value.

The Ganges Manufacturing Company Limited
Notes to the Financial Statements for the year ended 31st March 2023

Rupees in lakhs

Particulars	As at 31st March 2023			As at 31st March 2022		
	Fair value through statement of profit and loss	Fair value through other comprehensive income	Amortised cost	Fair value through statement of profit and loss	Fair value through other comprehensive income	Amortised cost
Financial assets						
Investments						
Equity instruments		0.06			0.06	
Trade receivables			1,101.36			946.55
Cash and cash equivalents			50.60			48.89
Other financial assets						
Fixed deposits accounts with bank (maturity over 12 months)			788.63			625.44
Fixed deposits accounts with bank (Less than 3 months maturity)			0.00			55.58
Interest accrued on fixed deposits			3.01			35.31
Loans			6,350.00			6,638.02
Other deposits, advances & receivables			38.96			52.66
Total financial assets	0.00	0.06	8,332.56	0.00	0.06	8,402.45
Financial liabilities						
Borrowings (including current maturities)			480.76			352.80
Trade payables			4,569.60			7,942.05
Other financial liabilities						
Employee related liabilities			821.86			1,064.26
Security deposits and others			603.79			547.30
Total Financial liabilities	0.00	0.00	6,476.01	0.00	0.00	9,906.41

52.2 Fair value Hierarchy

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

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

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models, with the most significant inputs that reflects the credit risk of counterparty. The fair value of short-term financial assets and liabilities is considered to be approximately equal to its carrying value due to their short-term nature. Costs of unquoted equity instruments has been considered as an appropriate estimate of fair value where most recent information to measure fair value is insufficient or if there is a wide range of possible fair value measurements.

The Ganges Manufacturing Company Limited
Notes to the Financial Statements for the year ended 31st March 2023

Rupees in lakhs

Particulars	As at 31st March 2023			As at 31st March 2022		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets						
(i) Measured at amortised cost						
Trade receivables			1,101.36			946.55
Cash and cash equivalents			50.60			48.89
Other financial assets						
Fixed deposits accounts with bank (maturity over 12 months)			788.63			625.44
Fixed deposits accounts with bank (Less than 3 months maturity)			0.00			55.58
Interest accrued on fixed deposits			3.01			35.31
Loans			6,350.00			6,638.02
Other deposits, advances & receivables			38.96			52.66
Subtotal	0.00	0.00	8,332.56	0.00	0.00	8,402.45
(ii) Measured at fair value through other comprehensive income						
Investments						
- Equity instruments			0.06			0.06
Subtotal	0.00	0.00	0.06	0.00	0.00	0.06
Total financial assets	0.00	0.00	8,332.62	0.00	0.00	8,402.51
Financial liabilities						
(i) Measured at amortised cost						
Borrowings (including current maturities)			480.76			352.80
Trade payables			4,569.60			7,942.05
Other financial liabilities						
Employee related liabilities			821.86			1,064.26
Security deposits and others			603.79			547.30
Subtotal	0.00	0.00	6,476.01	0.00	0.00	9,906.41
Total Financial Liabilities	0.00	0.00	6,476.01	0.00	0.00	9,906.41

There were no transfers between Level 1 and Level 2 during the year.

52.3 Financial Risk Management

The Company has a risk management policy which covers risk associated with the financial assets and liabilities. The risk management policy is approved by the Directors. The different types of risk impacting the fair value of financial instruments are as below:

a) Credit Risk

The credit risk is the risk of financial loss arising from counter party failing to discharge an obligation. The credit risk is controlled by analysing credit limits and credit worthiness of customers on continuous basis to whom the credit has been granted, after obtaining necessary approvals for credit.

i) Trade receivable

Customer credit risk is managed by the Company subject to Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored and major customers are generally from Government agencies Thus, based on past trends, the Company does not foresee any losses in expected credit loss (ECL). The maximum exposure to credit risk at the reporting date is the carrying value of trade receivable disclosed in Note 12.

ii) Financial instrument and cash deposit

Credit risk is limited as the Company generally invest in deposits with banks. Counterparty credit limits are reviewed by the Company periodically and the limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Ganges Manufacturing Company Limited
Notes to the Financial Statements for the year ended 31st March 2023

b) Liquidity Risk

Liquidity risk is the risk that the Company may not be able to meet its financial obligations as they become due. The Company monitors its risk by determining its liquidity requirement in the short, medium and long term. This is done by drawing up cash forecast for short term and long-term needs. The Company manages its liquidity risk in a manner so as to meet its normal financial obligations without any significant delay or stress. Such risk is managed through ensuring operational cash flow while at the same time maintaining adequate cash and cash equivalent position. The management has arranged for diversified funding sources and adopted a policy of managing assets with liquidity monitoring future cash flow and liquidity on a regular basis. Surplus funds not immediately required are invested in fixed deposit which provide flexibility to liquidate.

Maturity analysis for financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date.

Rupees in lakhs

Particulars	On Demand	0 to 6 Months	More than 6 months to 1 year	More than 1 year	Total
As at 31st March, 2023					
Borrowings (including current maturities) (Refer Note - 21 & 26)	311.16	3.45	9.43	156.72	480.76
Trade payables (Refer Note - 27)	0.00	4,569.60	0.00	0.00	4,569.60
Other financial liabilities (Refer Note - 22 & 28)	0.00	1,324.32	0.00	101.33	1,425.65
	311.16	5,897.37	9.43	258.05	6,476.01
As at 31st March, 2022					
Borrowings (including current maturities) (Refer Note - 21 & 26)	283.20	0.00	0.00	69.60	352.80
Trade payables (Refer Note - 27)	0.00	7,942.05	0.00	0.00	7,942.05
Other financial liabilities (Refer Note - 22 & 28)	0.00	1,503.92	0.00	107.64	1,611.56
	283.20	9,445.97	0.00	177.24	9,906.41

c) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of following risk: interest rate risk, foreign currency risk, other price risk. Financial instruments affected by market risk include borrowings, trade receivable and trade payable.

i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates.

The Company is exposed to risk due to interest rate fluctuation on its non-current and current borrowings with floating interest rate. Interest rate risk is determined by current market interest rates, projected debt servicing capability and view on future interest rate. Such interest rate risk is actively evaluated and is managed through portfolio diversification and exercise of prepayment/refinancing options where considered necessary.

The Ganges Manufacturing Company Limited
Notes to the Financial Statements for the year ended 31st March 2023

a) Exposure to interest rate risk

Particulars	<i>Rupees in lakhs</i>	
	As at 31st March 2023	As at 31st March 2022
Fixed rate instruments		
Financial assets	7,151.13	6,914.02
Financial liabilities	169.60	69.60
Variable rate instruments		
Financial assets	0.00	0.00
Financial liabilities	311.16	283.20

b) Interest rate sensitivity

A change in 50 bps in interest rate would have following impact on profit before tax and other equity

Particulars	<i>Rupees in lakhs</i>		
	As at 31st March 2023		
	Sensitivity	Impact on	
		Profit before tax	Other equity
Tax Rate			25.168%
Interest rate increase by	0.50%	(1.56)	(1.16)
Interest rate decrease by	0.50%	1.56	1.16
Particulars	As at 31st March 2022		
	Sensitivity	Impact on	
		Profit before tax	Other equity
Tax Rate			25.168%
Interest rate increase by	0.50%	(1.42)	(1.06)
Interest rate decrease by	0.50%	1.42	1.06

Interest rate sensitivity has been calculated assuming the borrowings outstanding at the reporting date have been outstanding for the entire reporting period and all other variables remain constant.

ii) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company does not have significant foreign currency exposure.

The Ganges Manufacturing Company Limited
Notes to the Financial Statements for the year ended 31st March 2023

a) Exposure to foreign currency risk

The Company's exposure to foreign currency risk at the end of the reporting period are as follow :

Unhedged foreign currency exposure

Rupees in lakhs

Particulars	As at 31st March 2023		As at 31st March 2022	
	Foreign Currency	INR	Foreign Currency	INR
Financial assets				
<i>Cash in hand and Other Current Assets</i>				
In SGD	5,511.85	3.41	0.00	0.00
In THB	4,86,767.00	11.73	0.00	0.00
		15.14	0.00	0.00
Financial liabilities				
<i>Trade payables and other liabilities</i>				
In USD	7,35,019.54	604.04	86,043.87	66.12
		604.04		66.12

Rupees in lakhs

Particulars	As at 31st March 2023		As at 31st March 2022	
	Foreign Currency	INR	Foreign Currency	INR
Net exposure in foreign currency (Financial assets - Financial liabilities)				
In SGD	5,511.85	3.41	0.00	0.00
In THB	4,86,767.00	11.73	0.00	0.00
In USD	(7,35,019.54)	(604.04)	86,043.87	66.12
		(588.90)		66.12

b) Sensitivity analysis

The analysis is based on assumption that the increase/decrease in foreign currency by 5% with all other variables held constant, on the unhedged foreign currency exposure would have following impact on profit before tax and other equity.

Rupees in lakhs

Particulars	Sensitivity	As at 31st March 2023	
		Impact on	
		Profit before tax	Other equity
Tax rate			25.168%
Sensitivity - Increase	5.00%	(29.45)	(22.00)
Sensitivity - Decrease	5.00%	29.45	22.00

Particulars	Sensitivity	As at 31st March 2022	
		Impact on	
		Profit before tax	Other equity
Tax rate			25.168%
Sensitivity - Increase	5.00%	3.31	2.00
Sensitivity - Decrease	5.00%	(3.31)	(2.00)

The Ganges Manufacturing Company Limited
Notes to the Financial Statements for the year ended 31st March 2023

iii) Other Price Risk

The Company's exposure to securities price risk arises from investments held by the Company and classified in the Balance Sheet either at fair value through OCI or at fair value through profit and loss. Having regard to the nature of securities, intrinsic worth, intent and long-term nature of securities held by the Company, fluctuation in their prices are considered acceptable and do not warrant any management.

53 Corporate Social Responsibility	2022-23	2021-22
	<i>Rs. In Lakhs</i>	<i>Rs. In Lakhs</i>
Amount required to be spent by the Company during the year	19.21	24.21
Amount of expenditure incurred	19.30	24.21
Shortfall at the end of the year	(0.09)	Nil
Total of previous three years shortfall	17.39	17.39
Reason for shortfall in previous years	The CSR committee was continuously looking for proper avenues for spending the money on CSR activities. But it could not find suitable avenues.	
	The unspent amount of Rs. 17.39 lakhs towards CSR is for the financial year 2019-20. The amendment to the second proviso to sub-section (5) of Section 135 of the Companies Act, 2013 according to which the unspent CSR amount is required to be transferred to a Fund specified in Schedule VII to the Companies Act, 2013 within a period of six months of the expiry of the financial year was notified to be effective from 22 nd January 2021 and was not retrospective. Hence, the same was not applicable to the financial year 2019-20.	
Nature of CSR activities	1. Promoting healthcare 2. Promoting Education	
Details of related party transactions	None	

54 Relationship with the struck off Companies

Transactions with companies whose names have been struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act 1956 in the financial year ended 31st March 2023 and 31st March 2022 are given below:

Sl. No.	Name of the struck off company	Nature of Transactions	Balance Outstanding (Rs. In lakhs)		Relationship with struck off company, if any, to be disclosed
			As at 31-03-2023	As at 31-03-2022	
1.	Bhagirathi Protein Limited	Shares held by struck off company	0.05	0.05	Shareholder
2.	Star Company Limited	Shares held by struck off company	0.01	0.01	Shareholder
3	Suraiya Finance Private Limited	Shares held by struck off company	0.01	0.01	Shareholder

Note: During the financial years ended 31st March 2023 and 31st March 2022, the company did not have any transaction with above equity shareholders. The shareholding data is as per the records of shareholders list downloaded by the Registrar and Transfer Agent of the company from the database maintained by the Depositories and reported to us for the purpose of this disclosure.

The Ganges Manufacturing Company Limited
Notes to the Financial Statements for the year ended 31st March 2023

55 Ratios

Sr. No,	Particulars	Numerator	Denominator	Ratios for the year ended		Variance (%)	Change in ratio in excess of 25% compared to preceding year
				31 st March 2023	31 st March 2022		
1.	Current Ratio	Current Assets	Current Liabilities	1.26	1.16	8.62	
2.	Debt-Equity Ratios (in times)	Total Borrowings (i.e. Non-current Borrowings + Current borrowings)	Total Equity	0.29	3.51	(91.74)	Increase was due to increase in Total Equity in current year
3.	Debt Service Coverage Ratio (in times)	Profits after tax + interest on borrowings + Non-cash operating expenses like depreciation + Other non-cash adjustments	Debt Service = Interest on borrowings + Principal repayments of term liabilities	73.51	2.41	2,950.21	Increase was due to substantial reduction in current maturities of long-term liabilities and increase in earnings in current year
4.	Inventory Turnover Ratio (no. of days)	Average Inventory	Net Sales/no. of days in reporting period	56.35	45.31	24.37	
5.	Trade Receivables Turnover Ratio (no. of days)	Average Receivables	Net Sales/no. of days in reporting period	8.66	14.33	(39.57)	Due to reduction in average receivables
6.	Trade Payables Turnover Ratio (no. of days)	Average Trade Payables	Net Purchases/ no. of days in reporting period	64.13	86.00	(25.43)	Due to Reduction of average trade payables
7.	Net Capital Turnover Ratio (in times)	Net Sales	Average Working Capital	12.14	23.48	(48.30)	Due to increase in average Working Capital
8.	Net Profit Ratio (%)	Net profits after taxes	Net Sales	3.83	1.36	181.62	In the previous year major sales were to the Government the price for which was determined and controlled by the Jute

The Ganges Manufacturing Company Limited
Notes to the Financial Statements for the year ended 31st March 2023

									Commissioner. The price of finished goods fixed by the Jute Commissioner was by considering lower raw material rates though the Company had to buy raw materials at prevailing higher market rates.
9.	Return on Capital employed (%)	Earnings before interest and taxes		Capital employed = Total Equity + non-current borrowings + Current borrowings + Deferred tax liabilities	99.96	135.82	(26.40)		Capital employed increased due to increase in Total Equity at the end of current year
10.	Return on Equity Ratio (%)	Net Profits after Tax		Average Total Equity	NA	NA	NA		Average Total Equity was negative in the previous years.

Notes :

- (a) $\text{Average Inventory} = (\text{Opening Inventory} + \text{Closing Inventory}) / 2$
- (b) $\text{Average Receivables} = (\text{Opening Receivables} + \text{Closing Receivable}) / 2$
- (c) $\text{Average Trade Payables} = (\text{Opening Trade Payables} + \text{Closing Trade Payables}) / 2$
- (d) $\text{Working Capital} = \text{Current Assets} - \text{Current Liabilities}$
- (e) $\text{Average Working Capital} = (\text{Opening Working Capital} + \text{Closing Working Capital}) / 2$

56 Other Statutory Information

- i) No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- ii) The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.
- iii) The company is not declared willful defaulter by any bank or financial Institution or other lender during the year.
- iv) The company has used borrowings from banks and financial institutions for specific purpose for which it was obtained.
- v) The Title deeds of all the immovable properties disclosed in the financial statements included in property, plant and equipment are held in the name of the Company as at the balance sheet date.
- vi) The company does not have any subsidiary. Accordingly, requirement of compliance with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable.
- vii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- viii) The company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall :
 - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- ix) The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding that the company shall :
 - a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- x) The Company does not have any charges or satisfaction of charges which is yet to be registered with Registrar of Companies beyond the statutory period.
- xi) Quarterly returns or statement of current assets filed by the Company with the bank are in agreement with the books of accounts and there are no material differences for reporting.

The Ganges Manufacturing Company Limited
Notes to the Financial Statements for the year ended 31st March 2023

57 Previous year's figures have been regrouped / reclassified wherever necessary to conform to current period's classification.

In terms of our Report of even date

For R.B.S.C & CO.
(Formerly S.S. Kothari & Co.)
Chartered Accountants
Firm Registration No. 302034E
Ranjan Kumar Roychaudhury
Partner
Membership No. 008816
Kolkata
The 30th day of May 2023

Ravindra Kumar Poddar
Chairman & Jt. Managing
Director
(DIN : 00240643)

Dilip Datta
Director
(DIN : 00406151)

Sanjay Kumar Osatwal
Jt. Managing Director & CFO
(DIN : 00248585)

Pawan Kumar Agarwal
Director
(DIN : 00228448)

Swati Trivedi
Company Secretary

