

# 106th ANNUAL REPORT 2021-22



# THE INDIA JUTE AND INDUSTRIES LIMITED

# THE INDIA JUTE AND INDUSTRIES LIMITED

**Authorised Capital** Rs. 11, 00, 00,000  
**Issued, Subscribed & Paid Up Capital** Rs. 2, 58, 00,000

(In 25, 80,000 Ordinary Shares of Rs. 10/- each)

## Registered Office:

4A, Shree Ganesh Business Centre,  
216 Acharya J.C. Bose Road  
Kolkata-700017  
West Bengal, India

## Works:

3, William Carey Road  
Serampore, Hooghly-712201  
West Bengal, India

*Website: [www.indiajute.in](http://www.indiajute.in)*

*Email: [indiajuteltd@gmail.com](mailto:indiajuteltd@gmail.com)*

## Board of Directors

Mr. Bharat Kumar Jalan, Managing Director

Mr. Uday Kumar Srivastava

Mr. Dinesh Kumar Sharma

Mrs. Pragati Raghavdas Mundhra

## Chief Financial Officer

Mr. Dinesh Kumar Sharma

## Company Secretary

Mr. Ravi Kumar Shaw

## Auditors

M/s G. P. Agrawal & Co.  
Chartered Accountants

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## Registrar & Transfer Agent (RTA)

M/s S. K. Infosolutions Pvt. Ltd.  
(CIN: U72300WB1999PTC090120)

Address: D/42 Katju Nagar Bazar, Jadavpur,  
Kolkata-700032, West Bengal, India  
Email: [skcdilip@gmail.com](mailto:skcdilip@gmail.com)  
Contact: 033-24120027/24120029

## Committees

- Audit Committee
- Nomination & Remuneration Committee

**THE INDIA JUTE AND INDUSTRIES LIMITED**  
**CIN: L17119WB1916PLC002720**  
**4A Shree Ganesh Business Centre, 216 A.J.C. Bose Road,**  
**Kolkata-70001, West Bengal, India**  
**Ph No.: +91-3322871640**  
**Email: indiajuteltd@gmail.com; Website: [https:// www.indiajute.in /](https://www.indiajute.in/)**

**NOTICE FOR THE 106<sup>TH</sup> AGM**

NOTICE is hereby given that the 106<sup>th</sup> Annual General Meeting of the Members of THE INDIA JUTE AND INDUSTRIES LIMITED ('the Company') will be held on Thursday, the 29<sup>th</sup> September, 2022 at 10:30 A.M. at 4A, Shree Ganesh Business Centre, 216, Acharya J.C. Bose Road, Kolkata – 700 017 to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements for the year ended on 31<sup>st</sup> March, 2022 together with the Reports of the Directors and the Auditors thereon and to pass the following Resolution as an Ordinary Resolution:

**“RESOLVED THAT** the Audited Financial Statement of the Company for the year ended 31<sup>st</sup> March, 2022, and the Reports of the Directors and the Auditors thereon, placed before this Meeting, be and are hereby considered and adopted.”

2. To appoint Mr. Uday Kumar Srivastava (DIN: 09128876), Director retiring by rotation, eligible for reappointment and pass the following Resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Uday Kumar Srivastava (DIN: 09128876), who retires by rotation at this Meeting under the provisions of the Company Act, 2013, be and is hereby reappointed as Director of the Company.”

3. To appoint M/s G. P. Agrawal & Co., Chartered Accountants, (Firm Registration No. 302082E) and pass the following Resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to Section 139 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) ) Rules, 2014 as amended from time to time M/s G. P. Agrawal & Co., Chartered Accountants, (Firm Registration No. 302082E), be and are hereby appointed as Auditors of the Company for a term of five (5) consecutive years to hold office from the conclusion of this one hundred and sixth (106th) Annual General Meeting (AGM) till the conclusion of the one hundred and eleventh (111th) AGM of the Company at such remuneration (plus goods and services tax and reimbursement of out of pocket expenses) as may be decided by the Board of Directors from time to time.”

**Registered Office:**  
**4A, Shree Ganesh Business Centre**  
**216, Acharya J. C. Bose Road**  
**Kolkata – 700 017**  
**Dated: 07<sup>th</sup> September, 2022**

**By Order of the Board of the Directors**  
**For The India Jute and Industries Limited**

**Sd/-**  
**(Ravi Kumar Shaw)**  
**Company Secretary**



**NOTES:**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of him and the proxy need not be a member of the Company.

A proxy, in order to be effective, must be received at the Company's Registered Office at 4A, Shree Ganesh Business Centre, 216, Acharya J.C. Bose Road, Kolkata – 700 017, not less than forty - eight hours before the commencement of the Meeting.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate shares not more than 10 percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other member.

2. Corporate members intending to send their authorized representative(s) to attend the Meeting are requested to send to the Company a certified true copy of the relevant Board Resolution together with the specimen signature(s) of the representative(s) authorized under the said Board Resolution to attend and vote on their behalf at the Meeting.
3. All documents referred to in the Notice are available for inspection at the Registered Office of the Company during office hours on all days except Saturdays, Sundays and public holidays upto the date of the Annual General Meeting.
4. Attendance slip and proxy form of the Meeting are annexed hereto.
5. Members/ proxies/ authorized representatives should:
  - a. Bring their duly filled in Attendance Slips, as enclosed, for easy identification of attendance at the AGM Venue.
  - b. Bring their copies of the Annual Report to the Meeting.
6. The Register of Members of the Company will remain closed from 22<sup>nd</sup> September, 2022 to 29<sup>th</sup> September, 2022 both days inclusive.
7. The Company is registered with National Securities Depository Ltd. ('NSDL'), for dematerialization of its Equity Shares which has been allotted the ISIN **INE0ERT01016**. S K Infosolutions Pvt. Ltd. having its office at D/42, Katju Nagar, Jadavpur, Kolkata- 700032 is the Registrar and Share Transfer Agent of the Company.
8. Members holding shares in electronic form are requested to intimate immediately any change in their address and bank mandates to their Depository Participants with whom they are maintaining their DEMAT accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates to the Company/Company's Registrar and Transfer Agent, S K Infosolutions Pvt. Ltd. The notification of change of address should be accompanied by the address

proof, i.e., voter's identity card, electric/telephone bill, driving license or a copy of the passport or bank statement of the member.

9. The notice of AGM is being sent only through e-mail to those shareholders whose e-mail address is registered with the Company/depository. Members may note that the notice of AGM is also available on the Company's website at <https://www.indiajute.in/>.
10. To support the "Green Initiative in Corporate Governance" of the Ministry of Corporate Affairs, for paperless compliances by companies, members are requested to register their e-mail addresses, in respect of their holdings in the securities of the Company, for service of notice/documents including Annual Reports by the Company by email.
11. The Shareholders are hereby informed that Annual Report for the financial year ended 2021-2022 has not been attached along with this notice. The Financial Statement along with notes for the said period have been submitted to the Statutory Auditor for their report there on. It will be mailed to the Shareholders as soon as the same is received from Statutory Auditor which is expected within seven days from the dispatch of this notice. The Management hereby request the Shareholders to kindly approve the condonation of delay.
12. Any query relating to the Resolutions and Voting proposed to be passed at the ensuing Annual General Meeting (AGM) may be addressed to the Company Secretary of the Company.
13. Voting can be exercised only by the concerned Member or his/her duly constituted attorney or, in case of bodies corporate, its duly authorized person. A member need not use all his/her votes.

**14. PROCESS FOR MEMBERS OPTING FOR E-VOTING**

In compliance with provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and sub-clause (1) & (2) of Regulation 44 of SEBI (LODR) Regulations, 2015, the Company will be providing members facility to exercise their rights to vote on resolution proposed to be considered at the ensuing Annual General Meeting (AGM) by electronics means and the business may be transacted through e-voting services. The facility of casting votes by members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL). The detailed procedure to be followed in this regard has been given in **Annexure A** to the Notice. The members are requested to go through them carefully.

## Annexure A

**Instruction for the remote e-voting:****How do I vote electronically using NSDL e-voting system?**

The way to vote electronically on NSDL e-voting system consists of “two steps” which are mentioned below:

**Step 1: Login to NSDL e-Voting system at <https://www.evoting.nsdl.com/>**

**Step 2: Cast your vote electronically on NSDL e-voting system.**

**Details on Step 1 is mentioned below:****How to log-in to NSDL e-Voting website?**

1. Visit the e-voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a personal computer or on a mobile.
  2. Once the home page of e-voting system is launched, click on the icon “Login” which is available under ‘Shareholder’ section.
  3. A new screen will open. You will have to enter your User ID, your password and verification code as shown on the screen.
- Alternatively, if you are registered for NSDL eservices i.e. IDEAS you can log-in at <https://eservices.nsdl.com> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-voting and you can proceed to step 2 i.e. cast your vote electronically.
4. Your User-ID details are given below:

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For members who hold shares in demat account with NSDL	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****
b) For members who hold shares in demat account with CDSL	16 Digit beneficiary ID For example if your beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form	EVEN number followed by Folio Number registered with the Company  For example if folio number is 001*** and EVEN is 101456 then usr ID is 101456001***

5. Your password details are given below:

a) If you are already registered for e-voting, then you can use your existing password to login and cast your vote.

b) If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your '**initial password**'?

(i) If your e-mail ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Track the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a pdf file. Open the pdf file. The password to open the PDF file is your 8 digit Client ID for NSDL account, last 8 digit of client ID for CDSL account or folio number for shares held in physical form. The pdf file contains your USER ID and your 'Initial Password'.

(ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

6. If you are unable to retrieve or have not received the 'Initial Password' or have forgotten your password:

(a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

b) "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered email address.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

### **Details on Step 2 is given below:**

#### **How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-voting. Then, click on Active Voting Cycles.

2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### **General Guidelines for shareholders**

1 Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to moonkaassociates@gmail.com with a copy marked to evoting@nsdl.co.in.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.

3. In case of any queries for e-voting, you may contact the following NSDL officials: M/s. Pallavi Mhatre at e-mail id [pallavid@nsdl.com](mailto:pallavid@nsdl.com) or M/s Sarita Mote at e-mail Id [saritam@nsdl.com](mailto:saritam@nsdl.com) or at 022-2499 4559/022-2499 4545/toll free number – 1800-222-990.

#### **Instructions for Members for e-voting on the day of the AGM are as under:**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members, who will be present in the AGM and have not casted their vote on the resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the AGM.
3. Members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-voting on the day of the AGM shall be the same person mentioned for remote e-vot

**THE INDIA JUTE AND INDUSTRIES LIMITED****CIN: L17119WB1916PLC002720**

**4A Shree Ganesh Business Centre, 216 A.J.C. Bose Road,  
Kolkata-70001, West Bengal, India :: Ph No.: +91-3322871640  
Email: indiajuteltd@gmail.com; Website: http:// www.indiajute.in /  
106<sup>th</sup> ANNUAL GENERAL MEETING ON 29<sup>th</sup> SEPTEMBER, 2022**

**PROXY FORM****(FORM NO. MGT-11)**

*[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]*

- |  |   |
|--|---|
| 1. Name of the Shareholder(s)                        | : |
| 2. Registered Address                                | : |
| 3. E-mail ID   | : |
| 4. Registered Folio No./<br>Client ID No./ DP ID No. | : |

I/ We being the member(s) of \_\_\_\_\_ shares of The India Jute and Industries Limited hereby appoint,

(1) Name : \_\_\_\_\_

Address : \_\_\_\_\_

E-mail Id : \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him

(2) Name : \_\_\_\_\_

Address : \_\_\_\_\_

E-mail Id : \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him

(3) Name : \_\_\_\_\_

Address : \_\_\_\_\_

E-mail Id : \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at 106<sup>th</sup> Annual General Meeting of members of the Company, to be held on 29<sup>th</sup> September, 2022 at 10:30 a.m. at the Registered office of the Company at The India Jute and Industries Limited, 4A Shree Ganesh Business Centre, 216 A.J.C. Bose Road, Kolkata-700017 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Number	Description	Optional (√)	
		For	Against
Ordinary Resolutions			
1.	Adoption of the Audited Financial Statement of the Company for the year ended 31st March, 2022, and the Reports of the Directors and the Auditors thereon		
2.	Reappointment of Mr. Uday Kumar Srivastava (DIN: 09128876) Directors retiring by rotation and being eligible, offers himself for reappointment.		
3.	Appointment of M/s G. P. Agrawal & Co., Chartered Accountants, (Firm Registration No. 302082E) as a Statutory Auditor for the second term		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2022.

Affix Revenue  
Stamp

Folio/ DP ID/ Client ID \_\_\_\_\_ Signature of Shareholder \_\_\_\_\_

Signature of Proxy holder(s) \_\_\_\_\_

**Note:** 1. This Proxy form, in order to be effective, should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting i.e. by 10:30 a.m. on 27<sup>th</sup> September, 2022.

2. It is optional to put a “✓” in the appropriate column against the Resolutions indicated in the Box. If you leave the “For” or “Against” column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

**THE INDIA JUTE AND INDUSTRIES LIMITED**  
**CIN: L17119WB1916PLC002720**  
**4A Shree Ganesh Business Centre, 216 A.J.C. Bose Road,**  
**Kolkata-70001, West Bengal, India :: Ph No.: +91-3322871640**  
**Email: indiajuteltd@gmail.com; Website: [http:// www.indiajute.in](http://www.indiajute.in) /**  
**106<sup>th</sup> ANNUAL GENERAL MEETING ON 29<sup>th</sup> SEPTEMBER, 2022**

**ATTENDENCE SLIP****DATE**

Thursday  
29<sup>th</sup> SEPTEMBER, 2022

**VENUE**

4A Shree Ganesh Business Centre,  
216 A.J.C. Bose Road, Kolkata-700017

**TIME**

10.30 A.M.

**Name & Address of Member**

I/We hereby record my/our presence at the 106<sup>th</sup> Annual General Meeting of the Members of the Company held on Thursday, 29<sup>th</sup> September, 2022 at 4A Shree Ganesh Business Centre, 216 A.J.C. Bose Road, Kolkata-700017.

No. of Shares \_\_\_\_\_

\_\_\_\_\_  
Member's Folio/DP ID/ Client Id No.

\_\_\_\_\_  
Member's Proxy Name in  
Block Letters

\_\_\_\_\_  
Member's/ Proxy Signature

Note: 1) Shareholders attending the meeting in person or by proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.

2) Duplicate Attendance slip will not be issued at the venue.



## REPORT OF THE DIRECTORS

For the year ended 31<sup>st</sup> March, 2022

To,  
The Members,

Your Directors are pleased to present the 106<sup>th</sup> Annual Report and the Company's audited financial statements for the Financial Year ended March 31, 2022.

### Financial highlights of the Company

The highlights of the company's performance are as under:

Particulars	(Amount in '000)	
	Year ended 31.03.2022	Year ended 31.03.2021
<b>Total Revenue</b>	<b>5,52,099.11</b>	<b>4,36,048.88</b>
<b>Profit before Interest &amp; Depreciation</b>	<b>13,109.19</b>	<b>27,006.56</b>
Less: Depreciation	3,002.77	2,964.59
Less: Interest	11,989.72	11,425.66
<b>Profit before Taxation</b>	<b>(1,883.30)</b>	<b>12,616.31</b>
Less: Provision for Taxation	Nil	Nil
<b>Profit for the year</b>	<b>(1,883.30)</b>	<b>12,616.31</b>
Balance brought forward from previous year	(1,57,246.44)	(1,69,862.75)
<b>Balance Available for appropriation</b>	<b>(1,59,129.74)</b>	<b>1,57,246.44)</b>
Add: Transferred from Revaluation Reserve	Nil	Nil
<b>Balance of Profit carried forward</b>	<b>(1,59,129.74)</b>	<b>(1,57,246.44)</b>

### DIVIDEND:

In view of losses suffered by the company, the Board of Directors do not recommend any dividend for the year under review.

### BUSINESS ACTIVITIES:

#### **a) Textile Division**

India's Textiles sector is one of the oldest industries in Indian economy dating back several centuries. Though the Second wave of COVID-19 pandemic had hit the Indian economy very hard, textile industry was also among the affected industries in financial year 2021-22. The Company could not maintain its performance during the financial year due to low demands of fine acrylic yarn. The demand for fine quality of yarn has been drastically reduced and due to Covid-19 restriction the textile division has also been closed for May'21 and June'21. The Company has concentrated on rigorous cost restructuring and efficiency improvements to decrease the loss as much as possible. In spite of practicing specialized marketing the management could not save the company from losses.

**b) Fine Yarn & Carpet Division**

Jute Fine yarn division has earned profit.

Carpet manufacturing unit is closed and under suspension of work.

The segment wise working results of the company are as follows:

(Amount in '000)							
Particulars	Textile Division	Fine Yarn Division	Carpet Division	Trading Division	Unallocated Income	Unallocated Expense	Total
Total Revenue	3,11,636.64	2,38,960.04	-	1,214.26	288.17	-	5,52,099.11
Segment Results	(7,995.79)	18,622.33	(7.47)	(800.82)	288.17	(11,989.72)	(1883.30)

No material changes or commitments have occurred in the Company between the end of the financial year under review and the date of report.

No materials changes or commitments or any significant and material adverse orders or rulings passed by the regulators or Courts or Tribunals impacting the going concern status and Company's operations in future have occurred between the end of the financial year of the Company and the date of report.

**INTERNAL FINANCIAL CONTROLS:**

There are adequate internal financial controls commensurate with the size of the company and nature of business with reference to the financial statements.

**DEPOSITS:**

Your Company has not accepted any deposit within the meaning of Section 73 of the Companies Act, 2013 and the Rules made thereunder and therefore, no amount of principal or interest was outstanding as on the date of Balance Sheet.

**STATUTORY AUDITORS:**

Pursuant to Section 139 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) ) Rules, 2014 as amended from time to time M/s G. P. Agrawal &Co., Chartered Accountants, (Firm Registration No. 302082E), be and are hereby re-appointed as Statutory Auditors of the Company for a term of five (5) consecutive years to hold office from the conclusion of this one hundred and sixth (106th) Annual General Meeting (AGM) till the conclusion of the one hundred and eleventh (111th) AGM of the Company at such remuneration (plus goods and services tax and reimbursement of out of pocket expenses) as may be decided by the Board of Directors from time to time."

Accordingly, as per the Companies (Amendment) Act, 2017 ratification of the appointment of Statutory Auditors during their period of appointment will be considered in the ensuing Annual General Meeting.

**AUDITOR'S REPORT**

The Auditors' observations have been dealt with in the notes which are self-explanatory and do not call for further clarification.

## **DIVERSIFICATION OF BOARD**

During the period under review, no changes has been made in the composition of the Board of Directors. The current provisions is to have an appropriate mix of executive, non-executive, a woman and independent directors to maintain the independence of the Board, and separate its functions of governance and management.

As of March 31, 2022, the Board had four members, two of them are Executive director and next two of them are Non-Executive. Out of two Non-Executive Directors, both of them are Independent Directors and one of the Independent directors of the Board is woman.

None of the Directors of our Company is disqualified under provisions of Section 164(2) (a) and (b) of the Companies Act, 2013.

## **POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION:**

The policy of the Company on directors' appointment and remuneration, including the criteria for determining qualifications, positive attributes, independence of a director and other matters, as required under Sub-section (3) of Section 178 of the Companies Act, 2013 is according to the relevant provisions. We affirm that the remuneration paid to the directors is as per the terms laid out in the Nomination and Remuneration Policy of the Company.

The Board of Directors ascertains the integrity, qualification, expertise and experience of the person for appointment as Director and Key Managerial Personnel. The appointment of Directors requires approval of the Board and thereafter approval of the shareholders in general meeting.

The remuneration to the Directors and Key Managerial Personnel is proposed by the Board Members in the Board Meeting and approval of Shareholders is obtained, if required.

The directors receive sitting fees for attending meeting of the Board.

## **DECLARATION BY INDEPENDENT DIRECTORS**

The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013, that he / she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of the Listing Regulations.

## **ANNUAL EVALUATION OF THE BOARD:**

The evaluation exercise was carried out in the year under review and the Independent Directors in their separate meeting evaluated the performance of the Managing Director and also carried out collective evaluation of the Board. The said evaluations were carried out on formal objectives based on parameters such as relevant industry experience, attendance at the meeting, participation in discussion, financial literacy, compliance awareness about applicable laws and interaction with Management team.

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

### **Inductions, retirements and resignations**

#### **Inductions**

During the period under review, no new director has been induced in the company.

#### **Resignations**

During the period under review, no existing director has served their resignation in the company.

#### **Retirements/Re-appointments**

As per the provisions of the Companies Act, 2013, Mr. Uday Kumar Srivastava, retires by rotation at the ensuing AGM and, being eligible, seeks reappointment. Based on the performance evaluation and recommendation of the nomination and remuneration committee, the Board recommends his reappointment.

#### **Key Managerial Personnel**

During the period under review, Mr. Dinesh Kumar Sharma has been appointed as a Chief Financial Officer of the Company in the place of Mr. Kiriti Bhusan Bag effective from 07/10/2021.

## **BOARD MEETINGS:**

### **Number of meetings of the Board of Directors**

The Board of Directors met five (5) times during the year under review.

### **Committees of the Board**

As on March 31, 2022, the Board had two committees: the audit committee and the nomination & remuneration committee. A majority of the committees consists entirely of independent directors. During the year, all recommendations made by the committees were approved by the Board.

## **LOANS, GUARANTEES OR INVESTMENTS:**

### **Particulars of loans, guarantees or investments under section 186**

During the year under review, the company has neither given any loans or guarantees to other body corporates nor made any investments in other body corporate falling under section 186 of the Companies Act, 2013.

## **RELATED PARTIES:**

During the year under review, the company has not entered into any contracts or arrangements with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013.

## **RISK MANAGEMENT POLICY:**

Your Company has established a comprehensive Risk Management System to ensure and safeguard company's objectives. To mitigate risks, actions are identified that would assist to make the risk to an acceptable level. Monitoring and reporting process has been defined to update Board of Directors.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to requirement of clause I of sub-section (3) of Section 134 of the Companies Act, 2013, the Directors state that—

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) the directors have 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 and loss of the company for that period;
- (c) the directors have 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 have prepared the annual accounts on a going concern basis; and
- (e) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Place: Kolkata  
Date: 02<sup>nd</sup> September, 2022

**For and on behalf of the Board of Directors  
The India Jute and Industries Limited**

**-Sd/-**

**Bharat Kumar Jalan  
(Chairperson)**

## Form No. MR-3

### Secretarial Audit Report

For the financial year 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2022

*[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 of  
**The India Jute and Industries Limited**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **The India Jute and Industries Limited** (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 **The India Jute and Industries Limited** 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 31<sup>st</sup> March, 2022 ('Audit Period') complied with the statutory provisions listed hereunder and also that 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 company for the financial year ended on 31<sup>st</sup> March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (**The Act**) and the Rules made there under;
- (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 there under;
- (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.
- (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) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (till November 9, 2018); (**Not applicable as the Company has not issued any further share capital during the period under review**)
  - d) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (w.e.f. November 9, 2018); (**Not applicable as the Company has not issued any further share capital during the period under review**)
  - e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (**Not applicable during the period under review**)

- f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable as the Company has not issued and listed any debt securities during the financial year under review)**
- g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993.
- h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable as there was no reportable event during the period under review)** and
- i) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; Not applicable during the review period ; **( Not applicable as there was no reportable event during the period under review)**

(vi) Other Law applicable to the Company namely:

- a) Factories Act, 1948;
- b) Labour laws and other incidental laws related to labour and employees appointed by the Company including those on contractual basis as relating to wages, gratuity, prevention of sexual harassment, dispute resolution, welfare, provident fund, insurance, compensation etc.;
- c) Industries (Development & Regulation) Act, 1991;
- d) Acts and Rules prescribed under prevention and control of pollution;
- e) Acts and Rules relating to environmental protection and energy conservation;
- f) Acts and Rules relating to hazardous substances and chemicals;
- g) Acts and Rules relating to electricity, fire, petroleum, motor vehicles, explosives, boilers etc.;
- h) Other local laws as applicable to various plants and offices.

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) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

**I further report that** the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Women director and Independent Directors as well as for the formation of various committees i.e. Audit Committee and Nomination & Remuneration Committee. Stakeholders Relationship Committee has been dissolved this current year as shareholders of the company has been reduced below 1000.

**I further report that** the Board of Directors of the Company has appointed M/s S K Infosolutions Private Limited as Registrar and Share Transfer Agent (RTA) and as per proviso of Regulation 40(1) of SEBI (LODR), 2015 requests for effecting transfer of securities has been processed by RTA within due time frame.

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 clarification on the agenda items before the meeting and for meaningful participation at the meeting. All decisions are carried out unanimously as recorded in the minutes of the Meeting.

**I further report that there** are adequate systems and processes 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 there** were no other instances having a major bearing on the company's affairs, under above referred laws, rules, regulations, guidelines, standards etc.

**I further report that** revocation of listing with Calcutta Stock Exchange is still under process and the company is still awaiting for the reply at their end. All the relevant compliances with regards to quarterly, half-yearly and annually has been complied and the relevant documents with respect to various regulations of SEBI have been duly submitted to the Calcutta Stock Exchange.

I further report that Website is fully functional and updated and the full information as required under SEBI (LODR), 2015 has been incorporated.

During the period under review I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for the compliances under other applicable Acts, Laws and Regulations to the Company.

**Date: 3<sup>rd</sup> August, 2022**

**Place: Howrah**

**Sd/-**

**Priyanka Moonka**

**Practicing Company Secretary**

**Membership No- A20941**

**Certificate of Practice Number-9509**

**UDIN: A020941D000736040**

**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.**



**Annexure-A**

**To,  
The Members of  
The India Jute and Industries Limited  
4A, Shree Ganesh Business Centre,  
216, Acharya J. C. Bose Road,  
Kolkata-700017**

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. Wherever 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 are the responsibility of the 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.

**Date: 3<sup>rd</sup> August, 2022**

**Place: Howrah**

**Sd/-**

**Priyanka Moonka  
Practicing Company Secretary  
Membership No- A20941  
Certificate of Practice Number-9509  
UDIN: A020941D000736040**

## **Independent Auditor's Report**

To The Members of **The India Jute and Industries Limited**

### **Report on the Audit of the Financial Statements**

#### **Qualified Opinion**

We have audited the accompanying Financial Statements of **The India Jute and Industries Limited ("the Company")**, which comprise the Balance Sheet as at 31<sup>st</sup> March, 2022, 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 a summary of the significant accounting policies and other explanatory information (herein after referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effect/possible effects of the matters described in the Basis for Qualified Opinion section of our report, 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 principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2022, and its loss, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### **Basis for Qualified Opinion**

Attention is drawn to the following notes to the financial statement:

- a) Note No. 18(a) regarding non-provision of actuarially ascertained liability for gratuity (to the extent identified and ascertained for the period upto 31<sup>st</sup> March, 2003 ) aggregating to Rs. 19,463.30 thousand which is not in accordance with Ind AS 19 "Employee Benefits". Consequentially, other equity as on 31<sup>st</sup> March, 2022 would be lower by Rs. 19,463.30 thousand and Provisions would be higher by the like amount.
- b) Note no. 14(2) regarding non-provision of liquidated damages aggregating to Rs. 1,27,637.76 thousand (including Rs. 6,190.98 thousand for the year) on excise duty loan from Government of India and penal interest etc. amounting to Rs. 3,653.25 thousand (including Rs.162.76 thousand for the year) on the sales tax loan from West Bengal Industrial Development Corporation Ltd. to the extent ascertained in accordance with Ind AS- 1 on "Presentation of the Financial Statements". Consequently, as ascertained, loss for the year ended 31<sup>st</sup> March, 2022 would be higher by Rs. 6,353.74 thousand, other equity would be lower by Rs. 1,31,291.01 thousand and other current liabilities would be higher by the like amount.
- c) Note no. 14(10) regarding non-provision of interest aggregating to Rs. 5,614.72 thousand (including Rs. 150.00 thousand for the year) on unsecured loans which is not in accordance with Ind AS-1 on "Presentation of the Financial Statements". Consequently, as ascertained, loss for the year ended 31<sup>st</sup> March, 2022 would be higher by Rs. 150.00 thousand, other equity would be lower by Rs. 5,614.72 thousand and other current liabilities would be higher by the like amount.
- d) Note No. 18(a) regarding from the year ended 31<sup>st</sup> March, 2012 onwards, no actuarial valuation has been carried out in respect of employees existing as on 31<sup>st</sup> March, 2022 and has been only provided in respect of employees retired during the period which is not in accordance with Ind AS 19 "Employee Benefits". However, in absence of actuarial valuation as per Ind AS 19 on employee benefit, accrued liability for gratuity has not been ascertained and necessary provision has not been made.

## **Independent Auditor's Report (Contd.)**

To The Members of **The India Jute and Industries Limited**

- e) Note no. 14(2) regarding non provision of interest, penal interests, liquidated damages etc. payable to the Financial Institutions / Assignees / Other Parties since 01st April, 2002, which is not in accordance with Ind AS-37 on "Provisions, Contingent Liabilities and Contingent Assets", the impact of which is presently not ascertainable.
- f) Note no. 4 (1) regarding non-ascertainment and non-provision for the impairment of assets which is not in accordance with Ind AS-36 on "Impairment of assets", the impact of which is presently not ascertainable.
- g) Note no. 6(i) with regard to non-ascertainment of status and recoverability of fixed deposit for Rs. 1,558.52 thousand pledged with State Bank of India and security deposit of Rs.246.16 thousand;
- h) Note no. 7 regarding non-ascertainment of realizable value of inventories and consequent impact on its carrying amount as on 31<sup>st</sup> March, 2022, if any, is not in accordance with Ind AS-2 on "Valuation of Inventories", the impact of which is presently not ascertainable;
- i) Note no. 14(5) regarding shortfall in the book value of security as compared to the amount of secured loan;
- j) Note no. 14(8) regarding non classification of borrowings under current and non -current as required under Schedule III to the Act;
- k) Note No. 14(12) and 14(13) regarding unsecured loans arranged in earlier years by the promoters include loans from relatives in terms of the Draft Rehabilitation scheme submitted to the BIFR which is subject to compliance of section 77 of the Act.
- l) Note no.18(c) regarding non-provision for dues, interest, penalty and other liability for delay/default in payment of statutory/other liabilities/gratuity etc. the impact of which is not ascertainable;
- m) Note no. 29(1) regarding non provision of demand /show cause notices received for (i) excise duty payable, (ii) and (iii) regarding Sales Tax and turnover Tax including interest thereon, Note no. (iv) regarding Provident Fund and Note no. (v) regarding ESIC, in accordance with Ind AS-37 on "Provisions, Contingent Liabilities and Contingent assets " the impact of which is currently not ascertainable;
- n) Note no. 29(2) regarding non-ascertainment of dues to Micro, Small and Medium Enterprises as required under the "Micro, Small and Medium Enterprise Development Act, 2006" and consequential non provision of interest payable to these enterprises, if any;
- o) Note no. 29(6d) regarding payment of remuneration to managerial personnel amounted to Rs. 2,631.24 thousand which is subject to approval of Central Government;
- p) Note no. 29(6) regarding non-identification of all the related parties and consequential non - disclosure of the complete related party transactions which is not in accordance with Ind AS-24 "Related Party Disclosures";
- q) **Material Uncertainty Related to Going Concern**

The company has suffered substantial losses leading to erosion of its net worth as on 31<sup>st</sup> March, 2022. The company has prepared its financial statements on going concern basis for reason being stated in Note No. 29(8). However, the ability of the company to continue as a going concern is

## **Independent Auditor's Report (Contd.)**

To The Members of **The India Jute and Industries Limited**

dependent upon the future profitability and viability of operations which presently cannot be commented upon;

- r) Note no. 29(12) regarding non confirmation of certain balances and consequential reconciliation and adjustments arising in the respect and Note no. 14(i), 14(ii), 6, 8 (i), 15(i), 15(ii) and 11 regarding eventual shortfall in values and their impact in respect of Borrowings, Security Deposits, Fixed Deposits, Inventories, Trade receivables, Trade payable, Loans and Advances which is currently not ascertainable;
- s) The company has neither framed any policy nor estimated any impairment loss due to Expected Credit Loss which is not in accordance with the provisions of Ind AS 109 "Financial Instruments" in respect of the Trade Receivables (Unsecured, considered good) [Note 8 (i)] amounting to Rs. 4,228.53 thousand.

This has resulted in the overstatement of the carrying amount of such financial assets and understatement of the 'Provision for Expected Credit Loss' for the year. In the absence of adequate information including the classification and policy for determination of expected credit loss on the financial assets, the impact of the above non-compliance cannot be quantified.

We further report that, without considering the impact of items mentioned in the point (d) to (s) above, the effect of which could not be ascertained presently, had the impact of the item referred to in Point (a) to (c) above been given in the financial statement, the loss for the year would have been Rs.8,387.04 thousands (as against the reported loss of Rs.1,883.30 thousands), Other equity would have been in negative for Rs.2,84,261.17 thousands (as against the reported negative figure of Rs.1,27,892.14 thousands), Provision would have been Rs.51,226.05 thousands (as against the reported figure of Rs. 31,762.75 thousand), Financial liabilities -Trade payable (Non-current) would have been Rs.1,58,015.82 thousands (as against the reported figure of Rs. 1646.79 thousand) and other current financial liabilities would have been Rs. 25,111.63 thousand (as against the reported figure of Rs. 19,496.91 thousand).

We conducted our audit 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

### **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.

**Independent Auditor's Report (Contd.)**To The Members of **The India Jute and Industries Limited**

<b>Key Audit Matter</b>	<b>How our audit addressed the key audit matter</b>
<p>Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 "Revenue from Contracts with Customers" (new revenue accounting standard)</p> <p>The application of the new revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognised over a period. Additionally, new revenue accounting standard contains disclosures which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.</p> <p>Refer Notes 2.7 and 29(13) to the Financial Statements</p>	<p>Our procedures, in relation to revenue recognition for those contracts, included:</p> <ul style="list-style-type: none"><li>• Understanding and evaluating the design and testing the operating effectiveness of controls in respect of revenue recognition</li><li>• Reading the underlying contracts with customers and advances received</li><li>• Assessing the appropriateness of information, such as allotment letter, and stage of completion of the project including expected completion date, completion certificate and possession letter used by the Management, to determine the duration of the project.</li><li>• Evaluating the assumptions used by the Management in ascertaining performance obligation is satisfied over time or at a point in time in accordance with Ind AS 115.</li><li>• Selected a sample of agreements, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price, satisfaction of performance obligation at a point of time and in recording and disclosing revenue in accordance with the new revenue accounting standard.</li></ul> <p>Based on the above procedures performed we did not find any significant exceptions in revenue recognized in the financial statements.</p>

**Information Other than the financial statements and Auditor's Report Thereon**

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

Our qualified 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 and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

**Independent Auditor's Report (Contd.)**

To The Members of **The India Jute and Industries Limited**

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

**Responsibilities of Management and Those Charged with Governance for the Financial Statements**

The Company's Board of Directors is 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 financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS. 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

That Board of Directors are also responsible for overseeing the company's financial reporting process.

**Auditor's Responsibility 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 scepticism 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 control 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 management.

## **Independent Auditor's Report (Contd.)**

To The Members of **The India Jute and Industries Limited**

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.
- 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.

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 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
  - i. We have sought and, except for the matters described in the Basis for Qualified Opinion paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - ii. Except for the matters described in the Basis for Qualified Opinion paragraph, 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.
  - iii. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash flow dealt with by this Report are in agreement with the relevant books of account.

## **Independent Auditor's Report (Contd.)**

To The Members of **The India Jute and Industries Limited**

- iv. Except for the matters described in the Basis for Qualified Opinion paragraph, in our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - v. The matter described in the Basis for Qualified opinion paragraph, in our opinion, may have an adverse effect on the functioning of the Company;
  - vi. On the basis of the written representations received from the Directors as on 31<sup>st</sup> March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2022 from being appointed as a director in terms of section 164(2) of the Act.
  - vii. 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 "Annexure B".
3. 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 information and according to the explanations given to us:
- a. Except for the matters dealt with in the basis for Qualified Opinion paragraph above, the impact whereof are presently not ascertainable, impact of pending litigations (other than those already recognized in the accounts) on the financial position of the Company have been disclosed in the financial statement as required in terms of Ind AS and provisions of the Act –Refer Note No. 29(1) to the Financial Statements.
  - b. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
  - c. There has been no delay in transferring amounts, required to be transferred 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 (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or any other sources or kinds of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities, identified in any manner whatsoever by or behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
  
(ii)The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in any other person or entities, identified in any manner whatsoever by or behalf of the Funding party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
  
(iii)Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the



**Independent Auditor's Report (Contd.)**

To The Members of **The India Jute and Industries Limited**

representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

e. The Company has not declared or paid any dividend during the year.

4. 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:

Except for the matters described in the Basis for Qualified Opinion paragraph (Note no. 29 (6d)), 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.

**For G. P. Agrawal & Co.**

**Chartered Accountants**

Firm's Registration No. - 302082E

**-Sd/-**

**(CA. Ajay Agrawal)**

Partner

Membership No. 17643

UDIN: 22017643ASUHWV4219

Place of Signature: Kolkata

Date: The 2<sup>nd</sup> day of September, 2022

**Independent Auditor's Report (Contd.)**To The Members of **The India Jute and Industries Limited****Annexure A" to the Independent Auditor's Report**

Statement referred to in paragraph 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of **The India Jute and Industries Limited** on the financial statements for the year ended 31<sup>st</sup> March, 2022.

(i)	a)	(A) The Company has maintained proper records showing full particulars including quantitative details and situation of its Property, plant and equipment. Further, records in respect of Property, plant and equipment acquired prior to 1 <sup>st</sup> April, 1956 have been compiled by allocating the total cost and depreciation to individual items on the basis of physical verification carried out by the company's technical personnel during the year 1976-77.
		(B) The Company does not have any Intangible Asset. Therefore, reporting under clause (i) (a) (B) of paragraph 3 of the said order are not applicable to the Company.
	b)	As informed to us, the Property, plant and equipment have not been physically verified during the year. In the absence of such physical verification, discrepancies, if any, with the book records have not been ascertained.
	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 the immovable property have been mortgaged with the Financial Institutions/Assignees i.e Shakambhari Traders Limited, Karjan Vyapaar Private Limited and United Credit Limited, for securing the borrowings and loan raised by the Company. However, in the absence of a confirmation about the same from the respective institution to this effect, we are unable to comment whether the title deeds of the immovable properties disclosed in the financial statements are held in the name of the Company.
	d)	The Company has not revalued any of its Property, Plant and Equipment during the year.
	e)	No proceedings have been initiated during the year or are pending against the Company as at 31 <sup>st</sup> March, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder. Therefore, reporting under clause (i) (e) of paragraph 3 of the said order are not applicable to the Company.
(ii)	a)	<p>As explained to us and based on our examination of records, the inventories (excluding raw materials in transit) have been physically verified by the management during the year. In our opinion and according to the information and explanations given to us, the frequency of such verification is reasonable.</p> <p>In our opinion and according to explanations given to us, the procedures for physical verification of stocks followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business.</p>

**Independent Auditor's Report (Contd.)**To The Members of **The India Jute and Industries Limited**

<b>"Annexure A" to the Independent Auditor's Report</b>		
	b)	The Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions. Therefore, reporting under clauses (ii) (b) of paragraph 3 of the order is not applicable to the Company.
(iii)		During the year, the Company has not made investment in provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Therefore, clauses (iii) (a) to (f) of paragraph 3 of the said order are not applicable to the Company.
(iv)		In our opinion and according to the information and explanations given to us, there are no, loans, guarantees and securities granted in respect of which provisions of Section 185 and 186 of the Act are applicable. Based on our audit procedures performed and according to information and explanations given by the management, the Company has complied with provisions of section 186 of the Act in respect of investments.
(v)		The Company has not accepted any deposit within the meaning of section 73 to 76 or any other relevant provisions of the Act and the rules framed there under. The directives issued by the Reserve Bank of India are not applicable to the Company.
(vi)		The provisions regarding maintenance of the cost records under Section 148(1) of the Act are not applicable to the Company. Therefore, clauses (vi) (a) and (b) of paragraph 3 of the said order are not applicable to the Company.
(vii)	a)	<p>According to the information and explanations given to us, during the year, the Company has generally been regular in depositing with appropriate authorities undisputed statutory dues including Provident fund, Investor Education Protection fund, Employees State Insurance, Income tax, Sales Tax, Wealth Tax, Service tax, Custom Duty, Value Added Tax, Goods and service tax, Cess and other statutory dues to the extent applicable.</p> <p>According to the information and explanations given to us, except for Sales Tax of Rs. 1,003.06 thousands and Excise Duty of Rs. 1,500.00 thousands which primarily relates to earlier year, there are no undisputed amounts payable in respect of provident fund, income tax, goods and services tax, sales tax, value added tax, employees' state insurance and other material statutory dues which were in arrears as at 31st March, 2022 for a period of more than six months from the date they became payable.</p>

**Independent Auditor's Report (Contd.)**To The Members of **The India Jute and Industries Limited**

“Annexure A” to the Independent Auditor’s Report						
	b)	According to the information and explanations given to us, the details of disputed dues aggregating to Rs. 47,378.46 thousands for sales tax, excise duty, Provident fund and Entry tax as at 31st March, 2022, are as follows:				
		<b>Name of the Statute</b>	<b>Nature of dues</b>	<b>Period to which pertain</b>	<b>Amount (Rs. in Thousands)</b>	<b>Forum where the dispute is pending</b>
		The Central Excise Act	Excise duty	1991-1994 1996-1999 2000-2001	2,786.39	Tribunal
		The Central Excise Act	Excise duty	1993-1994 1994-1995 1997-1998	73.12	Appellate Authority
		The Central Excise Act	Excise duty	1976-1977 1994-1995 to 1998-1999	3,384.03	High court
		Bengal Finance Sales Tax Act,1941	Sales Tax	1994-1995	1,974.01	Appellate Authority
		West Bengal Sales Tax Act,1954	Sales Tax	1994-1995	44.79	Appellate Authority
		West Bengal Sales Tax Act,1994	Sales Tax	1995-1996 To 1998-1999	21,530.90	Appellate Authority
		Central Sales Tax, 1956	Sales Tax	1994-1995 To 2002-2003	7,220.91	Appellate Authority
		Central Sales Act and Sales Tax act of various states	Interest on arrear sales tax and turnover tax	Prior 1987	332.00	Various Tribunal and appellate Authority
		The W.B. Tax on Entry of Goods into Local Areas Act, 2012	West Bengal Entry Tax	2013-2014 To 2016-2017	5,435.51	High Court
		The Employee State Insurance Act,1948	Employees State Insurance	1989- 1993	330.29	ESI Court
		The Employee State Insurance Act, 1948	Employees State Insurance	1987- 1992	634.66	ESI Court
		Employees’ Provident Fund & Miscellaneous Provisions Act, 1952	Damages on delayed payment of P.F.	May’2000 To March’2004	3,721.85	High Court
		<b>Total</b>			<b>47,378.46</b>	

**Independent Auditor's Report (Contd.)**To The Members of **The India Jute and Industries Limited**

<b>Annexure "A" to the Independent Auditor's Report (Contd.)</b>		
(viii)		There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
(ix)	a)	As stated in note no. 29(12) of Notes to the financial statements, the balances of secured loans are pending for confirmation and reconciliation. Further, as stated in note no. 14(2) and 14(6) and accordingly to the records of the Company and/or information and explanation provided to us, the Company has defaulted in the repayment of principal amount and interest on loans dues to financial institution/Assignees / Other Parties and as far as ascertained, details of amount outstanding in this respect as on 31 <sup>st</sup> March, 2022 are as follows:

<b>Name of lender</b>	<b>Nature of borrowing</b>	<b>Period of Default</b>	<b>Amount not paid (Rs. in thousands)</b>
IFCI Limited (The Original Lender) assigned to Assets Care Enterprise Limited (Further assigned by Asset Care Enterprise Limited to Shakambhari Traders Ltd.)	Term loan: Principal Interest	Since 15th April, 1998	9,685.83 3,912.14
IDBI Limited (The Original Lender) assigned to Karjan Vyapaar Private Limited	Term loan: Principal Interest	Since 15th April, 1998	8,423.00 414.84
IIBI Limited (The Original Lender) assigned to United Credit Limited	Term loan: Principal Interest	Since 15th April, 1998	4,853.24 1,247.89
West Bengal Development Corporation of India Ltd. (WBIDC)-Sales Tax Loan	Term loan: Principal Interest	Since 30th September, 1999	1,860.08 334.20
Excise Duty Loan From Government of India (Gol)	Since 14th April, 1998	Since 14th April, 1998	35,377.00
Unsecured loans from Body corporate	Since 31st March, 2006	Since 31st March, 2006	1,000.00

Also refer Note no. 14(2) regarding non-provision of liquidated damages aggregating to Rs. 1,27,637.76 thousand (including Rs. 6,190.98 thousand for the year) on excise duty loan from Government of India and penal interest etc. amounting to Rs. 3,653.25 thousand (including Rs.162.76 thousand for the year) on the sales tax loan from West Bengal Industrial Development Corporation Ltd. to the extent ascertained in accordance with Ind AS- 1 on "Presentation of the Financial Statements"

**Independent Auditor's Report (Contd.)**To The Members of **The India Jute and Industries Limited**

<b>Annexure "A" to the Independent Auditor's Report (Contd.)</b>		
	b)	The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
	c)	The Company has not taken any term loan during the year. Hence, reporting under clause (ix)(c) of paragraph 3 of the Order is not applicable to the Company.
	d)	The Company has not raised any funds during the year; therefore, clause (ix) (d) of paragraph 3 of the Order is not applicable to the Company.
	e)	The Company has no subsidiary, associate or joint venture and hence reporting on clause (ix)(e) and (f) of paragraph 3 of the Order is not applicable to the Company.
(x)	a)	The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) or term loans during the year. Therefore, clause (x)(a) of paragraph 3 of the said order is not applicable to the Company.
	b)	The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and hence reporting under clause (x)(b) of paragraph 3 of the Order is not applicable to the Company.
(xi)	a)	According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
	b)	No report under sub-section (12) of section 143 of the Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
	c)	According to the information and explanations give to us and based on our examination of the records, the Company has not received any whistle-blower complaint during the year.
(xii)		The Company is not a Nidhi company. Therefore, clause (xii) of paragraph 3 of the order is not applicable to the company.
(xiii)		Except for the matters described in the Basis for Qualified Opinion paragraph (Note n), according to the information and explanations given to us and based on our examination of the records of the Company, 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 as required by the applicable accounting standards.
(xiv)	a)	In our opinion and based on our examination, though the Company is required to have an internal audit system under section 138 of the Act, it does not have the same established for the year.
	b)	The Company did not have an internal audit system 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, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, clause (xv) of paragraph 3 of the said order is not applicable to the Company.

**Independent Auditor's Report (Contd.)**To The Members of **The India Jute and Industries Limited**

<b>Annexure "A" to the Independent Auditor's Report (Contd.)</b>		
(xvi)	a)	In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under Clause(xvi)(a) and (b) of paragraph 3 of the Order is not applicable to the Company.
	c)	In our opinion, the company is not a Core Investment Company and there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause (c) and (d) of paragraph 3 of the order is not applicable to the Company.
(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 of the Company during the year.
(xix)		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 and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, in our opinion, material uncertainty may exists as on the date of the audit report indicating that the Company is not capable of meeting its liabilities existing at the date of balance sheet. We further state that our reporting is based on the facts up to the date of the audit report. (Refer Note q in the in the Basis for Qualified Opinion paragraph of our Audit report.
(xx)		The Company is not required to spend towards Corporate Social Responsibility (CSR). Therefore the provisions of clause (xx) (a) and (b) of paragraph 3 of the Order are not applicable to the Company.
(xxi)		The Company is not required to prepare consolidated financial statements. Therefore the provisions of clause (xxi) of paragraph 3 of the Order are not applicable to the Company.

**For G.P. Agrawal & Co.**

Chartered Accountants

Firm's Registration No. - 302082E

**-Sd/-****(CA. Ajay Agrawal)**

Partner

Place of Signature: Kolkata

Date: The 2<sup>nd</sup> day of September, 2022

Membership No. 017643

UDIN: 22017643ASUHWV4219

**Independent Auditor's Report (Contd.)**  
**To The Members of The India Jute and Industries Limited**

**"Annexure B" to the Independent Auditor's Report**

**Report on the Internal Financial Controls 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 of The India Jute and Industries limited ("the Company") as of 31<sup>st</sup> March, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is 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 Act.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. 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 were established and maintained and if 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of 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 judgement, including the assessment of the risks of material misstatement of the Ind AS 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 system over financial reporting.



**Independent Auditor's Report (Contd.)**

To The Members of **The India Jute and Industries Limited**

**Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting 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 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 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**

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Qualified Opinion**

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified in the Company's internal financial controls over financial reporting as at March 31, 2022:

- a. As stated in Note no. 29(12) of the financial statement, the Company does not have a process of obtaining year end confirmation of balances in respect of Borrowings, Security Deposit, Trade Receivables, Trade Payables, Other Current Liabilities, Short term Loans and Advances and Fixed Deposit Accounts.
- b. As stated in Note no. 18(c) and 14(2) of the financial statement, the Company does not have control in respect of ascertainment and extent of dues payable with regard to loan/interest/penal interest, liquidated damages, gratuity etc. payable to financial institution/assignee/other parties;
- c. As stated in basis of qualified opinion para read with Note no. 14(2), 14(7), 14(9), 29(2), 18(a), 4(1), 6(i), 7 and 29(1) of the financial statement, the Company's financial statement is not prepared in accordance with generally accepted accounting principles including relevant Ind AS.
- d. As stated in Note no.29(6) of the financial statement, all related party transactions and balances are not identified and appropriately disclosed in the financial statements.
- e. The Company does not have internal audit system.

**Independent Auditor's Report (Contd.)**

To The Members of **The India Jute and Industries Limited**

A "material weakness" is deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on timely basis.

In our opinion, except for the effects / possible effects of the material weaknesses described above under Qualified Opinion paragraph on the achievement of the objectives of the control criteria, the Company has, in all material respects an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2022, 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 ICAI.

We have considered material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the 31<sup>st</sup> March, 2022 financial statements of the Company and these material weaknesses affect our opinion on financial statements of the Company for the year ended 31<sup>st</sup> March, 2022 [our audit report dated 2<sup>nd</sup> September, 2022, which expressed an qualified opinion on those financial statements of the Company].

**For G. P. Agrawal & Co.**

Chartered Accountants

Firm's Registration No. - 302082E

**-Sd/-**

**(CA. Ajay Agarwal)**

Partner

Place of Signature: Kolkata

Date: The 2<sup>nd</sup> day of September, 2022

Membership No. 017643

UDIN: 22017643ASUHWV4219

**THE INDIA JUTE AND INDUSTRIES LIMITED**  
CIN NO.: L17119WB1916PLC002720  
**BALANCE SHEET AS AT 31ST MARCH, 2022**

(Amount in '000)

	Particulars	Note No.	As at 31st March, 2022	As at 31st March, 2021
<b>I.</b>	<b>ASSETS</b>			
<b>(1)</b>	<b>Non - current assets</b>			
	(a) Property, plant and equipment	4	44,020.84	41,385.91
	(b) Financial assets			
	(i) Investments	5	6.80	6.80
	(ii) Other financial assets	6(i)	7,882.06	7,069.08
			<b>51,909.70</b>	<b>48,461.79</b>
<b>(2)</b>	<b>Current assets</b>			
	(a) Inventories	7	1,56,966.11	1,27,052.20
	(b) Financial assets			
	(i) Trade receivables	8	13,110.35	14,045.44
	(ii) Cash and cash equivalents	9	8,231.56	16,079.25
	(iii) Other financial assets	6(ii)	6.13	23.19
	(c) Current tax assets	10	2,161.64	1,757.16
	(d) Other current assets	11	16,471.39	11,749.87
			<b>1,96,947.18</b>	<b>1,70,707.11</b>
	<b>Total Assets</b>		<b>2,48,856.88</b>	<b>2,19,168.90</b>
<b>II.</b>	<b>EQUITY AND LIABILITIES</b>			
<b>(1)</b>	<b>Equity</b>			
	(a) Equity share capital	12	25,800.00	25,800.00
	(b) Other equity	13	(1,27,892.10)	(1,26,008.85)
	<b>Total Equity</b>		<b>(1,02,092.10)</b>	<b>(1,00,208.85)</b>
	<b>Liabilities</b>			
<b>(2)</b>	<b>Non - current liabilities</b>			
	(a) Financial liabilities			
	(i) Borrowings	14(i)	73,807.39	74,051.30
	(ii) Trade payables	15(i)		
	Total outstanding dues of micro enterprises and small enterprises (Refer note no.29(2))		-	-
	Total outstanding dues of creditors other than micro enterprises and small enterprises		1,646.79	1,646.79
			<b>75,454.18</b>	<b>75,698.09</b>
<b>(3)</b>	<b>Current liabilities</b>			
	(a) Financial liabilities			
	(i) Borrowings	14(ii)	1,34,334.52	1,03,235.36
	(ii) Trade payables	15(ii)		
	Total outstanding dues of micro enterprises and small enterprises (Refer note no.29(2))		-	-
	Total outstanding dues of creditors other than micro enterprises and small enterprises		73,854.71	76,723.49
	(iii) Other financial liabilities	16	19,496.91	20,234.52
	(b) Other current liabilities	17	16,045.91	11,817.52
	(c) Provisions	18	31,762.75	31,668.77
			<b>2,75,494.80</b>	<b>2,43,679.66</b>
	<b>Total Equity and Liabilities</b>		<b>2,48,856.88</b>	<b>2,19,168.90</b>
	Corporate information	1		
	Significant accounting policies and estimates	2-3		
	Other disclosures and additional regulatory information	29		
	The accompanying notes 1 to 29 are an integral part of the financial statements.			

As per our report of even date attached.

For G. P. Agrawal & Co.  
Chartered Accountants  
Firm's Registration No. - 302082E

-Sd/-  
(CA. Ajay Agrawal)  
Partner  
Membership No. 17643  
UDIN : 22017643ASUHWV4219

Place of Signature: Kolkata  
Dated: The 2nd of September, 2022

For and on behalf of the Board of Directors  
The India Jute and Industries Limited

-Sd/-  
B.K. Jalan  
Managing Director  
DIN-00876208

-Sd/-  
D.K. Sharma  
Director  
DIN-08538616

Sd/-  
D. K. Sharma  
Chief Financial Officer

Sd/-  
Ravi Kumar Shaw  
Company Secretary

**THE INDIA JUTE AND INDUSTRIES LIMITED**  
CIN NO.: L17119WB1916PLC002720  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2022**

(Amount in '000)

	Particulars	Note No.	Year ended 31st March, 2022	Year ended 31st March, 2021
I.	Revenue from operations	19	5,50,577.56	4,34,919.70
II.	Other income	20	1,521.55	1,129.18
III.	<b>Total Income (I+II)</b>		<b>5,52,099.11</b>	<b>4,36,048.88</b>
IV.	<b>Expenses:</b>			
	Cost of material consumed	21	3,77,189.11	2,69,940.41
	Purchase of stock in trade	21A	15,262.82	383.59
	Changes in inventories of finished goods, work in progress and waste	22	(28,522.19)	(25,839.29)
	Employee benefits expense	23	93,849.34	88,581.45
	Finance costs	24	11,989.72	11,425.66
	Depreciation	25	3,002.77	2,964.59
	Other expenses	26	81,210.79	75,976.17
	<b>Total expenses (IV)</b>		<b>5,53,982.36</b>	<b>4,23,432.58</b>
V.	<b>Profit/(loss) before tax (III-IV)</b>		<b>(1,883.25)</b>	<b>12,616.30</b>
VI.	<b>Tax expense</b>	27		
	Current taxes		-	-
	Deferred tax		-	-
	<b>Tax expense</b>		<b>-</b>	<b>-</b>
VII.	<b>Profit/(loss) for the year (V-VI)</b>		<b>(1,883.25)</b>	<b>12,616.30</b>
VIII.	<b>Other comprehensive income</b>		<b>-</b>	<b>-</b>
IX.	<b>Total comprehensive income for the year (VII + VIII)</b>		<b>(1,883.25)</b>	<b>12,616.30</b>
X.	<b>Earnings per equity share (nominal value per share Rs.10/-)</b>	28		
	- Basic (Rs.)		(0.73)	4.89
	- Diluted (Rs.)		(0.73)	4.89
	Weighted number of shares used in computing earnings per equity share		25,80,000	25,80,000
	Corporate information	1		
	Significant accounting policies and estimates	2-3		
	Other disclosures and additional regulatory information	29		
	The accompanying notes 1 to 29 are an integral part of the financial statements.			

As per our report of even date attached.

For G. P. Agrawal & Co.  
Chartered Accountants  
Firm's Registration No. - 302082E

-Sd/-  
(CA. Ajay Agrawal)  
Partner  
Membership No. 17643  
UDIN : 22017643ASUHWV4219

Place of Signature: Kolkata  
Dated: The 2nd of September, 2022

For and on behalf of the Board of Directors  
The India Jute and Industries Limited

-Sd/-  
B.K. Jalan  
Managing Director  
DIN-00876208

-Sd/-  
D.K. Sharma  
Chief Financial Officer

-Sd/-  
D.K. Sharma  
Director  
DIN-08538616

-Sd/-  
Ravi Kumar Shaw  
Company Secretary

**THE INDIA JUTE AND INDUSTRIES LIMITED**  
CIN NO.: L17119WB1916PLC002720  
**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2022**

(Amount in '000)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit/(loss) before tax	(1,883.25)	12,616.30
Adjustments to reconcile profit before tax to cash flow provided by operating activities :		
Depreciation	3,002.77	2,964.59
Finance costs	11,989.72	11,425.66
Interest income	(288.17)	(426.53)
Provision for Doubtful Debts	-	-
Liabilities no longer required written back	-	-
Loss/(Profit) on sale of property, plant and equipment	-	17.83
<b>Operating profit before working capital changes:</b>	<b>12,821.07</b>	<b>26,597.85</b>
Adjustments to reconcile operating profit to cash flows:		
Increase / (decrease) in trade payable	(2,868.74)	25,427.18
Increase in current provisions	93.98	5,448.46
Decrease / (increase) in trade receivables	935.09	(1,761.87)
Increase in other current liabilities	4,228.39	2,108.73
Increase / (Decrease) in Other financial liabilities		
Increase in other financial assets	(795.93)	(252.51)
Increase in other current assets	(4,721.52)	(2,637.39)
(Increase) / Decrease in Other Non Current Assets		
Increase in inventories	(29,913.91)	(44,158.39)
<b>Cash generated from operations</b>	<b>(20,221.57)</b>	<b>10,772.06</b>
Direct taxes paid	(404.50)	(1,132.65)
<b>Net cash flow from/(used in) operating activities</b>	<b>(20,626.07)</b>	<b>9,639.41</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(5,637.70)	(2,926.52)
Interest income	288.17	-
Proceeds from sale of property, plant and equipment	-	35.00
<b>Net cash used in investing activities</b>	<b>(5,349.53)</b>	<b>(2,891.52)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of long term borrowings	(223.36)	-
Proceeds of long term borrowings	-	1,075.51
Proceeds of short term borrowings (net)	31,078.61	1,412.00
Interest paid	(12,727.34)	(10,202.42)
<b>Net cash flow from/ (used in) financing activities</b>	<b>18,127.91</b>	<b>(7,714.91)</b>
<b>Decrease in cash and cash equivalents (A+B+C)</b>	<b>(7,847.69)</b>	<b>(967.03)</b>
Cash and cash equivalents at beginning of the year	16,079.25	17,046.28
<b>Cash and cash equivalents at end of the year</b>	<b>8,231.56</b>	<b>16,079.25</b>

**Notes:**

1)	<b>Cash and cash equivalents at the end of the year consists of:</b>	<b>31st March, 2022</b>	<b>31st March, 2021</b>
	Cash on hand	44.87	139.11
	Balance with banks		
	On current accounts	8,186.69	15,940.14
	<b>Closing cash and cash equivalents for the purpose of statement of cash flows (Refer Note No.9)</b>	<b>8,231.56</b>	<b>16,079.25</b>

2) The above Statement of Cash Flows has been prepared under the " Indirect Method " as set out in the Indian Accounting Standard (IND AS) 7 on Statement of Cash Flows.

3) Change in liabilities arising from financing activities

Movement in assets and Liabilities arising from financing activities during the year ended 31.03.2022 are as follows:

(Amount in '000)

	As at 31.03.2021	Cash Flows	Non Cash Flows	As at 31.03.2022
a. Non current borrowings (refer note no. 14(i))	74,051.30	(243.91)	-	73,807.39
b. Current maturities of long term debt (refer note no. 14(ii))	223.36	20.55	-	243.91
c. Short term borrowings (refer note no. 14(ii))*	1,03,012.00	31,078.61	-	1,34,090.61
	<b>1,77,286.66</b>	<b>30,855.25</b>	<b>-</b>	<b>2,08,141.91</b>

Movement in assets and liabilities arising from financing activities during the year ended 31.03.2021 are as follows:

(Amount in '000)

	As at 31.03.2020	Cash Flows	Non Cash Flows	As at 31.03.2021
a. Non current borrowings (refer note no. 14(i))	73,199.15	852.15	-	74,051.30
b. Current maturities of long term debt (refer note no. 14(ii))	-	223.36	-	223.36
c. Short term borrowings (refer note no. 14(ii))*	1,01,600.00	1,412.00	-	1,03,012.00
	<b>1,74,799.15</b>	<b>2,487.51</b>	<b>-</b>	<b>1,77,286.66</b>

\* Exclusive current maturities of long term debt.

4) Cash and cash equivalents do not include any amount which is not available to the company for its use.

5) Figure in brackets represent cash outflow from respective activities.

**Corporate information**

Significant accounting policies and estimates

Other disclosures and additional regulatory information

The accompanying notes 1 to 29 are an integral part of the financial statements.

As per our report of even date attached.

For G. P. Agrawal & Co.  
Chartered Accountants  
Firm's Registration No. - 302082E

-Sd/-  
(CA. Ajay Agrawal)  
Partner  
Membership No. 17643  
UDIN : 22017643ASUHWV4219

Place of Signature: Kolkata  
Dated: The 2nd of September, 2022

For and on behalf of the Board of Directors  
The India Jute and Industries Limited

Sd/-  
B.K. Jalan  
Managing Director  
DIN-00876208

-Sd/-  
D.K. Sharma  
Director  
DIN-08538616

-Sd/-  
D.K. Sharma  
Chief Financial Officer

-Sd/-  
Ravi Kumar Shaw  
Company Secretary

**THE INDIA JUTE AND INDUSTRIES LIMITED**  
CIN NO.: L17119WB1916PLC002720  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2022**

**(a) Equity Share capital**

For the year ended 31st March, 2022 (Amount in '000)

Balance as at 1st April, 2021	Changes in equity share capital during the year	Balance as at March 31, 2022
25,800.00	-	25,800.00

For the year ended 31 March, 2021 (Amount in '000)

Balance as at 1st April, 2020	Changes in equity share capital during the year	Balance as at March 31, 2021
25,800.00	-	25,800.00

**(b) Other equity**

(Amount in '000)

Particulars	Reserves and surplus		Total
	Capital reserve	Retained earnings	
Balance as at 1st April, 2021	3,898.00	(1,29,906.85)	(1,26,008.85)
Profit/(loss) for the year	-	(1,883.25)	(1,883.25)
Other comprehensive income for the year	-	-	-
Balance as at 31st March, 2022	3,898.00	(1,31,790.10)	(1,27,892.10)

Balance as at 1st April, 2020	3,898.00	(1,42,523.15)	(1,38,625.15)
Profit/(loss) for the year	-	12,616.30	12616.30
Other comprehensive income for the year	-	-	-
Balance as at 31st March, 2021	3,898.00	(1,29,906.85)	(1,26,008.85)

The accompanying notes 1 to 29 are an integral part of the financial statements.

As per our report of even date attached.

For G. P. Agrawal & Co.  
Chartered Accountants  
Firm's Registration No. - 302082E

For and on behalf of the Board of Directors  
The India Jute and Industries Limited

-Sd/-  
(CA. Ajay Agrawal)  
Partner  
Membership No. 17643  
UDIN : 22017643ASUHWV4219

-Sd/-  
B.K. Jalan  
Managing Director  
DIN-00876208

-Sd/-  
D.K. Sharma  
Director  
DIN-08538616

Place of Signature: Kolkata  
Dated: The 2nd of September, 2022

-Sd/-  
D.K. Sharma  
Chief Financial Officer

-Sd/-  
Ravi Kumar Shaw  
Company Secretary

**THE INDIA JUTE AND INDUSTRIES LIMITED**  
**CIN NO.: L17119WB1916PLC002720**  
**Note forming part of the Financial Statements**

**Note 1 Corporate information**

The India Jute and Industries Limited ("the Company") is a public limited entity domiciled in India and is engaged in the business of manufacturing of Synthetic and Cotton yarn.

Its registered office is situated at 4A, Shree Ganesh Business Centre, 216, A.J.C. Bose Road, Kolkata, West Bengal (700017). The financial statements for the year ended 31st March, 2022 were approved for issue by the Board of Directors on 2nd day of September, 2022.

The Company is registered with Securities and Exchange Board of India (SEBI) as a member of Calcutta Stock Exchange (CSE).

**Note 2 Significant accounting policies**

**2.1 Statement of Compliance with Ind AS**

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013 ('the Act'). The financial statements have also been prepared in accordance with the relevant presentation requirements of the Act.

**2.2 Basis of preparation**

These financial statements have been prepared under Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 ("Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) under historical cost convention on an accrual basis, except for certain items that are measured at fair values, as explained in the accounting policies. Historical cost is generally based on the fair value of the consideration in exchange for goods and services.

All Ind AS issued and notified till the financial statements are approved for issue by the Board of Directors have been considered in preparing these financial statements.

Accounting policies have been consistently applied except where a newly issued Ind AS is initially adopted or a revision to an existing Ind AS requires a change in the accounting policy hitherto in use.

The Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity are prepared and presented in the format prescribed in the Division II to the Schedule III to the Companies Act, 2013 (the Act). The Statement of Cash Flows has been prepared and presented in accordance with Ind AS 7 "Statement of Cash Flows". The disclosures with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

All amount disclosed in the financial statements including notes thereon have been rounded off to the nearest rupees in thousands upto 2 decimals as per the requirement of Schedule III to the Act, unless stated otherwise.

**2.3 Use of estimates**

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

**2.4 Operating Cycle**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements. The Company has ascertained its operating cycle to be 12 months for the purpose of current, non-current classification of assets and liabilities.

**2.5 Property, plant and equipment (PPE) and Depreciation**

- a) Property, plant and equipment are stated at cost of acquisition less accumulated depreciation and impairment, if any. For this purpose, cost includes deemed cost which represents the carrying value of PPE recognised as at 1st April, 2016 measured as per the previous GAAP.
- b) Cost is inclusive of inward freight, non-refundable taxes and duties and directly attributable costs of bringing an asset to the location and condition of its intended use. All upgradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits.

The cost and related accumulated depreciation are derecognised from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.

**THE INDIA JUTE AND INDUSTRIES LIMITED**  
**CIN NO.: L17119WB1916PLC002720**  
**Note forming part of the Financial Statements (Contd.)**

**Note 2 Significant accounting policies (contd.)**

- c) Depreciation of these assets commences when the assets are ready for their intended use. Depreciation on items of PPE is provided on a Straight Line Method ('SLM') basis for the assets acquired on or after 1st April, 1988 and Written down value method ('WDV') for the assets acquired prior to 1st April, 1988 to allocate their cost, net of their residual value over the estimated useful life of the respective asset as specified in Schedule II to the Companies Act, 2013.

The estimated useful lives of Property, plant and equipment of the Company are as follows :

Building (Residential)	- 60 years
Building (Office factory)	- 30 years
Plant and equipment	- 15 years
Electric installation	- 10 years
Furniture and fixtures	- 10 years
Office equipment	- 5 years
Computers	- 3 years

The estimated useful lives, residual values and method of depreciation are reviewed at each Balance sheet date and changes, if any, are treated as changes in accounting estimate.

**2.6 Impairment of Assets**

Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the impairment loss previously recognized is reversed such that the asset is recognized at its recoverable amount but not exceeding written down value which would have been reported if the impairment loss had not been recognized.

**2.7 Inventories**

Inventories are valued at lower of cost and net realisable value after providing for obsolescence, if any.

Cost of inventory comprises of purchase price, cost of conversion and other directly attributable costs that have been incurred in bringing the inventories to their respective present location and condition. Borrowing costs are not included in the value of inventories.

The cost of inventories other than Raw Materials are computed on weighted average basis. In respect of raw materials, inventories is valued at First in First Out (FIFO) basis. Inventories are written down on a case-by-case basis if the anticipated net realizable value declines below the carrying amount of inventories. Such write downs are recognised in the Statement of profit and loss.

**2.8 Revenue recognition**

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognizes revenue when it transfers control over a product or service to customers in accordance with Ind AS 115.

The Company recognizes revenue to depict the transfer of promised goods or services to customers in amounts that reflect the payment to which the Company expects to be entitled in exchange for those goods or services by applying the following steps:

- Step -1- Identify the contract with a customer;
- Step -2- Identify the performance obligations in the contract;
- Step -3- Determine the transaction price;
- Step -4- Allocate the transaction price to the performance obligations in the contract;
- Step -5- Recognize the revenue when (or as) the Company satisfies a performance obligation.



**THE INDIA JUTE AND INDUSTRIES LIMITED**  
**CIN NO.: L17119WB1916PLC002720**  
**Note forming part of the Financial Statements (Contd.)**

- a) 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.
- b) **Service income**  
Revenue in respect of maintenance services is recognized on an accrual basis, in accordance with the terms of the respective contract.
- c) **Interest income**  
Interest income is recorded on accrual basis.
- d) All other incomes are accounted for on accrual basis.

**2.9 Provisions, contingent liabilities and contingent assets**

- a) Provisions are recognized only when there is a present obligation, as a result of past events and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.
- b) Contingent liability is disclosed for possible obligations which will be confirmed only by future events not wholly within the control of the Company or present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.
- c) Contingent assets are neither recognized nor disclosed except when realisation of income is virtually certain, related asset is disclosed.
- d) Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

**2.10 Employee benefits**

**a) Short-term employee benefits**

Short-term employee benefits in respect of salaries and wages, including non-monetary benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related service is rendered.

**b) Defined contribution plans**

Company's Contributions to Provident fund, Pension fund and Employee's State Insurance Corporation are charged to the Statement of Profit and Loss in the year when the contributions to the respective funds are due.

**c) Defined benefit plans**

Gratuity is in the nature of a defined benefit plan. The cost of providing benefits under the defined benefit obligation is accounted for as and when it becomes due for payment and liability for leave encashment at the year end is accounted for on cash basis.

**THE INDIA JUTE AND INDUSTRIES LIMITED**  
**CIN NO.: L17119WB1916PLC002720**  
**Note forming part of the Financial Statements (Contd.)**

**2.11 Financial instruments, Financial assets, Financial liabilities and Equity instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities.

**i) Financial Assets**

**(a) Recognition**

Financial assets include Investments, Trade receivables, Advances, Security Deposits, Cash and cash equivalents, Bank balances etc. Such assets are initially recognised at transaction price when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

**(b) Classification**

Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

(1) amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and/ or interest.

(2) fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.

(3) fair value through profit or loss (FVTPL), where the assets does not meet the criteria for categorization as at amortized cost or as FVTOCI. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the Statement of Profit and Loss in the period in which they arise.

Trade receivables, Advances, Security Deposits, Cash and cash equivalents, Bank balances etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

**(c) Impairment**

The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

**(d) Reclassification**

When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

**(e) De-recognition**

Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership. If the asset is one that is measured at:

(i) amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;

(ii) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

**THE INDIA JUTE AND INDUSTRIES LIMITED**  
**CIN NO.: L17119WB1916PLC002720**  
**Note forming part of the Financial Statements (Contd.)**

**ii) Financial liabilities**

Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost.

Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

**iii) Equity instruments**

Equity instruments are recognised at the value of the proceeds, net of direct costs of the capital issue.

**iv) Offsetting of financial instruments**

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where 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.

**v) Dividend distribution**

Dividends paid (including income tax thereon) is recognised in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders.

**vi) Fair value measurement**

Fair value is a market-based measurement, not an entity-specific measurement. Under Ind AS, fair valuation of financial instruments is guided by Ind AS 113 "Fair Value Measurement" (Ind AS – 113).

For some assets and liabilities, observable market transactions or market information might be available. For other assets and liabilities, observable market transactions and market information might not be available. However, the objective of a fair value measurement in both cases is the same—to estimate the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under current market conditions.

In determining the fair value of financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each balance sheet date.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

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 or indirectly.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

**THE INDIA JUTE AND INDUSTRIES LIMITED**  
**CIN NO.: L17119WB1916PLC002720**  
**Note forming part of the Financial Statements (Contd.)**

**2.12 Taxes**

Taxes on income comprises of current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognized for deductible temporary differences, the carry forward of unused tax credits and any unused tax losses 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 each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised.

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, are disclosed separately under other comprehensive income or equity, as applicable.

**2.13 Earnings per Share**

- a) Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted-average number of equity shares outstanding during the period.
- b) For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted-average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

The number of equity shares and potential dilutive equity shares are adjusted retrospectively for all periods presented for any share split and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

**2.14 Operating Segment**

The Company is engaged in manufacturing Synthetic and Cotton yarn in India. Based on its internal organisation and management structure, the Company operates in three business segment i.e. Textile, Yarn division and Carpet but only in one geographic segment i.e. India. Accordingly there is no separate geographical reportable segments.

**THE INDIA JUTE AND INDUSTRIES LIMITED**  
**CIN NO.: L17119WB1916PLC002720**  
**Note forming part of the Financial Statements (Contd.)**

**2.15 Foreign Currency Transactions**

Transactions in Foreign Currencies are accounted for at the exchange rate prevailing as on the date of the transaction. Foreign Currency monetary assets and liabilities at the year end are translated using closing rates whereas non monetary assets are translated at the rate on the date of transaction. The loss or gain thereon and also on the exchange differences on settlement of the foreign currency transaction during the year are recognized as revenue or expenses in the Statement of Profit and Loss.

**2.16 Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit/loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing flows. The cash flows from operating, investing and financing activities of the Company are segregated.

**Note 3 Use of estimates and judgements**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

**Key sources of estimation uncertainty**

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**(i) Useful lives of property, plant and equipment:**

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

**(ii) Estimation of Defined benefit obligations**

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each financial year end.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans, the actuary considers the interest rates of government bonds.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

**THE INDIA JUTE AND INDUSTRIES LIMITED**  
**CIN NO.: L17119WB1916PLC002720**  
**Note forming part of the Financial Statements (Contd.)**

**(iii) Impairment of investments**

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

**(iv) Fair value measurement**

When the fair value 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. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

**(v) Provisions and contingent liabilities**

The Company has ongoing litigations with various regulatory authorities and third parties. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations is provided in notes to the financial statements.

**(vi) Recent accounting pronouncements**

New and amended standards adopted by the Company

On March 23, 2022, Ministry of Corporate Affairs amended Ind AS 16 (specifying accounting of net sale proceeds generated while preparing the asset for its intended use), Ind AS 37 (specifying the composition of the cost of fulfilling the contract), Ind AS 103 (specifying the criteria for applying acquisition method for recognising assets and liabilities) and Ind AS 109 (specifying which fees to be included to apply 10 per cent test). These amendments are effective from April 1, 2022 and will not have material impact on Company's financial statements.

**THE INDIA JUTE AND INDUSTRIES LIMITED**  
CIN NO.: L17119WB1916PLC002720  
**Note forming part of the Financial Statements (Contd.)**

**Note No. : 4 Property, plant and equipment**

**(Amount in '000)**

Description of Assets	Gross Block				Accumulated Depreciation				Net Carrying Amount
	As at 1st April, 2021	Additions during the Year	Sales/ Adjustment	As at 31st March, 2022	As at 1st April, 2021	For the year	Sales/ Adjustment	As at 31st March, 2022	As at 31st March, 2022
Freehold land	25,500.30	-	-	25,500.30	0.30	-	-	0.30	25,500.00
Building	2,345.12	405.33	-	2,750.45	542.71	100.80	-	643.51	2,106.94
Plant and equipment^	21,738.23	5,173.04	-	26,911.27	9,788.14	2,586.13	-	12,374.27	14,537.00
Electrical installations	319.65	-	-	319.65	-	-	-	-	319.65
Furniture and fixtures	127.40	-	-	127.40	11.74	4.53	-	16.27	111.13
Office equipment	467.57	59.33	-	526.90	234.44	74.39	-	308.83	218.07
Computers	217.71	-	-	217.71	63.86	50.53	-	114.39	103.32
Vehicles	1,568.56	-	-	1,568.56	257.44	186.39	-	443.83	1,124.73
<b>Total</b>	<b>52,284.54</b>	<b>5,637.70</b>	<b>-</b>	<b>57,922.24</b>	<b>10,898.63</b>	<b>3,002.77</b>	<b>-</b>	<b>13,901.40</b>	<b>44,020.84</b>

**Previous Year-**

**(Amount in '000)**

Description of Assets	Gross Block				Accumulated Depreciation				Net Carrying Amount
	As at 1st April, 2020	Additions during the Year	Sales/ Adjustment	As at 31st March, 2021	As at 1st April, 2020	For the year	Sales/ Adjustment	As at 31st March, 2021	As at 31st March, 2021
Freehold land	25,500.30	-	-	25,500.30	0.30	-	-	0.30	25,500.00
Building	2,345.12	-	-	2,345.12	477.18	65.53	-	542.71	1,802.41
Plant and equipment^	20,385.41	1,352.82	-	21,738.23	7,166.37	2,621.77	-	9,788.14	11,950.09
Electrical installations	319.65	-	-	319.65	-	-	-	-	319.65
Furniture and fixtures	102.50	24.90	-	127.40	8.56	3.18	-	11.74	115.66
Office equipment	467.57	-	-	467.57	152.09	82.35	-	234.44	233.13
Computers	97.32	120.39	-	217.71	38.66	25.20	-	63.86	153.84
Vehicles	350.15	1,428.41	210.00	1,568.56	248.05	166.56	157.17	257.44	1,311.12
<b>Total</b>	<b>49,568.02</b>	<b>2,926.52</b>	<b>210.00</b>	<b>52,284.54</b>	<b>8,091.21</b>	<b>2,964.59</b>	<b>157.17</b>	<b>10,898.63</b>	<b>41,385.91</b>

^ includes Sprinkler Installation and Tube-Well.

Note:

1. Due to huge losses and various divisions being run by licensee / third parties under licensing / other agreement, the management has not carried out any exercise with regard to measurement and recognition of loss on impairment of assets as per Ind AS 36.

2. Refer Note No. 14(i) for property, plant and equipment pledged.

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**Note forming part of the Financial Statements (Contd.)**

**Note No. : 5 Non - current investments**

(Amount in '000)					
Particulars	Face value (Rs.)	Number of Shares / debentures	As at 31st March, 2022	Number of Shares / debentures	As at 31st March, 2021
<b>Equity instruments</b>					
<b>Carried at fair value through comprehensive income</b>					
<b>Fully paid up:</b>					
<b>Unquoted</b>					
Woodlands Multispeciality Hospital Limited	10	1,170	5.80	1,170	5.80
			5.80		5.80
<b>Debentures</b>					
<b>Carried at amortised cost</b>					
<b>Fully paid up:</b>					
<b>Unquoted</b>					
Bengal Chamber of Commerce and Industry	1000	1	1.00	1	1.00
			1.00		1.00
<b>Total</b>			<b>6.80</b>		<b>6.80</b>
Aggregate amount of unquoted investments			6.80		6.80
Aggregate amount of impairment in value of investments			-		-



**THE INDIA JUTE AND INDUSTRIES LIMITED**  
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**Note forming part of the Financial Statements (Contd.)**

**Note No.: 6 Other financial assets**

<b>(i) Non -current (Unsecured, considered good)</b>		<b>(Amount in '000)</b>	
	<b>Particulars</b>	<b>As at 31st March, 2022</b>	<b>As at 31st March, 2021</b>
	Fixed deposits with banks (more than 12 months maturity)*	1,558.52	1,481.93
	Deposit in 'No Lien Account' (NLA) with IFCI (OA)**	3,000.00	3,000.00
	Security deposits^	3,323.54	2,587.15
	<b>Total</b>	<b>7,882.06</b>	<b>7,069.08</b>

\* Receipts pledged with State Bank of India as security against bank guarantee but no confirmation for the same is available for Rs. 1558.52 thousands (Previous Year 1481.93 thousands).

\*\* The Company had deposited a sum of Rs.3,000 thousands in 'no lien account' (NLA) lying with OA (IFCI Limited) being 25% of the fund estimated for rehabilitation of the Company as per BIFR Order dated 20th, November 2013.

^ Security deposits include Rs. 246.16 thousands (Previous Year Rs. 246.16 thousands) which are outstanding for a considerable period of time. In view of legal and persuasive steps being taken by the management for recovery of the same, the same have been considered good and recoverable.

<b>(ii) Current (unsecured, considered good)</b>		<b>(Amount in '000)</b>	
	<b>Particulars</b>	<b>As at 31st March, 2022</b>	<b>As at 31st March, 2021</b>
	Interest accrued but not due: On fixed deposits	6.13	23.19
	<b>Total</b>	<b>6.13</b>	<b>23.19</b>

<b>Note No.: 7 Inventories (valued at lower of cost and net realisable value)</b>		<b>(Amount in '000)</b>	
	<b>Particulars</b>	<b>As at 31st March, 2022</b>	<b>As at 31st March, 2021</b>
	Raw materials	53,573.99	64,719.83
	Raw materials (in transit)	10,921.42	-
	Finished goods*^	60,555.57	42,985.32
	Trading goods	14,767.31	725.37
	Stock-in-process^	12,326.99	14,540.44
	Wastes	43.86	920.40
	Stores and spares (at cost)	10,982.18	9,366.05
		1,63,171.32	1,33,257.41
	Less: Provision for obsolete/non-moving stores and spares	(6,205.21)	(6,205.21)
	<b>Total</b>	<b>1,56,966.11</b>	<b>1,27,052.20</b>

\* Inventories as on 31st March, 2022 amounting to Rs. 795.18 thousands (as at 31st March, 2021 Rs. 795.18 thousands ) is lying for more than one year. The Company is taking necessary steps to dispose off the same. In the opinion of management, there would be no shortfall in their realizable value in the ordinary course of the business. Consequently, no further provision have been considered necessary in this regard.

<b>^ Details of Inventories :</b>		<b>(Amount in '000)</b>	
	<b>Particulars</b>	<b>As at 31st March, 2022</b>	<b>As at 31st March, 2021</b>
	Raw material		
	Acrylic fibre, polyester fibre & raw jute	64,495.41	64,719.83
	Finished goods		
	Synthetic Yarn, Jute Yarn and other textile goods	60,555.57	42,985.32
	Trading goods		
	Jute Bags and other textile goods	14,767.31	725.37
	Stock in process		
	Synthetic Yarn, Jute Yarn and other textile goods	12,326.99	14,540.44

<b>Note No.: 8 Trade receivables</b>		<b>(Amount in '000)</b>	
	<b>Particulars</b>	<b>As at 31st March, 2022</b>	<b>As at 31st March, 2021</b>
	Unsecured, considered good	13,110.35	14,045.44
	Unsecured, credit impaired	4,592.69	4,592.69
		17,703.04	18,638.13
	Less : Allowances for credit impaired	(4,592.69)	(4,592.69)
		13,110.35	14,045.44
	<b>Total</b>	<b>13,110.35</b>	<b>14,045.44</b>

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Note forming part of the Financial Statements (Contd.)

Ageing of trade receivables is as below

As at 31st March, 2022:

(Amount in '000)

Particulars	Outstanding for following periods from date of transaction					Total
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables- considered good	8,804.23	77.59	3.09	-	4,225.44	13,110.35
(ii) Undisputed Trade receivables- Credit Impaired	-	-	-	-	4,592.69	4,592.69

As at 31st March, 2021:

(Amount in '000)

Particulars	Outstanding for following periods from the date of transaction					Total
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables- considered good	9,817.58	-	2.42	-	4,225.44	14,045.44
(ii) Undisputed Trade receivables- Credit Impaired	-	-	-	-	4,592.69	4,592.69

**Note:** Trade Receivables includes Rs.4,228.53 thousand (Previous year: Rs.4,225.44 thousand) outstanding for a considerable period of time. In view of legal and persuasive steps being taken by the management for recovery, the same have been considered good and recoverable.

**Note No.: 9 Cash and cash equivalents**

(Amount in '000)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Balances with banks		
On current accounts	8,186.69	15,940.14
Cash on hand	44.87	139.11
<b>Total</b>	<b>8,231.56</b>	<b>16,079.25</b>

**Note No.: 10 Current tax assets**

(Amount in '000)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Advance tax and tax deducted at source	2,037.91	1,696.10
Tax collected at source	122.97	60.30
Advance fringe benefit tax	0.76	0.76
<b>Total</b>	<b>2,161.64</b>	<b>1,757.16</b>

**Note No.: 11 Other current assets (Unsecured, considered good)**

(Amount in '000)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Advance to employees against salary	1,412.26	1,519.02
Advance to suppliers	5,391.62	2,756.26
Others		
Deposit with government authorities^**	6,817.98	6,783.75
GST input and other taxes	2,000.49	15.81
Prepaid expenses	195.08	222.23
Others	653.96	452.80
<b>Total</b>	<b>16,471.39</b>	<b>11,749.87</b>

^ Deposits with Government Authorities includes Rs. 2,208.22 thousands (As on 31st March, 2021 Rs. 2,208.22 thousands) which are outstanding for a considerable period of time and under dispute. In view of legal and persuasive steps being taken by the management for recovery of the same, the same have been considered good and recoverable.

\*\*Deposits with Government Authorities includes Post Office Deposit of Rs. 22.50 thousands (As at 31st March, 2021 Rs. 22.50 thousands) deposited with Excise Authorities.

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**Note forming part of the Financial Statements (Contd.)**

(Amount in '000)

**Note No. : 12 Equity share capital**

	Particulars	As at 31st March, 2022		As at 31st March, 2021	
		No. of shares	(Amount in '000)	No. of shares	(Amount in '000)
<b>(a) Authorised</b>					
	Equity shares of par value Rs.10/- each	1,10,00,000	1,10,000.00	1,10,00,000	1,10,000.00
			<b>1,10,000.00</b>		<b>1,10,000.00</b>
<b>(b) Issued, subscribed and fully paid up</b>					
	Equity shares of par value Rs.10/- each	25,80,000	25,800.00	25,80,000	25,800.00
			<b>25,800.00</b>		<b>25,800.00</b>

**(c) Reconciliation of number and amount of equity shares outstanding:**

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No. of shares	(Amount in '000)	No. of shares	(Amount in '000)
At the beginning of the year	25,80,000	25,800.00	25,80,000	25,800.00
At the end of the year	25,80,000	25,800.00	25,80,000	25,800.00

**(d)** The Company has only one class of equity shares of Rs. 10/- each. The holders of equity shares are entitled to receive dividend as declared from time to time and are entitled to one vote per share.

**(e)** In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential dues. The distribution will be in proportion to the number of equity shares held by the shareholder.

**(f)** 20% of Secured Loans of Rs. 17,424.00 thousands (As at 31st March, 2021 Rs. 17,424.00 thousands) granted by various Financial Institutions carry rights of conversion into ordinary share capital of the Company at par on one or more occasions under certain specific circumstances of default by the Company. However, the original lenders have assigned the outstanding loans to certain bodies corporate as given in Note No. 14(i).

**(g)** Shareholders holding more than 5 % of the equity shares in the Company :

Name of the shareholder	As at 31st March, 2022		As at 31st March, 2021	
	No. of shares held	% of holding	No. of shares held	% of holding
Collieries India Private Limited	1,57,500	6.10%	1,57,500	6.10%
Crown Investments Private Limited	1,75,000	6.78%	1,75,000	6.78%
Kunj Commercial Company Limited	3,75,000	14.53%	3,75,000	14.53%
Tolaram Jalan	2,60,064	10.08%	2,60,064	10.08%
Ishaan Jalan	7,67,200	29.74%	7,67,200	29.74%
Anuradha Jalan	1,59,000	6.16%	1,59,000	6.16%

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**Note forming part of the Financial Statements (Contd.)**

(h) Shares held by promoters at the end of the year:  
**As at 31st March, 2022**

Sl. No	Promoter name	No. of Shares	% of total shares	% Change during the year
1	Mr. TolaramJalan	2,60,064	10.08	-
2	Mr. Bharat Kumar Jalan	32,000	1.24	-
3	Mrs. AnuradhaJalan	1,59,000	6.16	-
4	Mr. Ishaan Jalan	7,67,200	29.74	-
5	Mrs. Neha AmiteshGoenka	10,000	0.39	-
6	Hindusthan Mercantile Ltd.	1,00,000	3.88	-
7	Kunj Commercial Co. Ltd.	3,75,000	14.53	-
8	Crown Investment Pvt. Ltd.	1,75,000	6.78	-
9	T.M. Investment Co. Pvt. Ltd.	35,000	1.36	-
10	A.D.Investment Co.Pvt. Ltd.	84,000	3.26	-
11	Collieries India Pvt. Ltd.	1,57,500	6.10	-
12	Soorya Investment Co. Pvt. Ltd.	68,000	2.64	-
<b>Total</b>		<b>22,22,764</b>	<b>86.16</b>	<b>-</b>

**As at 31st March, 2021**

Sl. No	Promoter name	No. of Shares	% of total shares	% Change during the year
1	Mr. TolaramJalan	2,60,064	10.08	-
2	Mr. Bharat Kumar Jalan	32,000	1.24	-
3	Mrs. AnuradhaJalan	1,59,000	6.16	-
4	Mr. Ishaan Jalan	7,67,200	29.74	-
5	Mrs. Neha AmiteshGoenka	10,000	0.39	-
6	Hindusthan Mercantile Ltd.	1,00,000	3.88	-
7	Kunj Commercial Co. Ltd.	3,75,000	14.53	-
8	Crown Investment Pvt. Ltd.	1,75,000	6.78	-
9	T.M. Investment Co. Pvt. Ltd.	35,000	1.36	-
10	A.D.InvestmentCo.Pvt. Ltd.	84,000	3.26	-
11	Collieries India Pvt. Ltd.	1,57,500	6.10	-
12	Soorya Investment Co. Pvt. Ltd.	68,000	2.64	-
<b>Total</b>		<b>22,22,764</b>	<b>86.16</b>	<b>-</b>

**Note No. : 13 Other equity**

(Amount in '000)

Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>(a) Capital reserve</b>		
Balance as per last account	3,898.00	3,898.00
<b>(b) Retained earnings*</b>		
Balance as per last account	(1,29,906.85)	(1,42,523.15)
Add: Net profit/(loss) for the year	<u>(1,883.25)</u>	<u>12,616.30</u>
Closing balance	(1,31,790.10)	(1,29,906.85)
<b>Total</b>	<b>(1,27,892.10)</b>	<b>(1,26,008.85)</b>

\* Retained Earnings include Revaluation reserve amounting to Rs. 27,339.63 thousands (Previous Year Rs. 27,339.63 thousands) pursuant to adjustment upon transition to Ind AS and portion of such amount of retained earnings shall not be available for distribution of dividend.

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Note forming part of the Financial Statements (Contd.)

Note No. : 14 Borrowings

(Amount in '000)		
(i) Non-current		
Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>Term loans</b>		
<b>Secured</b>		
<b>From others</b>		
Shakambhari Traders Limited (The Original Lender IFCI Limited has assigned the said loan together with all other dues on loan in favour of Asset Care Enterprise Limited which has been further assigned by Asset Care Enterprise Ltd. to Shakambhari Traders Limited)	9,685.83	9,685.83
Karjan Vyapaar Private Limited (The Original Lender Industrial Development Bank of India Limited (IDBI Ltd.) has assigned the said loan together with all other dues on loan in favour of Karjan Vyapaar Private Limited)	8,423.00	8,423.00
United Credit Limited (The Original Lender Industrial Investment Bank of India Limited (IIBI Ltd.) has assigned the said loan together with all other dues on loan in favour of United Credit Limited)	4,853.24	4,853.24
Kotak Mahindra Prime Ltd.- Car loan	608.24	852.15
<b>From Government</b>		
Excise Duty Loan From Government of India^	35,377.00	35,377.00
Sales Tax Loan From West Bengal Industrial Development Corporation Ltd.	1,860.08	1,860.08
<b>Others</b>		
<b>Unsecured</b>		
Managing Director^ (Refer Note No. 29(6))	12,000.00	12,000.00
Body corporates	1,000.00	1,000.00
<b>Total</b>	<b>73,807.39</b>	<b>74,051.30</b>

^ Interest free loan

**Notes :**

- Secured by first mortgage and charge on all the movable and immovable Property, Plant and Equipment, present and future, in favour of the Financial Institutions/Assignees i.e Shakambhari Traders Limited, Karjan Vyapaar Private Limited and United Credit Limited for Rehabilitation loan of Rs.12,900 thousands (as at 31st March, 2021 Rs.12,900 thousands).
- Due to continued adverse workings, the Company could not repay the principal amounts due for repayment and interest on secured loans to the Financial Institutions / Assignees / Other Parties. Interest, penal interest, liquidated damages, payable due to such default as per the agreements have been decided to be accounted for as and when paid / settled with the lenders / assignee. Accordingly, liquidated damages estimated by the management based on the available information amounting to Rs. 1,27,637.76 thousands (including Rs. 6,190.98 thousands for the year) on Excise Duty Loan from the Government of India and penal interest, etc. amounting to Rs. 3,653.25 thousands (including Rs. 162.76 thousands for the year) on Sales tax loan from West Bengal Development Corporation of India has not been provided. The interest, penal interests, liquidated damages etc. payable to the Financial Institutions / Assignees / Other Parties, the amount of which presently not ascertainable, have also not been provided for in these financial statements since 01st April, 2002.
- Interest accrued and due on loans as on 31st March 2013 had been included in the outstanding loans from Shakambhari Traders Ltd. amounting to Rs.1,162.30 thousands based on their confirmations.
- Loan from Government are to be secured by second / subservient charge on all the movable and immovable Property, Plant and Equipment both present and future subject to prior charge on specific assets created in favour of banks and financial institutions.
- As compared to the amount of secured loan and the value of Security, there is a shortfall in the book value of security. Therefore, to the extent there is a shortfall in the value of security, the amount of secured loan is not secured.
- The Company is yet to enter into fresh agreement with the lender/ assignee. In the absence of the same, the Loan taken from financial institution has been continued to be considered as default to financial institution in terms of Schedule III of the Companies Act, 2013. Based on the same, the Company has defaulted in the repayment of principal amount and payment of interest on loans as given below in terms of original terms of the loans:

(Amount in '000)			
Particulars	Period	As at 31st March, 2022	As at 31st March, 2021
<b>Secured loan :</b>			
IFCI Limited (The Original Lender) assigned to Assets Care Enterprise Limited (Further assigned by Asset Care Enterprise Limited to Shakambhari Traders Ltd.)	Since 15th April, 1998	9,685.83	9,685.83
IDBI Limited (The Original Lender) assigned to Karjan Vyapaar Private Limited	Since 15th April, 1998	8,423.00	8,423.00
IIBI Limited (The Original Lender) assigned to United Credit Limited	Since 15th April, 1998	4,853.24	4,853.24
<b>Secured loan from government :</b>			
Excise Duty Loan From Government Of India	Since 14th April, 1998	35,377.00	35,377.00
Sales Tax Loan From West Bengal Industrial Development Corporation Limited	Since 30th September, 1999	1,860.08	1,860.08
<b>Unsecured loan :</b>	Since 31st March, 2006	1,000.00	1,000.00

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**Note forming part of the Financial Statements (Contd.)**

**Note No. : 14 Borrowings (contd.)**

<b>(Amount in '000)</b>				
<b>7. Terms of repayment of Car Loan from Kotak Mahindra Prime Ltd.:</b>				
<b>Particulars</b>	<b>Amount outstanding as on balance sheet date</b>		<b>Period of maturity w.r.t. balance sheet date</b>	<b>No. of installment outstanding as at balance sheet date</b>
	<b>Non-current</b>	<b>Current</b>		
Kotak Mahindra Prime Ltd.- Car loan*	608.24 (852.15)	243.91 (223.36)	3 years and 2 months (4 years and 2 months)	38 (50)
				25.79 (25.79)

\*Secured against hypothecation of car

8. As referred to in Note No. 29(8), the company was a sick company and the repayment schedule of the loans was dependent on the sanction of the revival scheme by Honourable BIFR, however subsequent to the repeal of the Sick Industrial (Special Provisions) Act, 1985, the company has not made reference under the new law. Pending ascertainment of details of terms of repayment etc, the loans have been treated as long term borrowings and the repayment schedule for current and non current is presently not ascertainable and accordingly, current maturities/non-current portion of long term loans could not be worked out and disclosed as required by Schedule III of the Companies Act, 2013.
9. The loans have been assigned by original lender to others, the charge in respect of assignees Karjan Vyapaar Private Limited, United Credit Limited and Shakambari traders Limited have also been modified.
10. Interest accrued upto 31<sup>st</sup> March, 2022 aggregating to Rs. 5,614.72 thousands (including Rs. 149.59 thousands for the year) on unsecured loan amounting to Rs. 1,000.00 thousands (Previous year Rs. 1,000.00 thousands) as estimated by the management (without considering additional interest, if any, on non-payment of principal interest) has not been provided for and the same will be accounted for as and when paid/settled.
11. In terms of Draft Rehabilitation Scheme (DRS) submitted before Hon'ble BIFR, the promoters/co-promoters of the Company shall arrange interest bearing loans of Rs. 22,500 thousands and interest free loan of Rs.12,000 thousands to meet requirements of funds towards cost of rehabilitation scheme. Accordingly, the promoters have arranged the said unsecured loans.

As per BIFR Order dated 20th November, 2013, the Company has taken unsecured loan of Rs. 3,000 thousands from the Managing Director which has been deposited in 'no lien account' (NLA) lying with OA (IFCI Limited) being 25% of the fund estimated for rehabiliation of the company to be brought in by the promoters. The aforesaid unsecured loan of Rs. 3,000 thousands was taken from the Managing Director during the year 2019-20.

12. As stated in note no. 29(8), subsequent to the repeal of the Sick Industrial (Special Provisions) Act, 1985, the Company has not made any reference under the new law. The Company had taken loan from shareholders/promoters/co-promoters in earlier years as stated in note no. 14(11) hence steps are being taken for compliance under section 77 of the Companies Act, 2013 read with rules thereunder relating to Acceptance of Deposits by Companies.

**(ii) Current**

<b>(Amount in '000)</b>		
<b>Particulars</b>	<b>As at 31st March, 2022</b>	<b>As at 31st March, 2021</b>
<b>Short Term Borrowings</b>		
<b>Secured</b>		
<b>- From Bank</b>		
Overdraft facility from Kotak Mahindra Bank*	11,088.61	-
<b>Unsecured</b>		
Bodies Corporate	1,23,002.00	1,03,012.00
	1,34,090.61	1,03,012.00
<b>Current maturities of long term debt- Secured^</b>	243.91	223.36
<b>Total</b>	<b>1,34,334.52</b>	<b>1,03,235.36</b>

\*Secured against Fixed deposits held in the name of related party

^refer note no. 14(7) for nature of securities secured

**THE INDIA JUTE AND INDUSTRIES LIMITED**  
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Note forming part of the Financial Statements (Contd.)

**Note No.: 15 Trade payables**

(i) Non- current		(Amount in '000)	
	Particulars	As at 31st March, 2022	As at 31st March, 2021
	Total outstanding dues of micro enterprises and small enterprises (Refer note no. 29(2))	-	-
	Total outstanding dues of creditors other than micro enterprises and small enterprises	1,646.79	1,646.79
	<b>Total</b>	<b>1,646.79</b>	<b>1,646.79</b>

**Trade Payables ageing schedule:**

As at 31st March, 2022		(Amount in '000)				
Particulars	Outstanding for following periods from date of transaction					
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	
(i) MSME	-	-	-	-	-	
(ii) Others	-	-	-	1,646.79	1,646.79	
(iii) Disputed dues- MSME	-	-	-	-	-	
(iv) Disputed dues- Others	-	-	-	-	-	

As at 31st March, 2021					(Amount in '000)
Particulars	Outstanding for following periods from date of transaction				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	-	-	-	1,646.79	1,646.79
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-

(ii) Current		(Amount in '000)	
	Particulars	As at 31st March, 2022	As at 31st March, 2021
	Total outstanding dues of micro enterprises and small enterprises (Refer note no. 29(2))	-	-
	Total outstanding dues of creditors other than micro enterprises and small enterprises	73,854.71	76,723.49
	<b>Total</b>	<b>73,854.71</b>	<b>76,723.49</b>

**Trade Payables ageing schedule:**

As at 31st March, 2022		(Amount in '000)				
Particulars	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	-	52,122.21	399.28	396.45	20,936.77	73,854.71
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-

As at 31st March, 2021		(Amount in '000)					
Particulars		Outstanding for following periods from due date of payment					
		Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	52,820.38	517.52	123.26	23,262.33	76,723.49	
(iii) Disputed dues- MSME	-	-	-	-	-	-	
(iv) Disputed dues- Others	-	-	-	-	-	-	

**THE INDIA JUTE AND INDUSTRIES LIMITED**  
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**Note forming part of the Financial Statements (Contd.)**

**Note No.: 16 Other current financial liabilities\*\***

(Amount in '000)			
	Particulars	As at 31st March, 2022	As at 31st March, 2021
	Interest accrued and due on		
	Secured loan from Government	334.20	334.20
	Secured term loan from others	7,530.61	7,584.94
	Unsecured loan	11,632.10	12,315.38
	<b>Total</b>	<b>19,496.91</b>	<b>20,234.52</b>

\*\* The Company has defaulted in the payment of interest due on loan to financial institutions/other as given below.

(Amount in '000)			
Particulars	Period	As at 31st March, 2022	As at 31st March, 2021
<b>Interest on secured loan from others :</b>			
IFCI Limited (The Original Lender) assigned to Assets Care Enterprise Limited (Further assigned by Asset Care Enterprise Limited to Shakambhari Traders Ltd.)	15th April, 1998	3,912.14	3,912.14
IDBI Limited (The Original Lender) assigned to Karjan Vyapaar Private Limited	15th April, 1998	414.84	414.84
IIBI Limited (The Original Lender) assigned to United Credit Limited	15th April, 1998	1,247.89	1,247.89
<b>Interest on secured loan from government :</b>			
Sales Tax Loan From West Bengal Industrial Development Corporation Limited	30th September, 1999	334.20	334.20
<b>Interest on unsecured loan</b>	31st March, 1999	1,969.00	1,969.00

**Note No.: 17 Other current liabilities**

(Amount in '000)			
	Particulars	As at 31st March, 2022	As at 31st March, 2021
	Interest accrued and due on statutory dues	271.79	271.79
	Advance from customers	10,505.07	4,983.78
	<b>Others</b>		
	Statutory dues	5,269.05	6,561.95
	<b>Total</b>	<b>16,045.91</b>	<b>11,817.52</b>

**Note No.: 18 Provisions**

(Amount in '000)			
	Particulars	As at 31st March, 2022	As at 31st March, 2021
	<b>Provision for employee benefits</b>		
	Gratuity	31,762.75	31,668.77
	<b>Total</b>	<b>31,762.75</b>	<b>31,668.77</b>

**Note :**

- a) As per consistent policy, no provision has been made in these financial statements for accrued liability of gratuity upto 31st March, 2003 in respect of employees of Fine Yarn and Carpet Division amounting to Rs. 2,430.17 thousands and Rs. 999.79 thousands respectively and for employees of Textiles Division and Head Office who are in the service of the company as on 31st March, 2011 amounting to Rs. 15,323.10 thousands and Rs. 710.24 thousands respectively, to the extent identified. From the year ended 31st March, 2012, no actuarial valuation has been carried out in respect of employees existing as on 31st March, 2022 and has been only provided in respect of employees retired during the period. However, in absence of actuarial valuation as per Ind AS 19 on employee benefit, accrued liability for gratuity has not been ascertained and necessary provision has not been made.
- b) During the year the Company has paid Rs. 1053.88 thousands (Previous Year Rs. 1163.22 thousands) on account of gratuity to the employees.
- c) Pending ascertainment of the amounts, no provision has been made in these financial statements for dues, interest, penalty or other liability for delay / default in payment of statutory / other liabilities including in respect of provident fund, gratuity, excise duty, sales tax etc. Due to huge losses and non - availability of sufficient cash, the Company is in the process of making payment of statutory dues (including gratuity) as and when the sufficient funds will be available, quantum was unascertained.



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**Note forming part of the Financial Statements (Contd.)**

**Note No.: 19 Revenue from operations**

(Amount in '000)

	Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
	<b>Sale of goods</b>		
	Finished goods	5,47,388.81	4,32,496.33
	Trading goods	1,214.26	820.55
	Wastes	466.92	381.00
	<b>Sale of services</b>		
	Licensing fees and maintenance charges	1,507.57	1,130.68
	<b>Other Operating Revenue</b>		
	Recovery of freight expenses on export	-	91.14
	<b>Total</b>	<b>5,50,577.56</b>	<b>4,34,919.70</b>

**Notes :**

(Amount in '000)

a)	Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
	<b>Finished goods</b>		
	Synthetic yarn	3,08,457.66	2,65,969.09
	Jute yarn	2,38,931.16	1,66,527.24
	<b>Trading goods</b>		
	Jute Bags and other textile goods	1,214.26	820.55
	<b>Total</b>	<b>5,48,603.08</b>	<b>4,33,316.88</b>
b)	The Company had entered into an agreement with Vasundhara Texcom Private Limited (VTPL) with effect from 29th April, 2013 for conversion of their Raw Jute to Finished Jute Yarn and accordingly processing charges amounting to Rs. NIL (Previous Year Nil) have been recognised in terms of the said agreement. During the year 2018-19, the company has terminated the said agreement with VTPL and started its own production.		
c)	The Company had entered into an agreement with Adinath Cotton And Synthetic Spinners Private Limited (Adinath) on 23rd March, 2006 and 26th July, 2006 wherein, the doubling unit and single yarn unit of Synthetic and Cotton manufacturing unit which are under suspension of work w.e.f. 16th August, 2002 were given to Adinath w.e.f. 09th March, 2006 and 26th July, 2006 respectively as right to use for running such units with entitlement to use all existing fixed assets and other equipments belonging to the Company at such units. The company had terminated the said agreement with Adinath Cotton And Synthetic Spinners Private Limited with effect from 1st August, 2018 and all the employees on the payroll of Adinath has been transferred to India Jute. However, all statutory liabilities in respect of employees for the period prior to 01.08.2018 shall be borne and paid by the licensee in terms of the agreement.		

**Note No.: 20 Other Income**

(Amount in '000)

	Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
	<b>Interest income</b>		
	On deposits	288.17	407.96
	On income tax refund	-	18.57
	Profit on futures	131.31	-
	Net gain / (loss) on foreign fluctuation	88.84	-
	Other miscellaneous income	211.41	139.46
	Insurance claim received	801.82	563.19
	<b>Total</b>	<b>1,521.55</b>	<b>1,129.18</b>

**THE INDIA JUTE AND INDUSTRIES LIMITED**  
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Note forming part of the Financial Statements (Contd.)

**Note No.: 21 Cost of materials consumed and processing charges**

(Amount in '000)

	Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
	Raw material: Acrylic fibre, polyester fibre & raw jute	3,77,189.11	2,69,940.41
	<b>Total</b>	<b>3,77,189.11</b>	<b>2,69,940.41</b>

**Note No.: 21A Purchase of Stock in Trade**

(Amount in '000)

	Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
	Jute Bags and other textile goods	15,262.82	383.59
	<b>Total</b>	<b>15,262.82</b>	<b>383.59</b>

**Note No.: 22 Changes in inventories of Finished goods, Work-in-progress and Waste**

(Amount in '000)

	Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
	<b>Finished goods</b>		
	Opening stock	43,710.69	21,959.54
	Less: Closing stock	75,322.87	43,710.68
	<b>(A)</b>	<b>(31,612.18)</b>	<b>(21,751.14)</b>
	<b>Work in Progress</b>		
	Opening stock	14,540.44	11,028.99
	Less: Closing stock	12,326.99	14,540.44
	<b>(B)</b>	<b>2,213.45</b>	<b>(3,511.45)</b>
	<b>Waste</b>		
	Opening stock	920.40	343.70
	Less: Closing stock	43.86	920.40
	<b>(C)</b>	<b>876.54</b>	<b>(576.70)</b>
	<b>Total (A+B+C)</b>	<b>(28,522.19)</b>	<b>(25,839.29)</b>

**Note No.: 23 Employee benefits expense**

(Amount in '000)

	Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
	Salaries, wages, bonus and allowances	84,954.83	80,740.02
	Contribution to provident & other funds	4,917.57	4,109.05
	Staff welfare expenses	3,976.94	3,732.38
	<b>Total</b>	<b>93,849.34</b>	<b>88,581.45</b>

**Note No.: 24 Finance cost**

(Amount in '000)

	Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
	Interest On financial liabilities carried at amortised cost	11,989.72	11,425.66
	<b>Total</b>	<b>11,989.72</b>	<b>11,425.66</b>

**Note No.: 25 Depreciation expense**

(Amount in '000)

	Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
	<b>Depreciation :</b>		
	On property, plant and equipment (Refer note no. 4)	3,002.77	2,964.59
	<b>Total</b>	<b>3,002.77</b>	<b>2,964.59</b>

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Note forming part of the Financial Statements (Contd.)

**Note No.: 26 Other Expenses**

(Amount in '000)

	Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
	Rent	644.44	68.44
	Store material consumed	27,323.45	24,107.81
	Power and fuel	42,925.49	43,269.07
	Insurance	313.56	259.71
	Rates and taxes	539.61	510.91
	Repair to others	1,537.01	767.51
	Brokerage and commission on sales	2,312.09	1,823.62
	Delivery/Freight Charges (Sales)	196.98	101.51
	Sales Tax	-	1,437.07
	Motor car hire and maintenance expenses	816.28	725.32
	Listing fees	34.00	25.00
	Travelling and conveyance expenses	713.09	415.21
	Directors fees	3.00	2.88
	Loss on sale of property, plant and equipment	-	17.83
	Loss on futures and options	-	329.25
	Professional and legal charges	1,674.89	396.91
	Payment To auditors		
	For statutory audit	25.00	25.00
	For tax audit	15.00	-
	For other services	-	21.00
	Miscellaneous expenses	2,136.90	1,672.12
	<b>Total</b>	<b>81,210.79</b>	<b>75,976.17</b>

**Note No. : 27 Tax expense**

(Amount in '000)

	Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
	<b>A. Amount recognised in profit or loss</b>		
	Current tax	-	-
	Deferred tax	-	-
	<b>Total</b>	<b>-</b>	<b>-</b>
	<b>Reconciliation of Tax Expense</b>		
	Profit/(loss) before tax	(1,883.25)	12,616.30
	Applicable tax rate	0.00%	26.00%
	<b>Computed tax expense (A)</b>	<b>-</b>	<b>3,280.24</b>
	<b>Adjustments for:</b>		
	Tax effects of carry forward losses	-	(3,280.24)
	<b>Net adjustments (B)</b>	<b>-</b>	<b>(3,280.24)</b>
	<b>Tax expense (A+B)</b>	<b>-</b>	<b>-</b>

**Note No. : 28 Earnings per share**

(Amount in '000)

	Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
	Amount used as the numerator (Amount in '000)		
	Profit/(loss) for the year - (A)	(1,883.25)	12,616.30
	Weighted average number of equity shares outstanding used as the denominator for computing Basic Earnings per share - (B)	25,80,000	25,80,000
	Weighted average number of equity shares outstanding used as the denominator for computing Diluted earnings per share - (C)	25,80,000	25,80,000
	Nominal value of equity shares (Rs.)	10	10
	Basic earnings per share (Rs.) (A/B)	(0.73)	4.89
	Diluted earnings per share (Rs.) (A/C)	(0.73)	4.89

**THE INDIA JUTE AND INDUSTRIES LIMITED**  
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**Note forming part of the Financial Statements (Contd.)**

**Note No. : 29 Other disclosures and additional regulatory information**

**1. Contingent liabilities (to the extent not provided for)**

(Amount in '000)

Sl. No.	Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>A.</b>	<b>Contingent liabilities :</b>		
(i)	Excise duty which are under appeal for additional demands*	6,243.54	6,243.54
(ii)	Sales tax and turnover tax for the years 1994 - 95 to 2002 - 03 which are under appeal*	30,770.61	30,770.61
(iii)	For interest on arrear sales tax and turnover tax which is under appeal*	332.00	332.00
(iv)	For interest on delayed payment of provident fund contribution which is under appeal*	3,721.85	3,721.85
(v)	For additional demand of ESI inclusive interest which is under appeal*	964.95	964.95
(vi)	For entry tax in respect of Imported Raw Materials and inter state purchases	5,345.51	5,345.51
		<b>47,378.46</b>	<b>47,378.46</b>

\*The Company's pending litigation comprise of proceedings with Sales Tax, Excise and various other authorities. The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material impact on its financial position.

Future cash outflows, if any, in respect of (i) to (vi) above is dependent upon the outcome of judgments / decisions.

- 2.** The Company has not received any memorandum (as required to be filed by the suppliers with the notified authority under the Micro, Small and Medium Enterprises Development Act, 2006) claiming their status as on 31 March 2022 as micro, small and medium enterprises. Consequently, the amount due to micro and small enterprises as per requirement of Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 is Nil (31st March 2021 - Nil)

**3 Employee Benefits :**

As per Indian Accounting Standard - 19 "Employee Benefits", the disclosures of Employee Benefit is as follows:

**Defined Contribution Plan :**

Employee benefits in the form of Provident Fund and Employee State Insurance Corporation are considered as defined contribution plan.

The contributions to the respective fund are made in accordance with the relevant statute and are recognised as expense when employees have rendered service entitling them to the contribution. The contributions to defined contribution plan, recognised as expense in the Statement of Profit and Loss are as under :

(Amount in '000)		
Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Employer's contribution to provident fund	4,917.57	4,109.05
Employer's contribution to employees' state insurance scheme	2,335.08	2,082.19

**4 Details of Loan, guarantee and Investments covered under section 186 (4) of the Companies Act, 2013 :**

Details of investments have been disclosed in Note No. : 5.

The Company has not granted any loan and given any guarantee or provided any security during the year.

**5 Deferred tax :**

As per Ind AS 12, the Company has deferred tax asset due to difference in depreciation, carry forward of business losses and gratuity provision as per Companies Act and as per Income tax Act, but as a matter of prudence, the same has not been recognized in the accounts.

**THE INDIA JUTE AND INDUSTRIES LIMITED**  
**CIN NO.: L17119WB1916PLC002720**  
**Note forming part of the Financial Statements (Contd.)**

**Note No. : 29 Other disclosures and additional regulatory requirements (contd.)**

**6 Related party disclosures**

**a) Name of the related parties and description of relationship :**

i)	<b>Key Managerial Personnel :</b>	
	<b>Name</b>	<b>Relationship</b>
	a) Mr. B.K. Jalan	Managing Director
	b) Mr. D.K. Sharma	Chief Financial Officer
	c) Mr. Ravi Kumar Shaw	Company Secretary
ii)	<b>Relatives of Key managerial personnel :</b>	
	<b>Name</b>	<b>Relationship</b>
	a) Mr. Tolaram Jalan	Father of Managing Director
	b) Ishaan Jalan	Son of Managing Director

**b)** The Company is not able to make disclosure as per requirement of Ind AS 24 'Related party disclosure' due to insufficient information available with the management. However, following related party transactions can only be drawn up from the financial statements.

**c) Transactions with Related parties :**

**(i)** Aggregate amount of transaction with related party other than remuneration are as follows:

(Amount in '000)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Salary		
Ishaan Jalan	-	360.00
Security against borrowing provided by		
Hindustan Mercantile Limited	11,088.61	-

(Amount in '000)

Balance outstanding as at the year end:	As at 31st March, 2022	As at 31st March, 2021
Loan taken		
B.K. Jalan	12,000.00	12,000.00
Fixed deposits provided for borrowings		
Hindustan Mercantile Limited	14,096.74	-

**(ii)** Aggregate remuneration paid/payable to Key Management Personnel :

(Amount in

Particulars	2021-22	2020-21
Short-term employee benefits	900.00	375.00
Director's sitting Fees	3.00	2.88

**(iii)** Other related party

Name	Relationship
Hindustan Mercantile Limited	Entity in which Key Management Personnel (KMP) has substantial interest/ significant influence

**d)** Remuneration of Rs.2631.24 thousand (including Nil for the year) is subject to approval of Central Government.

**e)** The transactions with related parties have been entered at an amount which are not materially different from those on normal commercial terms.

**f)** The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received.

**THE INDIA JUTE AND INDUSTRIES LIMITED**  
**CIN NO.: L17119WB1916PLC002720**  
**Note forming part of the Financial Statements (Contd.)**

**Note No. : 29 Other disclosures and additional regulatory requirements (contd.)**

**7 Segment Reporting disclosures as per Ind AS-108 "Operating Segments":**

**Operating Segments:**

- a) Textile
- b) Fine Yarn
- c) Carpet
- d) Trading

**Identification of Segments:**

The chief operating decision maker monitor the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segments have been identified on the basis of the nature of products/services and have been identified as per the quantitative criteria specified in the Ind AS.

**Segment Revenue and Results:**

The expenses and incomes which are not attributable to any business segment are shown as unallocated expenditure (net of unallocated income).

**Segment Assets and Liabilities:**

Segment assets include all operating assets used by the operating segment and mainly consist of property, plant and equipments, trade and other receivables, cash and cash equivalents etc.

Segment liabilities primarily includes trade payables, borrowings and other liabilities.

Common assets and liabilities which cannot be allocated to any of the segments are shown as a part of unallocated Corporate assets/liabilities.

**(a) Information about primary business segments :**

**(Amount in '000)**

Particulars	Textile		Fine Yarn		Carpet		Trading		Total Amount	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
<b>Segment revenue</b>										
External sales/ services	3,10,407.30	2,67,571.91	2,38,956.00	1,66,527.24	-	-	1214.26	820.55	5,50,577.56	4,34,919.70
<b>Revenue from operations</b>	3,10,407.30	2,67,571.91	2,38,956.00	1,66,527.24	-	-	1,214.26	820.55	5,50,577.56	4,34,919.70
<b>Segment results</b>	(7,995.78)	16,622.24	18,622.37	6,983.32	(7.47)	(253.83)	(800.82)	263.70	9,818.30	23,615.43
Interest expenses	NA	NA	NA	NA	NA	NA	NA	NA	9,818.30	23,615.43
Interest income	NA	NA	NA	NA	NA	NA	NA	NA	(11,989.72)	(11,425.66)
<b>Profit/(loss) before tax</b>									288.17	426.53
Income tax	NA	NA	NA	NA	NA	NA	NA	NA	(1,883.25)	12,616.30
<b>Profit /(loss) after tax</b>	NA	NA	NA	NA	NA	NA	NA	NA	-	-
									(1,883.25)	12,616.30

**THE INDIA JUTE AND INDUSTRIES LIMITED**  
CIN NO.: L17119WB1916PLC002720  
Note forming part of the Financial Statements (Contd.)

Note No. : 29 Other disclosures and additional regulatory requirements (contd.)

Segment Reporting disclosures as per Ind AS-108 "Operating Segments" (contd.)

(b) Other information:											(Amount in '000)	
Particulars	Textile		Fine Yarn		Carpet		Trading		Unallocated Corporate		Total Amount	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Segment Assets	1,22,728.97	1,00,053.45	89,428.20	88,599.58	7,014.55	7,012.27	14,901.24	1,384.67	-	-	2,34,072.96	1,97,049.97
Unallocated Corporate Assets	-	-	-	-	-	-	-	-	14,783.93	22,118.93	14,783.93	22,118.93
Total Assets	1,00,053.45	84,258.35	89,428.20	88,599.58	7,014.55	7,012.27	14,901.24	1,384.67	14,783.93	22,118.93	2,48,856.89	2,19,168.90
Segment liabilities	65,140.58	49,472.59	54,658.25	70,369.81	1,728.94	1,728.49	2,026.29	509.02		-	1,23,554.06	1,22,079.91
Unallocated Corporate Liabilities	-	-	-	-	-	-	-	-	2,27,394.91	1,97,297.84	2,27,394.91	1,97,297.84
Total Liabilities	65,140.58	49,472.59	54,658.25	70,369.81	1,728.94	1,728.49	2,026.29	509.02	2,27,394.91	1,97,297.84	3,50,948.97	3,19,377.75
Cost incurred during the period to acquire segment property, plant and equipment	5,637.70	2,926.52	-	-		-	-	-	-	-	5,637.70	2,926.52
Depreciation / Amortisation	2,713.78	2,819.06	281.52	137.44	7.47	-	-	-	-	-	3,002.77	2,956.51

(c) Reconciliations of amounts reflected in the financial statements :

(i) Reconciliation of assets

(Amount in '000)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Segment operating assets	2,34,072.96	1,97,049.97
Unallocated Corporate Assets	14,783.93	22,118.93
<b>Total assets</b>	<b>2,48,856.89</b>	<b>2,19,168.90</b>

(ii) Reconciliation of liabilities

(Amount in '000)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Segment operating liabilities	1,23,554.06	1,22,079.91
Unallocated Corporate Liabilities	2,27,394.91	1,97,297.84
<b>Total liabilities</b>	<b>3,50,948.97</b>	<b>3,19,377.75</b>

(iii) The Company earns its entire "revenue from external customers" in India being Company's country of domicile. All the assets are located in India. The company is not able to make disclosure on revenue from one customer amounted to more than 10% of the total revenue due to insufficient information available with the management.

**THE INDIA JUTE AND INDUSTRIES LIMITED**  
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**Note forming part of the Financial Statements (Contd.)**

**Note No. : 29 Other disclosures and additional regulatory requirements (contd.)**

- 8 The operating results have adversely affected due to adverse market conditions and accumulated losses of the company as at 31st March 2022 stands at Rs.1,31,790.13 thousands as against the share capital of Rs. 25,800 thousands. Also current liabilities as at 31st March 2022 exceeds current assets by Rs. 78,547.62 thousands. The company had already made reference to The Board for Industrial and Financial Reconstruction (BIFR) under section 15 of the Sick Industrial (Special Provisions) Act, 1985 which declared the Company Sick Industrial Company vide its order dated 20th December 1999. BIFR appointed IFCI Ltd as an operating Agency (OA). BIFR vide its orders in several meeting directing OA to submit fully tied up Draft Rehabilitation Scheme (DRS) for consideration of BIFR. OA vide their letter dated 16th May, 2014 forwarded the DRS to the Hon'ble BIFR. The Hon'ble BIFR in its meeting held on 22nd May, 2014 has directed the BIFR's Board office to re-examine the DRS submitted by IFCI (OA) for early circulation, if found viable. However, the said Act has been repealed on and from 1st December, 2016 on notification of Sick Industrial Companies (Special Provision) Repeal Act, 2003 by the Central Government as published in the official gazette dated 28th November, 2016. The company has not yet made reference under the new law. The Company has positive EBITDA both in the current and the previous financial years and the Management is in the process of rationalizing the expenses as well as considering the measures to generate revenue. Further, with the improvement in the industrial scenario, the company is able to utilise its production capacities and it is expected that the overall financial health of the Company would improve considerably. Accordingly, the Company continues to prepare its accounts on a "Going Concern" basis.

**9 Financial instruments - Accounting, Classification and Fair value measurements**

**A. Financial instruments by category**

**As at 31st March, 2022**

**(Amount in '000)**

Sl. No.	Particulars	Refer Note No.	Total Fair Value	Carrying value			
				Amortized cost	FVTOCI	FVTPL	Total
(1)	<b>Financial assets</b>						
(a)	Investments	5	6.80	1.00	5.80	-	6.80
(b)	Trade receivables	8	13,110.35	13,110.35	-	-	13,110.35
(c)	Cash and cash equivalents	9	8,231.56	8,231.56	-	-	8,231.56
(d)	Other financial assets	6	7,888.19	7,888.19	-	-	7,888.19
	<b>Total</b>		<b>29,236.91</b>	<b>29,231.11</b>	<b>5.80</b>	<b>-</b>	<b>29,236.91</b>
(2)	<b>Financial liabilities</b>						
(a)	Borrowings	14	2,08,141.91	2,08,141.91	-	-	2,08,141.91
(b)	Trade payables	15	75,501.50	75,501.50	-	-	75,501.50
(c)	Other financial liabilities	16	19,496.91	19,496.91	-	-	19,496.91
	<b>Total</b>		<b>3,03,140.32</b>	<b>3,03,140.32</b>	<b>-</b>	<b>-</b>	<b>3,03,140.32</b>

**As at 31st March, 2021**

**(Amount in '000)**

Sl. No.	Particulars	Refer Note No.	Total Fair Value	Carrying value			
				Amortized cost	FVTOCI	FVTPL	Total
(1)	<b>Financial assets</b>						
(a)	Investments	5	6.80	1.00	5.80	-	6.80
(b)	Trade receivables	8	14,045.44	14,045.44	-	-	14,045.44
(c)	Cash and cash equivalents	9	16,079.25	16,079.25	-	-	16,079.25
(d)	Other financial assets	6	7,092.27	7,092.27	-	-	7,092.27
	<b>Total</b>		<b>37,223.76</b>	<b>37,217.96</b>	<b>5.80</b>	<b>-</b>	<b>37,223.76</b>
(2)	<b>Financial liabilities</b>						
(a)	Borrowings	14	1,77,286.66	1,77,286.66	-	-	1,77,286.66
(b)	Trade payables	15	78,370.28	78,370.28	-	-	78,370.28
(c)	Other financial liabilities	16	20,234.52	20,234.52	-	-	20,234.52
	<b>Total</b>		<b>2,75,891.46</b>	<b>2,75,891.46</b>	<b>-</b>	<b>-</b>	<b>2,75,891.46</b>

**B. Fair value hierarchy**

The fair value of the financial assets and financial liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

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 or indirectly.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Fair value of cash and cash equivalents, trade receivables, other current financial assets, short term borrowings from body corporates and related parties, trade payables and other current financial liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature.

Where such items are non-current in nature, the same has been classified as Level 3 and fair value determined using adjusted net asset value method. Similarly, unquoted equity instruments where most recent information to measure fair value is insufficient, or if there is a wide range of possible fair value measurements, cost has been considered as the best estimate of fair value.

There has been no change in the valuation methodology for Level 3 inputs during the year. The Company has not classified any material financial instruments under Level 3 of the fair value hierarchy. There were no transfers between Level 1 and Level 2.



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**Note forming part of the Financial Statements (Contd.)**

**Note No. : 29 Other disclosures and additional regulatory requirements (contd.)**

The following tables provide the fair value hierarchy of the Company's assets and liabilities measured at fair value on a recurring basis:  
(Amount in '000)

Particulars	Level 1	Level 2	Level 3
<b>As at March 31, 2022</b>			
At FVTOCI			
Investment in equity instruments	5.80	-	-
<b>As at March 31, 2021</b>			
At FVTOCI			
Investment in equity instruments	5.80	-	-

**10 Financial risk management objectives and policies**

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

**(a) Credit risk**

Credit risk is the risk that a counterparty will not meet its obligations under financial instrument or a customer contract leading to a financial loss. The Company is exposure to credit risk from its operating activities primarily trade receivables and security deposit with exchanges and from its financing activities including deposits placed with bank and other financial instruments/assets. Credit risk from balances with bank and other financial instrument is managed in accordance with company's policies.

Credit risk arising from balances with banks and other cash equivalents is limited and no collaterals are held against these because the counterparties are banks and recognised financial institutions with high credit ratings assigned by credit rating agencies.

Other financial assets measured at amortized cost includes security deposits and others. Credit risk related to these financial assets are managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system is in place to ensure that the amounts are within defined limits.

Customer credit risk is managed as per company's established policy, procedure and control related to credit risk management. Credit quality of the customer is assessed based on his previous track record and funds & securities held by him in his account and individual credit limit are defined according to this assessment. Outstanding customer receivables are regularly monitored. An impairment analysis is performed at each balance sheet date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. Assets are written off when there is no reasonable expectation of recovery. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognized in statement of profit and loss. The maximum exposure to credit risk at the balance sheet date is the carrying value of each class of financial assets.

The Company assesses and manages credit risk of financial assets on the basis of assumptions, inputs and factors specific to the class of financial assets. The Company provides for expected credit loss on Cash and cash equivalents, investments, trade receivables and other financial assets based on 12 months expected credit loss/life time expected credit loss/ fully provided for. Life time expected credit loss is provided for trade receivables.

**Expected credit loss for trade receivables under simplified approach**

The Company measures Expected Credit Loss (ECL) for financial instruments based on historical trend, industry practices and the business environment in which the Company operates.

For financial assets, a credit loss is the present value of the difference between:

- (a) the contractual cash flows that are due to an entity under the contract; and
- (b) the cash flows that the entity expects to receive.

The Company recognises in profit or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date in accordance with Ind AS 109. In determination of the allowances for credit losses on trade receivables, the Company has used a practical expedience by computing the expected credit losses based on ageing matrix, which has taken into account historical credit loss experience and adjusted for forward looking information.

**The movement of Trade Receivables and Expected Credit Loss are as follows:**

(Amount in '000)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Trade Receivables (Gross)	17,703.04	18,638.13
Less: Expected Credit Loss	(4,592.69)	(4,592.69)
<b>Trade Receivables (Net)</b>	<b>13,110.35</b>	<b>14,045.44</b>

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**Note forming part of the Financial Statements (contd.)**

**(b) Liquidity risk**

Liquidity risk is defined as the risk that the company will not be able to settle or meet its obligation on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

The tables below summarises the Company's financial liabilities into relevant maturity groupings based on their contractual maturities.

(Amount in '000)

Particulars	Less than 1 year	1-5 years	More than 5 years	Total
<b>As at 31st March, 2022</b>				
Borrowings (excluding interest)	1,34,334.52			1,34,334.52
Trade payables	73,854.71	-	-	73,854.71
Other financial liabilities	19,496.91	-	-	19,496.91
<b>Total</b>	<b>2,27,686.14</b>	<b>-</b>	<b>-</b>	<b>2,27,686.14</b>
<b>As at 31st March, 2021</b>				
Borrowings (excluding interest)	1,03,235.36			1,03,235.36
Trade payables	76,723.49	-	-	76,723.49
Other financial liabilities	20,234.52	-	-	20,234.52
<b>Total</b>	<b>2,00,193.37</b>	<b>-</b>	<b>-</b>	<b>2,00,193.37</b>

**(c) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market prices. Market rate risk comprises of currency risk, interest rate risk and other price risk such as equity price risk and commodity risk.

**Foreign currency risk**

Foreign currency risk is the risk of impact related to fair value of future cash flows if an exposure in foreign currency, which fluctuate due to change in foreign currency rate. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's foreign currency denominated trade payables. The foreign currency risk is unhedged.

Unhedged Foreign Currency exposures are as follows :-

(Amount in '000)

Nature	Currency	As at 31st March, 2022	As at 31st March, 2021
Amount payable on account of purchase of goods and services etc.	USD	1,21,341.79	-
Amount paid as advance against purchase of goods and services etc.	USD	13,780.00	27,612.00

**Interest rate risk**

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market interest rate.

**i) Liabilities**

The Company's fixed rate borrowings are carried at amortised cost. They are, therefore, not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The Company has no variable rate borrowings. Hence, there is no such interest risk involved in the business.

**ii) Assets**

The company's fixed deposits and interest bearing security deposits are carried at fixed rate. Therefore, these are not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

**Price risk**

Price risk is the risk that the fair value of financial instrument will fluctuate due to change in market traded price.

The Company's exposure to price risk arises from investments held and classified as Fair value through Other comprehensive income and Amortised cost. To manage the price risk arising from investments in unquoted equity instruments and debentures, the Company diversifies its portfolio of assets.

**11. Capital management**

**Risk management**

For the purpose of the Company's capital management, capital includes issued equity capital and all equity reserves attributable to the equity share-holders of the Company. The Company's objective when managing capital is to safeguard its ability to continue as a going concern so that it can continue to provide returns to shareholders and other stake holders and maintain an optimal capital structure to reduce the cost of Capital.

The Company manages its capital structure and makes adjustments in light of changes in the financial condition and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders (buy back its shares) or issue new shares.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. The Company has complied with these covenants.

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**Note forming part of the Financial Statements (Contd.)**

No changes were made in the objectives, policies or processes for managing capital during the year ended 31st March, 2022 and 31st March, 2021.

Particulars	(Amount in '000)	
	31st March, 2022	31st March, 2021
Net debt	2,19,407.26	1,81,441.93
Total equity	(1,02,092.10)	(1,00,208.85)
<b>Net debt to equity ratio</b>	<b>(2.15)</b>	<b>(1.81)</b>

\* Net debt = non-current borrowings + current borrowings + current maturities of non-current borrowings + interest accrued – cash and cash equivalents.

- 12** Debit and Credit balances including trade receivables amounting to Rs.670.89 thousand (Previous year Rs. 670.89 thousands), fixed deposits amounting to Rs.1,558.52 thousand (Previous year Rs. 1481.93 thousands), Deposit in NLA with IFCI amounting to Rs. 3,000.00 thousands (Previous year Rs.3,000 thousands) , Security Deposits amounting to Rs.246.06 thousand (Previous year Rs. 233.06 thousands year), Loans and Advances amounting to Rs.2,208.22 thousand (Previous year Rs. 2,208.22 thousands), trade payables amounting to Rs.8,833.09 thousand (Previous year Rs. 8,883.09 thousands), current liabilities amounting to Rs.18,865.48 thousand (Previous year Rs. 18,865.48 thousand) including advances from customers amounting to Rs. 2,589.31 thousand (Previous year Rs. 2,589.31 thousands), other liabilities, long term borrowings amounting to Rs.62,599.15 thousand (Previous year Rs. 62,599.15 thousands) etc. are subject to confirmation/reconciliation with respect to individual details from concerned parties. Necessary adjustments in this respect will be carried out on ascertainment of amount thereof.
- 13** The Company had entered into a License Agreement with Vasundhara Texcom Private Limited (VTPL) on 27<sup>th</sup> March, 2003 where in, Jute Fine Yarn and Carpet manufacturing unit were given to VTPL w.e.f. 01<sup>st</sup> April, 2003 as license for running such units at the sole risk and responsibility of the licensee by employing the existing officers, staff and workmen of the said units of the Company with entitlement to use all existing fixed assets and other equipments belonging to the company at such units. In terms of the agreement, all the officers, staff and workmen of the above units were transferred w.e.f. 01<sup>st</sup> April, 2003. All the statutory dues with respect to employees of the above units w.e.f. 01<sup>st</sup> April, 2003 are payable by the licensee. Consequently no provision has been made in the financial statements for any expense pertaining to the above unit including for those relating to the employees for the period subsequent to 01<sup>st</sup> April, 2003.  
The company had terminated the said agreement with Vasundhara Texcom Pvt. Ltd. with effect from 1st May, 2013. However, all statutory liabilities in respect of employees for the said period from 1st April,2003 to 30th April,2013 shall be borne and paid by the licensee in terms of the agreement.
- 14** The Company had entered into an agreement with Adinath Cotton And Synthetic Spinners Private Limited (Adinath) on 23<sup>rd</sup> March, 2006 and 26<sup>th</sup> July, 2006 wherein, the doubling unit and single yarn unit of Synthetic and Cotton manufacturing unit which are under suspension of work w.e.f. 16<sup>th</sup> August, 2002 were given to Adinath w.e.f. 09<sup>th</sup> March, 2006 and 26<sup>th</sup> July, 2006 respectively as right to use for running such units with entitlement to use all existing fixed assets and other equipments belonging to the Company at such units.  
The company had terminated the said agreement with Adinath Cotton And Synthetic Spinners Private Limited with effect from 1st August, 2018 and all the employees on the payroll of Adinath has been transferred to India Jute. However, all statutory liabilities in respect of employees for the period prior to 01.08.2018 shall be borne and paid by the licensee in terms of the

**15 C.I.F. Value of Imports**

Particulars	(Amount in '000)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Raw materials	1,72,955.98	96,897.59

**16 Value of materials consumed during the year**

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
	Value	%	Value	%
<b>Raw materials</b>				
Indigenous	2,11,582.57	56.09%	1,52,725.59	56.58%
Imported	1,65,606.54	43.91%	1,17,226.70	43.42%
	<b>3,77,189.11</b>	<b>100.00%</b>	<b>2,69,952.29</b>	<b>100.00%</b>
<b>Stores &amp; spares</b>				
Indigenous	27,323.45	100.00%	24,107.81	100.00%
Imported	-	0.00%	-	0.00%
	<b>27,323.45</b>	<b>100.00%</b>	<b>24,107.81</b>	<b>100.00%</b>

**17 Additional Regulatory Information**

**(i) Charge creation/satisfaction at Registrar of Companies, West Bengal**

The Company had borrowed following loans for which no charge has been created. However, the matter has been taken up with the lender which is pending for action.

Bank	Assets Under Charge	(Rs. In thousand )	Date of borrowing	Due date of Charge Creation
Kotak Mahindra Prime Ltd.	Car	1,254.00	20-05-2020	19-06-2020

**THE INDIA JUTE AND INDUSTRIES LIMITED**  
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**Note forming part of the Financial Statements (Contd.)**

(ii) Ratio

The following are analytical Ratios for the year ended 31st March, 2022 and 31st March, 2021:

Sl. No.	Ratio	Numerator	Denominator	As at 31st March, 2022	As at 31st March, 2021	Variance ( in %)	Reason for variance
1	Current Ratio	Current Assets	Current Liabilities	0.71	0.70	2.05%	-
2	Debt-Equity Ratio	Total debt	Shareholder's equity	(2.04)	(1.77)	15.24%	-
3	Debt Service Coverage Ratio	Earnings available for debt service#	Debt service = Interest + Principal repayments	1.07	2.32	-53.78%	Decrease in net operating income
4	Return on Equity Ratio (%)	Net profit/(loss) after tax	Average shareholder's equity	1.86%	-11.84%	13.71%	-
5	Inventory Turnover Ratio	Revenue from operations	Average Inventory	3.88	4.14	-6.42%	-
6	Trade Receivables Turnover Ratio	Revenue from operations	Average Accounts Receivable	40.55	33.04	22.74%	-
7	Trade Payables Turnover Ratio	Total Purchases	Average Accounts Payable	5.58	4.49	24.08%	-
8	Net Capital Turnover Ratio	Revenue from operations	Working Capital	(5.39)	(4.34)	24.26%	-
9	Net Profit Ratio (%)	Profit/(loss) for the year	Revenue from operations	-0.34%	2.90%	-3.24%	-
10	Return on Capital Employed (%)	Profit before interest and taxes	Capital employed*	-35.73%	-91.91%	56.18%	Decrease in net operating income
11	Return on Investment (%)	Income from investment	Average investment	-	-	0.00%	

# Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest

\* Capital employed = Net worth + Long term borrowings

- (iii) Disclosures required under Additional regulatory information as prescribed under paragraph 6L to general instructions for preparation of Balance Sheet under Schedule III to the Companies Act, 2013 are not applicable to the Company except as disclosed in Para 29(18)(i) above.

- 19 The previous year's figures have been regrouped, rearranged and reclassified wherever necessary to comply with the amendment in Division II to the Schedule III to the Companies Act, 2012. Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

As per our Report of even date attached

**For G. P. Agrawal & Co.**  
**Chartered Accountants**  
**Firm's Registration No. - 302082E**

**-Sd/-**  
**(CA. Ajay Agrawal)**  
**Partner**  
**Membership No. 17643**  
**UDIN : 22017643ASUHWV4219**

**Place of Signature: Kolkata**  
**Dated: The 2nd of September, 2022**

**For and on behalf of the Board of Directors**  
**The India Jute and Industries Limited**

**-Sd/-**  
**B.K. Jalan**  
**Managing Director**  
**DIN-00876208**

**-Sd/-**  
**D.K. Sharma**  
**Chief Financial Officer**

**-Sd/-**  
**D.K. Sharma**  
**Director**  
**DIN-08538616**

**-Sd/-**  
**Ravi Kumar Shaw**  
**Company Secretary**