

November 22, 2022

Corporate Relations

BSE Limited

Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai-4000 01

(Security Code : 534615)

The Manager (Listing Department)

National Stock Exchange of India Limited

Exchange Plaza, C-1, Block G,

Bandra Kurla Complex, Bandra (E)

Mumbai - 400 051

(Symbol: NECCLTD)

Subject: Statement on Impact of Audit Qualification (for Limited Review Report with Qualified Opinion) for the Quarter Ended - September 2022

Dear Sir,

With reference to your mail dated 22.11.2022, we hereby declare that the Statutory Auditor of the Company, M/s Nemani Garg Agarwal & Co. (Firm Registration No. 010192N) has issued Limited Review Report with Qualified opinion on the Audited Financial Results of the Company for the quarter and year ended on March 31, 2022. **This is to inform you that there is no impact of audit qualification for the quarter ended 30.09.2022.**

a) Details of Audit Qualification

1. The company has not provided Provision for doubtful debts since the management is of the opinion that Debtors are fully realizable.
2. The company has not recognized Right to use assets of leased property since in view of management the lease are not long term lease
3. The debit and credit balances are subject to confirmation.

b) For Audit qualification(s) where the impact is not quantified by the Auditor,

Management's views:

1. The debtors are fully realisable at the values stated in the financial statements hence no provision for bad or doubtful debt is required. The remark has been inserted by the Auditors as a matter of abundant caution & the said remark does not impact the true and fair view of the Financial Statements.
2. The lease agreement for property are not long term hence no recognition of Right to Use Assets has been done. This remark has also been inserted by the Auditors as a matter of abundant caution. All the lease agreement for the property are short term and the said remark was not really required and in any case the said remark does not impact the true and fair view of the Financial Statements.
3. This is also a standard remark by the Auditors. In the limited time available for review, it is never possible for the Auditors to obtain direct confirmation from Debtors and/or Creditors. Therefore, in management's view, this kind of remark is inserted in a routine manner and it does not impact the true and fair view of the Financial Statements.

Note:

For the year ended March 31, 2022 the identical remarks were made by the Auditors in their audit report. Notably, in the IMPACT STATEMENT, the Auditors have agreed that there is no impact of such remarks on the true and fair view of the financial statement. For ready reference, the duly signed IMPACT STATEMENT is enclosed which clearly lays down that there is no impact whatsoever of these remarks as contained in the Audit Report.

We request you to kindly take the same on record.

We shall be glad to furnish any other information as may be desired.

Thanking You,

Yours faithfully,

For North Eastern Carrying Corporation Limited

For North Eastern Carrying Corporation Ltd.



Managing Director

(Sunil Kumar Jain)

Chairman & Managing Director

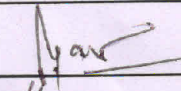
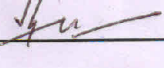


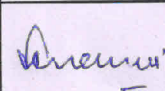
ANNEXURE-1

STATEMENT OF IMPACT OF AUDIT QUALIFICATION (FOR AUDIT REPORT WITH QUALIFIED OPINION) SUBMITTED ALOG WITH ANNUAL AUDITED FINANCIAL STATEMENTS -
STANDALONE OF NORTH EASTERN CARRYING CORPORATION LIMITED

STATEMENT OF IMPACT OF AUDIT QUALIFICATION FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

[SEE REGULATION 33 / 52 OF THE SEBI (LODR) REGULATIONS, 2015

Amount in Lacs except EPS

| S.No. | Particulars | Audited Figures (before adjusting for | Adjusted Figures (after adjusting for qualifications) |
|--------|---|---|--|
| I | 1 Turnover / Total Income | 25,085.53 | 25,085.52 |
| | 2 Total Expenditure | 24,516.88 | 24,516.88 |
| | 3 Net Profit /(loss) (After Tax) | 425.75 | 425.75 |
| | 4 Earning per share | 0.850 | 0.850 |
| | 5 Total Assets | 21,786.91 | 21,786.91 |
| | 6 Total Liabilities | 11,893.30 | 11,893.30 |
| | 7 Networth | 9,893.61 | 9,893.61 |
| | 8 Any other financial item(s) felt appropriated by the management | N.A | |
| II | Audit Qualification (each audit qualification separately) | | |
| a | Details of Audit Qualification | | |
| 1 | The company has not provided Provision for doubtful debts since the management is of the opinion that Debtors are fully realizable. | | |
| 2 | The company has not recognized Right to use assets of leased property since in view of management the lease are not long term lease | | |
| 3 | The debit and credit balances are subject to confirmation.. | | |
| b | Type of Audit Qualification : Qualified / Disclaimer of Opinion / Adverse Opinion: | | Qualified |
| c | Frequency of Qualification(s) : Whether appeared for first time YES | | |
| d | For Audit qualification(s) where the impact is quantified by the Auditor, Management's views: | | |
| 1 | The debtors are fully realisable hence no provision for bad debt is required | | |
| 2 | The lease agrrement for property are not long term hence no recognition of Right to Use Assets has been done | | |
| 3 | Company is in process of getting confirmation from parties. | | |
| | For Audit Qualification(s) where the impact is not quantified by the auditor: | | |
| | (i) Management's estimation on the impact of audit qualification: | N.A | |
| | (ii) If Management is unable to estimate the impact, reasons for the same: | N.A | |
| | (iii) Auditor's comments on (i) or (ii) above: | N.A | |
| III | Signatories | | |
| | Mr. Sunil Kumar Jain - Managing Director and Chairperson of the Board meeting |  | |
| | Mr. Shyam Lal Yadav - C.F.O. |  | |
| | Mrs. Mamta Bisht- Company Secretary |  | |
| | Audit Committee Chairperson |  | |
| | Mr. S.K. Nemanl - Partner Nimani Garg Agarwal & Co., Chartered Accountants; Firm Registration No. 010192N; Membership No. 037222 |  | |
| Place: | New Delhi | | |
| Date: | May 30, 2022 | | |

