



Ref No.: NJMC/41stAGM/ 4336

Date: 08.11.2021

Notice of 41st Annual General Meeting of NJMC Ltd.

Notice is hereby given that the 41st Annual General Meeting of National Jute Manufactures Corporation Ltd. will be held on Tuesday, the 09th day of November, 2021 at 11:30 am at room no 162, Ministry of Textiles, Udyog Bhawan, New Delhi-110011, to transact the following business.

Ordinary business:

- 1) To consider and adopt the audited Balance Sheet as at 31st March, 2021 and Profit & Loss Account for the year ended 31st March, 2021 together with the Reports of Auditors and Directors and comments of Comptroller and Auditor General of India (CAG) thereon.
- 2) To take note of the appointment of Statutory Auditors and to fix their remuneration.

To consider, and if thought fit to pass, with or without modification the following resolution as an Ordinary Resolution

“**Resolved that** pursuant to the provisions of Section 139 of the Companies Act, 2013 (“The Act”) M/s R.K.Patodi & Co., Chartered Accountants has been appointed as the Statutory Auditors of the Corporation for the year 2021-22 as per directives of the Comptroller & Auditor General of India at a remuneration of Rs. 1,37,000/- (excluding out of pocket expenses and GST) pursuant to the provisions of the Companies Act, 2013 read with the related rules thereon.”

By Order of the Board

Iman Ali Mandal
Chief Operating Officer

Regd. Office:

Chartered Bank Building,
2nd Floor, 4, N.S. Road,
Kolkata-700001

Place: Kolkata
Date: 08.11.2021

Note:

- 1) A member entitled to attend and vote at the meeting is entitled to appoint an authorized representative to attend and vote instead of himself and he need not be a member.



BOARD OF DIRECTORS
FROM 16.12.2020 - 08.11.2021

Chairman-cum-Managing Director : Shri Moloy Chandan Chakrabortty (From 29.11.2019)
Shri Sanjay Rastogi (From 9.11.2018 - 8.11.2019)

Directors : Shri Shashank Priya (From 16.12.2020)
Shri Vijoy Kumar Singh (From 23.07.2019-16.12.2020)
Dr Subhash Chandra Pandey (Till - 23.07.2019)
Shri Sanjay Sharan (From 14.02.2019)
Smt. Madhavi Agarwal (From 09.03.2020)

Company Secretary : Ms. Malini Mahapatra (From 28.08.2019)

PRESENT COMPOSITION OF AUDIT COMMITTEE

Shri Vijoy Kumar Singh (Till 16.12.2020) : Chairman
Shri Shashank Priya (From 16.12.2020) : Chairman
Shri Moloy Chandan Chakrabortty : Member
Shri Sanjay Sharan : Member
Smt. Madhavi Agarwal : Member

Statutory Auditors : R. K. Patodi & Co.
Chartered Accountants
2, Church Lane, 4th Floor,
Suite No. 404A,
Kolkata-700 001

Bankers : Allahabad Bank
UCO Bank
Central Bank of India
State Bank of India
IDBI Bank
Union Bank

NATIONAL JUTE MANUFACTURES CORPORATION LTD.



- Registered Office** : Chartered Bank Building, 2nd floor,
4, Netaji Subhash Road
Kolkata-700001
- Mill Units** : Alexandra, P.O. Jagatdal,
Dist. North 24-Parganas,
Pin - 743 125, West Bengal
- : Khardah, P.O. Titagarh
Dist. North 24-Parganas,
Pin - 700 019, West Bengal
- : Kinnison, P.O. Titagarh
Dist. North 24-Parganas,
Pin - 700 019, West Bengal
- : National
Vill-Rajgunj, Sankrail, Dist. Howrah, P.O. Banipur
Pin - 711 304, West Bengal
- : Union
Convent Lane,
Kolkata-700015
- : RBHM
Katihar, Post & Dist - Katihar,
Pin - 854 105, Bihar
- Subsidiary Company** : Birds Jute & Exports Limited
Regd. Office: Chartered Bank Building, 1st Floor,
4, Netaji Subhash Road,
Kolkata-700001
- : Mill Unit
200, Dakshindari Road, (Near V.I.P. Road)
Kolkata-700048
(since 1986)



DIRECTORS' REPORT

To
The Shareholders,
Gentlemen,

Your Directors have pleasure in presenting the 41st Annual Report on the business and operation of your Company together with the audited accounts for the year ended March 31, 2021.

1. Financial Performance

The performance for the financial years 2020-21 and 2019-20 are summarized below:

STANDALONE

SI. No.	PARTICULARS	2020-21	2019-20
I	Production (in M. Ton)	NIL	NIL
		₹ in Cr.	₹ in Cr.
II.	Revenue from Operations	-	-
III	Other Income	3.58	5.49
IV.	Net Profit / (Loss) for the year	(2.39)	(0.62)
V.	Cash profit / (Loss)	(198.98)	(15.54)
VI.	Accumulated Profit / (Loss)	(285.21)	(278.39)
VII.	Net Worth	(224.98)	(222.59)

The company has earned a net loss of Rs. 2.39 Crores in comparison to net loss of Rs. 0.62 Crores in previous financial year.

Present Status of the Company

During the financial year 2018-19 the Union Cabinet has approved the closure of the Corporation on 10th October, 2018 and a letter in this regard was forwarded to us vide letter File No.11/18/2014-Jute (Vol III) dated 31st October, 2018. Further it was also mentioned to follow the closure procedure as per DPE guidelines dated 14.06.2018. As per the directives, NBCC (India) Ltd. has been engaged for doing Pre LMA activities for verification, valuation and assessment of all the movable and immoveable assets of the organization. The first draft report of the same has been submitted. NJMC Ltd has already verified the report and the discrepancies observed have been intimated to NBCC Ltd, re verification from their end is in process.

In accordance with the same, your corporation is complying with the guidelines and the status report on closure is regularly updated to the Ministry of Textiles.

2. Profit & Loss Analysis

During the financial year under review the company has earned loss of (2.39) crores as against loss of Rs. 0.62 crores in the previous year.

3. Subsidiary Company - BJEL

The company has one subsidiary, namely Birds Jute and Export Limited (BJEL). During the financial year 2018-19 the Union Cabinet has approved the closure of the organization on 10th October, 2018. The accounts of the subsidiary company for the financial year ended 31st March 2020 and 31st March 2021 were not finalized but since C&AG audit process is not completed and A.G.M is yet to be held, the accounts have not been merged with the Company's financial statements as on 31st March, 2020 and 31st March 2021. However, we have received a copy of signed accounts for the financial year ended 31st March 2020 and it is



observed that the net worth of the Company is negative and of which 59% (Rs. 8055.42 lacs) is to be taken into account by NJMC Ltd.

4. Memorandum of Understanding (MOU)

Due to the proposed closure of your Company, Ministry of Textiles has exempted your Corporation from signing MOU from 2016-17 and onwards.

5. Corporate Governance

5.1 Company Philosophy

The Company's philosophy on Corporate Governance is aimed at the attainment of high level of transparency, accountability and compliance of law in all facets of operations, leading to best standards of Corporate Governance.

The Company complies with the requirement of Corporate Governance as per Guidelines for Corporate Governance for Central Public Sector Enterprises, 2010.

5.2 Board of Directors and details of Meetings attended during the year as on 31.03.2021.

Pursuant to the Articles of Association, all the Directors are appointed by the Government of India. The current composition of the Board and the meetings attended during the year are as follows:

Name of Director	Designation	Particulars of Board Meetings held during the year (1st April, 2020-31st March, 2021)						Whether AGM Attended
		23 rd June, 2020	25 th June, 2020 (Adjourned Meeting)	22 nd September, 2020	18 th December, 2020	31 st December, 2020	22 nd January, 2021	
Shri Moley Chandan Chakraborty	Chairman cum Managing Director (Additional Charge)	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Shri Vijoy Kumar Singh, AS & FA (Cessation w.e.f. 16.12.2020)	Govt. Nominee Director	LOA	Yes	Yes	NA	NA	NA	NA
Shri Shashank Priya, AS & FA (Appointed w.e.f. 16.12.2020)	Govt. Nominee Director	NA	NA	NA	LOA	Yes	Yes	Yes
Shri Sanjay Sharan, JS	Govt. Nominee Director	LOA	Yes	Yes	Yes	Yes	Yes	Yes
Smt. Madhavi Agarwal (Appointed w.e.f. 09.03.2020)	Non official Independent Director	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Note:

- ❖ Shri Shashank Priya, AS &FA has been appointed as the Govt. nominee Director in place of Shri Vijoy Kumar Singh w.e.f. 16.12.2020.



NATIONAL JUTE MANUFACTURES CORPORATION LTD.

5.3 Audit Committee

The Audit Committee of your Corporation was constituted in accordance with the provisions of Section 177 of the Companies Act, 2013 read with Rule 5 of Companies (Meetings of Board and its Powers) Rules, 2014 and regulations incidental/ancillary thereto to follow a good corporate practice keeping in view its basic requirement. The Audit Committee comprises of four members and the quorum of the Audit Committee is two members. The present members of the Audit Committee comprises of:

Sl. No.	Name of Director
1.	Shri Shashank Priya, Non-Executive Director -Chairman
2.	Shri Sanjay Sharan, Non-Executive Director -Member
3.	Shri Moloy Chandan Chakraborty, Chairman cum Managing Director-Member.
4	Smt. Madhavi Agarwal, Non-official Independent Director-Member

The current composition of the Audit Committee and meetings attended during the year are as follows:

Name of Director	Designation	Particulars of Audit Committee Meetings held during the year (1st April, 2020-31st March, 2021)				
		23 rd June, 2020	25 th June, 2020 (Adjourned Meeting)	22 nd September, 2020	18 th December, 2020	22 nd January, 2021
Shri Moloy Chandan Chakraborty	Chairman cum Managing Director (Additional Charge)	Yes	Yes	Yes	Yes	Yes
Shri Vijoy Kumar Singh, AS & FA (Cessation w.e.f. 16.12.2020)	Govt. Nominee Director	LOA	Yes	Yes	NA	NA
Shri Shashank Priya, AS & FA, (Appointed w.e.f. 16.12.2020)	Govt. Nominee Director	NA	NA	NA	Yes (Invitee)	Yes
Shri Sanjay Sharan, JS	Govt. Nominee Director	LOA	Yes	Yes	Yes	Yes
Smt. Madhavi Agarwal (Appointed w.e.f 09.03.2020)	Non official Independent Director	Yes	Yes	Yes	Yes	Yes

- ❖ The Audit Committee was reconstituted with the inclusion of Shri Shashank Priya, AS & FA as the Chairman of the Committee in place of Shri Vijoy Kumar Singh.
- ❖ The Company Secretary shall act as the Secretary to the Committee.

A brief description of the terms of reference of the Audit Committee are:

- a) Examination of the financial statement and auditor's report thereon.
- b) The recommendation for remuneration of auditors of the Company.
- c) Review and monitor the auditors' independence, performance and effectiveness of audit process.
- d) Approval or any subsequent modification of transactions of the Company with related parties.
- e) Scrutiny of inter-corporate loans and investments.
- f) Valuation of undertakings or assets of the company, wherever it is necessary.
- g) Evaluation of internal financial control and risk management system.
- h) Monitoring the end use of funds raised through public offers and related matters, if any.



5.4 General Body Meetings:

		2017-18 (38th AGM)	2018-19 (39th AGM)	2019-20 (40th AGM)
01	Date	07.12.2018	18.12.2019	31.12.2020
02	Time	1:00 P.M.	11:30 A.M	3:45 P.M.
03	Venue	Ministry of Textiles, Udyog Bhawan, New Delhi-110011	Ministry of Textiles, Udyog Bhawan, New Delhi-110011	Office of the Jute Commissioner, (Through Video Conferencing), C.G.O. Complex, 3rd MSO Building, 4th Floor, DF Block, Salt Lake City, Kolkata – 700064

5.5 Disclosures

- i) Disclosures required under the Companies Act, Accounting Standard practice and other Applicable Acts/Rules.
- ii) Employees are free to report of violation of Rules/Regulations to their Supervisors/CVO/CMD.
- iii) The requirement as specified in the applicable guidelines have been complied with as far as possible / applicable to it.
- iv) Presidential Directives issued by the Central Government have been complied with.
- v) No expenditure which is not for the purpose of business booked in the Books of Account.
- vi) No expenditure which is personal in nature has been incurred.

5.6 Other Information

- i) Board / Audit Committee Meeting and procedure : The information usually placed before the Board includes
 - a) Confirmation of the Minutes.
 - b) Follow up action on decisions taken in the Board.
 - c) Updated status report on various issues.
 - d) Legal Matters.
 - e) Annual Accounts.
 - f) Auditors report including Concurrent Auditors report.
- ii) Agenda for Board/Audit Committee Meetings: On fixation of dates of the Board/Audit Committee Meetings, the Agenda papers are prepared and are circulated to the Directors/Members within a stipulated time. Similarly the draft minutes of the meeting are circulated to the Directors/Members for their consideration and approval.
- iii) Post Meeting Follow up Mechanism: Follow up Reports on decisions recorded in the Draft Minutes of the previous meetings are discussed at the immediately succeeding meeting of the Board/Committee.
- iv) Recording of Minutes at Board/Committee Meetings: The Minutes of the proceedings of each Board/Committee Meetings are recorded by the Company Secretary. The Minutes are subsequently confirmed in the following Meeting of the Board/Committee and entered in the Minutes Book accordingly.

5.7 Code of Business Conduct

The Company is committed to conduct its business in accordance with the highest standards of business ethics and comply with all applicable laws, rules and regulations.



6. Dividend

As your Corporation is in the process of closure in pursuance of a decision of the parliament, your Directors do not recommend any amount as dividend during the year 2020-21.

7. Transfer to Reserves:

During the year under review, the Board of Directors do not recommend to transfer any amount to the reserves.

8. Vigilance

Vigilance Awareness Programme was observed from 27.10.2020 to 02.11.2020. During the said period, pledge (physical as well as e-pledge) was taken by all the employees of the Corporation to bring transparency in all spheres of activities for the eradication of corruption.

During the year under review, Shri Iman Ali Mandal, COO, NJMC Ltd. was handed over the charge of Part time Chief Vigilance Officer (CVO) w.e.f. 05.10.2018 and continuing since then.

9. Promotion of Official Language

The Corporation has been making continuous efforts to implement the directives of Official Language Policy of Govt. of India during the year under review.

11. Directors' Responsibility Statement

As required by Section 134(3)(c) of the Companies Act, 2013 your Directors state that:

- (i) In the preparation of the annual accounts for the year ended 31st March 2021, the applicable accounting standards have been followed alongwith proper explanation relating to material departures;
- (ii) 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 as at 31st March 2021 and of the profit and loss of the Company for that period.
- (iii) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) The Directors had prepared the annual accounts for the year 2020-21 on a going concern basis.
- (v) The Company being unlisted, sub clause (e) of Section 134(5) of the Companies Act, 2013 pertaining to laying down internal financial controls are not applicable.
- (vi) They have devised proper systems to ensure compliance with the provisions of all the applicable laws and that such systems are adequate and operating effectively.

12. Board of Directors and Key Managerial Personnel

● Board of Directors

Sl. No.	Name	Designation
1.	Shri Moloy Chandan Chakraborty, Jute Commissioner and Chairman cum Managing Director (Additional Charge)	Chairman
2.	Shri Shashank Priya, AS &FA	Govt. Nominee Director
3.	Shri Sanjay Sharan, JS	Govt. Nominee Director
4.	Smt. Madhavi Agarwal	Non Official Independent Director



● NOTE:

The Audit Committee was reconstituted with the inclusion of Shri Shashank Priya, AS & FA as the Chairman of the Committee in place of Shri Vijoy Kumar Singh.

Shri Shashi Ranjan Kumar, AS & FA, has been appointed as Govt. Nominee Director w.e.f. 01.07.2021 vide Letter No:11/25/2014-Jute Government of India ,Ministry of Textiles,Jute Section Dated 1 st July,2021

● **Key Managerial Personnel**

Ms. Malini Mahapatra has been appointed as the Company Secretary of the Corporation w.e.f. 16th September, 2019. Ms Malini Mahapatra has resigned and released from the Organisation on 30.09.2021.

13. Related Party Transactions

Related party transactions that were entered into during the financial year were on arm's length basis and were in ordinary course of business. There are no materially significant related party transactions made by the Company which may have potential conflict with the interest of the Company.

The Company has not entered into any transaction with the Related Parties in contravention of Section 188 of the Companies Act, 2013.

14. RTI Act, 2005

Your Corporation implemented the Right to Information Act, 2005 with the appointment of a Central Public Information Officer at the Registered Office. The information sought for is provided within stipulated time.

15. Corporate Social Responsibility

During the year under review Cabinet approval has been received on 10.10.2018 for closure of the Corporation, hence CSR provisions under section 135 of the Companies Act, 2013 and related rules are not applicable to your Corporation.

16. Deposits

During the period under review, your Corporation has neither accepted nor renewed any deposits.

17. Disclosure Under Sexual Harassment of Women At Workplace (Prevention, Prohibition and Redressal) Act, 2013

During the year under review, there were no cases filed pursuant to The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013.

18. Orders Passed By Regulators/Courts/Tribunals

There is no such order passed by the Regulators/Courts/Tribunals in respect to the Company during the financial year.

19. Material Changes & Commitments

Government of India has approved the closure of the Corporation dated 10.10.2018 to that extent it affects the Corporation.



20. Conservation Of Energy, Technology Absorption And Foreign Exchange Earnings And Outgo

As required to be disclosed under the Companies Act, details relating to conservation of energy, technology absorption and foreign exchange earnings and outgo are given in the Annexure-I attached hereto and forms part of this Report.

21. Extract of Annual Return

The details forming part of the Extract of Annual Return in form MGT-9 as required under Section 92 of the Companies Act 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014 is annexed herewith as Annexure II and forms part of this report.

22. Reservation for Scheduled Castes, Scheduled Tribes and other Backward Communities

Govt. of India has approved the closure of the Corporation on 10.10.2018. At present no permanent employee exists in the roll of the company, thus the above is not applicable.

23. Human Resource Policy and Industrial Relations

In view of ongoing closure of the Corporation, NJMC Ltd. was suggested to operate the business with Contractual manpower, accordingly manpower are engaged on contractual basis. The recruited manpower is selected through agencies/ service providers and in conformity with the PSU selection process of open advertisement to get the best pool of manpower.

24. Statutory Auditors

M/s. R.K.Patodi & Co, Chartered Accountants, Kolkata has been appointed as the Statutory Auditors by the Comptroller And Auditor General of India for the financial year 2020-21 pursuant to the provisions of Section 139 of the Companies Act, 2013 and applicable rules there under as amended from time to time.

Your Corporation is not required to conduct Cost Audit pursuant to Section 148 of the Companies Act, 2013 in view of the ongoing closure of the Corporation and the Company has stopped all its production.

25. Audit Observations and Comments

During the year under review, the observations made by the statutory auditors are self explanatory and do not call for further comments under section 134(3)(f) of the Companies Act, 2013.

26. Internal Control Systems and their Adequacy

The Corporation has an internal control system in place which is reviewed periodically. As a measure of internal control, the management has in place Internal Audit which is conducted by a team of Chartered Accountants every year.

27. Review of Accounts by Comptroller & Auditor General of India

The Comptroller and Auditor General of India, has reviewed the accounts of your company and their comments has been placed in Annexure 'IV'.

28. Acknowledgement:

Your Directors are grateful to the various Ministries of the Government of India particularly the Ministry of Textiles, Ministry of Finance and the Department of Public Enterprise for their support and guidance to



the company from time to time. They are also thankful for the co-operation received from the Government of West Bengal and Bihar. The Directors also place on record the continued association and support received from Company's Bankers, CAG, Statutory Auditors and all its employees.

For and on behalf of the Board of Directors

(Moloy Chandan Chakrabortty)

Chairman-cum-Managing Director

DIN - 08641793

Place :- Kolkata

Date: 09.11.2021



Annexure - I

Disclosure of particulars with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo.

A. Conservation of energy:

As the Corporation has received the Union Cabinet approval for the closure dated 10th October, 2018 the conservation of energy clause has lost its relevancy with the discontinue of operation and closure of all mills.

B. Technology Absorption

As the Corporation has received the Union Cabinet approval for the closure dated 10th October, 2018 the technology absorption clause has lost its relevancy with the discontinue of operation and closure of all mills.

C. Foreign Exchange Earnings and Outgo

There was no foreign exchange earnings or outgo during the year under review.

For and on behalf of the Board of Directors

(Moloy Chandan Chakrabortty)
Chairman-cum-Managing Director
DIN - 08641793

Place :- Kolkata
Date: 09.11.2021



Annexure-II

Form No. MGT-9

Extract of Annual Return as on financial year ended 31.03.2021

[Pursuant to Section 92(3) of the companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the Turnover shall be stated

i)	CIN	U17232WB1980GOI032768
ii)	Date of Registration	03.06.1980
iii)	Name of the company	NATIONAL JUTE MANUFACTURES CORPORATION LIMITED
iv)	Category/sub. Category of the company	COMPANY LIMITED BY SHARES/ UNION GOVERNMENT COMPANY
v)	Address of the Registered office and contact details	CHARTERED BANK BUILDINGS, 4, N. S. ROAD, 2 ND FLOOR, KOLKATA-700 001. TELEPHONE: 033 22306434
vi)	Whether listed	NO
vii)	Name Address and contact Details of Registrar an Transfer Agent, of any	NA

All the six mills of the Company are not in operation which has resulted in nil production during the year 2020-21.

Sl No.	Name and Description of the main products/services	NIC Code of the Product/ Service	% of total turnover of the Company
1	N.A.	N.A.	N.A.

III . PARTICULARS OF HOLDING, SUBSIDIARY, ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	BIRDS JUTE & EXPORTS LIMITED	U17232 WB1904 GOI001579	Subsidiary Company	59%	2(87)



NATIONAL JUTE MANUFACTURES CORPORATION LTD.

IV. SHARE HOLDING PATTERN

(EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total Shares	% of Total Shares		
A. Promoters										
(1) Indian										
a) Individual/ HUF	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Central Govt.	Nil	557974	557974	100	Nil	557974	557974	100	Nil	Nil
c) State Govt. (s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Any Other....	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub Total (A)(1)	Nil	557974	557974	100	Nil	557974	557974	100	Nil	Nil
(2) Foreign										
a) NRIs-Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Other-Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Bodies Corp	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Any Other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub Total (A)(2)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total shareholding of Promoter (A) = (A) (1)+(A) (2)	Nil	557974	557974	100	Nil	557974	557974	100	Nil	Nil
B. Public Shareholding										
1. Institutions										
a) Mutual Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
g) FIIs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
h) Foreign Venture Capital Fund	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub Total (B)(1)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil



Category of Shareholders	No of Shares held at the beginning of the year				No of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total Shares	% of Total Shares	
2. Non-Institutions									
a) Bodies Corp, i) India	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
ii) Overseas	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
3. Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
4. Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (B)(2)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total Public Shareholding (B) = (B) (1)+(B)(2)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
C. Shares held by Custodian for GDRs & ADRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Grand Total (A+B+C)	Nil	557974	557974	100	Nil	557974	557974	100	Nil

(ii) Shareholding of Promoters

Sl No.	Shareholders Name	Shareholding at the beginning of the year			No of Shares held at the end of the year			% change during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total shares	
1.	President of India	557974	100	Nil	557974	100	Nil	Nil
	Total	557974	100	Nil	557974	100	Nil	Nil

❖ The Company is a wholly owned Govt. Company, out of the total shareholding of 557972 equity shares are held by the Nominee of Hon'ble President of India and rest 2 no. of shares are held by nominated officials of Ministry of Textiles, Govt. of India.



NATIONAL JUTE MANUFACTURES CORPORATION LTD.

(iii) Change in Promoters' Shareholding *(Please specify, if there is no change)-No Change*

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of Shares	% of total shares of the Company	No of Shares	% of total shares of the Company
	At the beginning of the year	557974	100	557974	100
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the End of the year	557974	100	557974	100

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of Shares	% of total shares of the Company	No of Shares	% of total shares of the Company
1.	President of India				
	At the beginning of the year	557974	100	557974	100
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	557974	100	557974	100

(v) Shareholding of Directors and Key Managerial Personnel:

	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of Shares	% of total shares of the Company	No of Shares	% of total shares of the Company
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	Nil	Nil	Nil	Nil
	At the end of the year (or on the date of separation, if separated during the year)	Nil	Nil	Nil	Nil



V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Rupees in Crores)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	218.52	-	-
ii) Interest due but not paid	-	12.72	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	-	231.24	-	231.24
Change in Indebtedness during the financial year				
Addition	-	-	-	-
Reduction	-	-	-	-
Net Change	-	231.24	-	231.24
Indebtedness at the end of the financial year:				
i) Principal Amount	-	218.52	-	-
ii) Interest due but not paid	-	12.72	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	-	231.24	-	231.24

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Your Corporation being a Central Public Sector Enterprise (Government Company), the appointment of Directors are made by the Govt. of India. Remuneration to the functional directors are made as per terms of their appointment by Govt. of India. During the year the remuneration paid to Non official Independent Director is Rs. 10000 by way of sitting fees and Key Managerial Personnel (Company Secretary) is Rs. 4.31 lacs.

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

There were no penalties / punishments / compounding of offences for breach of any section of the Companies Act, 2013 against the Company, it's Directors or other officers in default, during the financial year ended March 31, 2021.

For and on behalf of the Board of Directors

(Moloy Chandan Chakrabortty)

Chairman-cum-Managing Director

DIN - 08641793

Place :- Kolkata

Date: 09.11.2021



To
The Board of Director
National Jute Manufactures Corporation Limited
Chartered Bank Buildings,
4 Netaji Subhas Road, 2nd Floor, Kolkata - 700 001.

Our Certificate on the Annual Return (Form MGT-8) of even date is to be read along with this letter.

1. The Management of the Company is responsible for the preparation of documents relating to Annual Return as per the provisions of the Companies Act, 2013 and rules made thereunder as specified by the Ministry of Corporate Affairs. Our responsibility is to provide a Certificate in MGT-8 and certify the e-Form MGT-7 based on our examination and to the best of our knowledge and belief and according to the information, explanations and representations given to us by the management of the Company,
2. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
3. We have followed the audit practices and process 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 the Annual Return (Form MGT-7). We believe that the process and practices, we followed provide a reasonable basis for our opinion.
4. The Compliance of the provisions of Companies Act, 2013, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of records on test basis.

R. N. Paul & Associates
Company Secretaries
Firm Unique Code No. - I2011WB805400

CS Rudra Narayan Paul
Membership No. F8494
CoP No. 9772

Date: 09.02.2022
Place: Kolkata

UDIN: F008494C002480788



COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF NATIONAL JUTE MANUFACTURES CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH 2021

The preparation of financial statements of National Jute Manufactures Corporation Limited for the year ended 31 March 2021 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the Company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on these financial statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 10 September 2021.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of National Jute Manufactures Corporation Limited for the year ended 31 March 2021 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records.

On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

For and on behalf of the
Comptroller & Auditor General of India

Place: Kolkata
Date: 03 Nov 2021

(Suparna Deb)
Director General Audit (Mines)
Kolkata



NATIONAL JUTE MANUFACTURES CORPORATION LTD.

INDEPENDENT AUDITOR'S REPORT

TO

THE MEMBERS OF NATIONAL JUTE MANUFACTURES CORPORATION LIMITED

Report on the Financial Statements

Qualified Opinion

We have audited the accompanying standalone Financial Statements of **NATIONAL JUTE MANUFACTURES CORPORATION LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of matters described in the *Basis for Qualified Opinion* section of our report, the aforesaid Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its loss and cash flows for the year ended on that date.

Basis for Qualified Opinion

A) Going Concern Assumption:

The accounts have been drawn up on a going concern basis which is not appropriate under the circumstances because of the following reasons:

- a) The Union Cabinet has approved the closure of National Jute Manufactures Corporation Limited (NJMC) and its subsidiary Birds Jute & Exports Limited (BJEL) at its meeting held on 10th October, 2018. Disposal of all assets will be in accordance with the guidelines of DPE dated 14.06.2018 and the proceeds from the sale of assets, after meeting the liabilities will be deposited in Consolidated Fund of India. The Board of Directors of NJMC Limited at its 177th meeting nominated M/s. MSTC as Auctioning Agency for disposal of all movable assets including Building and NBCC (India) Limited has been appointed as Land Management Agency (LMA) for disposal of fixed assets. Further NBCC Ltd has been appointed as Pre LMA for verification, assessment and valuation of assets before undertaking disposal in accordance with the DPE guidelines which is in process.
- b) In terms with the closure notification, the company has refunded Rs 200 crores towards Interest Free Loan to the Government of India. The income of the company in previous years was primarily from the Interest income on Fixed Deposits which have reduced significantly.
- c) The Financial Statements indicate that the company's current and non-current liabilities exceeded its total assets by Rs. 22,498.34 Lakhs (P.Y. Rs. 22,259.31 Lakhs). The mills were not in operation throughout the year.

These factors confirm the inability of the company to continue as a going concern and to discharge its liabilities in the normal course of business.

B) Non Compliance with Accounting Standards:

B.1 Accounting Standard -2 Valuation of Inventories

As stated in accounting Policy 1.4, Inventories are valued at lower of cost and net realizable value/ market



price. Most of the inventories are being carried forward since long and there is no movement in inventory for a number of years. The relevant cost details and the basis of determination of net realizable value/market price were not made available to us and, hence, it is not possible to ascertain whether AS-2 has been complied with. Moreover, age-wise analysis of inventory as well as identification of obsolete and non-marketable inventories has not been ascertained. Hence, it is not possible to determine whether the carrying value of inventories represents its fair value.

B2. Accounting Standard 9 - Revenue Recognition

The Company has recognized interest income of Rs. 88.34 Lakhs on the loans granted by it to its subsidiary, Birds Jute & Exports Ltd. but, at the same time it has also made provision on this account towards doubtful interest receivable, net of TDS. The subsidiary company has defaulted in making payment of loan amount and interest to the extent of Rs. 4818.59 Lakhs upto 31st March, 2021. Moreover, the Union Cabinet has also approved the closure of Birds Jute & Exports Ltd. on 10th October, 2018. In view of significant uncertainty in the ultimate collection, the interest income should not have been recognized as revenue as per (AS) 9 “Revenue Recognition” in our opinion.

B3. Accounting Standard-21 -Consolidated Financial Statements

The Company has a subsidiary company namely Birds Jute & Exports Ltd. The company has not prepared and presented consolidated financial statements as required by (AS) 21, ‘Consolidated Financial Statements’. The subsidiary has not held AGM for the financial year 2019-20 and is yet to finalize its Financial Statements for the financial year 2020-21. The matter is now pending before the NCLT.

B4. Accounting Standard-22- Accounting for Taxes on Income

The Company has not complied with AS-22 Accounting for Taxes on Income. Ascertainment of Deferred Tax Asset & Liability and its recognition in terms with the said standard has not been done in the Financial Statements.

B5. Accounting Standard-29 – ‘Provisions, Contingent Liabilities and Contingent Assets’:

According to the information and explanations given to us, the company is in litigation with various parties on diverse matters, some of which are pending for several year. However, against a number of such cases, the company has not estimated and disclosed the amount of possible financial implication of the dispute, as required under AS 29 ‘Provisions, Contingent Liabilities and Contingent Assets’.

C) Under /Over Statement of Income / Expenses and Assets / Liabilities:

C.1 Property, Plant & Equipment & Depreciation

a) As stated in Note 10(2), Fixed Assets include certain machines of the Company having WDV of Rs. 637/- lying with a third party since Nationalization. But the company has not ascertained the actual existence of those machineries as on Balance Sheet date.

b) As disclosed in Note 10(4), ‘Land & Building’ includes property at 5, Alipore Road, Kolkata, which is not in the possession of the Company though vested in the company under the Jute Companies (Nationalization) Act, 1980. The property is under litigation and the legal experts are having divergent views regarding the ownership of the property. Though the ownership is disputed, the company is providing liability in respect of municipal taxes payable to Kolkata Municipal Corporation, which amounted to Rs. 4.45 Lakhs for the



NATIONAL JUTE MANUFACTURES CORPORATION LTD.

financial year 2020-21(Previous Year: Rs. 4.45 Lakhs).The cumulative liability so provided upto 31.03.2021 is Rs.107.57 Lakhs (upto 31.03.2020: Rs.103.12 Lakhs)

c) Certain items of movable fixed assets lying at the National Mill Unit of the company, having aggregate book value of Rs. 28,422.16 as on 31-03-2020, were not found at the time of physical verification conducted by the Mill Management during the year, for which FIR has been lodged by the company. No provision has been made towards loss on this account as the management intends to recover the same from the concerned Security Services provider at the said Mill. We have been informed that necessary adjustment in this regard will be made on settlement of the matter with the said Security Services provider.

d) During the financial year 2018-19, Land belonging to six mills of NJMC viz Khardah, Kinnison, Alexandra, National and Union in West Bengal and RBHM in Katihar, Bihar and Bungalow at 5A, Alipore Road and guest house at Kalimpong were valued by M/s. Associated Valuers, Government Registered Valuers, who determined the total Market Value of these immovable properties at Rs. 206899.69Lakhs, out of which value of encroached properties was Rs. 65369.99 Lakhs. However, the effect of such valuation, which is much higher than the aggregate book-value of these properties and the encroachment of the company's property, has not been given in the books of account.

e) The Title Deeds of the land at various location were made available for our verification but could not be properly verified and linked with the records of fixed assets. However, according to information and explanation given to us, the landed property of three mills viz. Khardah, some portion of Kinnison and Alexandra are still continuing in the name of the erstwhile companies. We have been further informed that representation has been made to the Additional District Magistrate & District Land & Land Reforms Officer – North 24 Paraganas, Barasat for updating the land records in respect of the said properties but, the matter is still pending as on 31st March, 2021.

C.2 Investments

a) No documents could be made available in respect of Investments of Govt. securities aggregating to Rs.0.74 Lakhs and Share scrips in respect of investments held in Britannia Engineering Ltd. and J.F. Low & Co. Ltd. could not be made available for our verification and were informed to be not traceable. These investments are very old and it was explained to us that the original certificates might have been provided as security to the various Govt. authorities/ departments. However, full provision have been made against these investments.

C.3 Inventories

The inventories of the company were not physically verified during the year under review. As there was no movement in inventories during the year, the closing stock has been taken by the management equal to the value of the opening stock. Since most of the items of inventory are very old and their actual condition has not been ascertained in the absence of any physical verification, the net realizable value of inventories may not be equal to the value taken by the management.

C.4 Cash and Bank Balances

Bank balances include Rs 91,523/- on account of PF Trustee, Khardah unitlying with UCO Bank, Titagarh Branch, which is a dormant account as on balance sheet date.

C.5 Short Term Loans & Advances

a) Since the party wise details, age wise analysis and relevant documents are not made available to us in



respect of Security Deposits of Rs. 190.71 Lakhs, of which Rs. 11.47 Lakhs considered doubtful and provided for, could be it is not possible to determine how much of deposits considered good are actually realisable.

b) Against the aggregate provision of Rs. 408.77 Lakhs for Income-tax, as appearing in the Balance Sheet, tax payments made by the company in the form of income tax deducted at source amounts to Rs. 1143.20 Lakhs. The Income-tax refunds determined for earlier years are being issued to the company but are being adjusted by the Income Tax department against the arrear demand for the assessment year 1990-91. The outstanding demand summary of the company with the Income Tax department is still showing a sum of Rs. 289.47 Lakhs payable for the said assessment year towards interest. We have been informed that the company is trying to obtain necessary information and documents in respect of the demand raised for the said assessment year and necessary adjustment/further provision will be made after receiving necessary documents/information.

c) The aggregate amount of Loans & Advances given to BJEL, the subsidiary of the company, including accrued interest considered thereon is Rs. 4818.59 Lakhs as per the books of account of the company. However, as per the statement of accounts received from the subsidiary, such amount aggregates to Rs. 4833.77 Lakhs. The difference as on 31.03.2021 is yet to be reconciled and we have been informed that the same will be adjusted after reconciliation.

C.6 Long Term Borrowings

a) The company has taken loans from Government of West Bengal. The loan agreements along with terms and conditions for utilization and repayments of such loans were not made available to us for our verification. As stated in Note 4c, the company has defaulted in repayment of this loan and the accumulated balance of Principal including interest unpaid as per the books of account of the company is Rs. 1553.73 Lakhs as on 31st March, 2021(as on 31st March, 2020 Rs 1513.58 Lakhs).

b) No balance confirmation has been obtained by the company from the Central/ State Governments in respect of the above stated loans.

C.7 Trade Payables

a) Trade Payables aggregating to Rs. 2085.40 Lakhs (as at 31.03.2020 Rs. 2062.35 Lakhs) include old outstanding balances aggregating to Rs.1009.10 Lakhs, for which no party- wise details could be made available to us. Since these Trade Payables are very old, the actual amount payable by the company on this account may be different from the amount shown in the books of accounts. Further, in the absence of necessary information, the status of parties under MSMED Act could not be ascertained and, hence, the particulars in respect of dues to Micro and Small Enterprises are not being updated and no further liability on account of interest payable under the MSMED Act is being provided for the last several years. Consequently the interest payable under the said Act may be different from the amount of interest liability shown under the head Trade Payables.

b) Trade payables also include Rs 11.12 Lakhs lying in prior period adjustment account in respect of RBHM unit. In absence of any details in respect of this amount, proper treatment of the same has not been made in the books of account.

C.8 Other Current Liabilities

a) Statutory dues amounting to Rs. 4732.60 Lakhs appearing in Note 8 include damages amounting to Rs. 3550.11 Lakhs and Rs. 592.24 Lakhs claimed by ESI authorities and Provident Fund authorities respectively. These amounts are lying outstanding for a long time. It has been explained to us that pending approval for



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waiver, as sought for by the Company in accordance with BIFR approved scheme, no adjustment has been made in this regard.

b) Statutory dues also include liability for Fringe Benefit Tax amounting to Rs. 8.93 Lakhs, Interest on Professional Tax amounting to Rs. 68.69 Lakhs, which are being brought forward for a long time. In the absence of relevant information, it is not possible for us to ascertain how much of these liabilities are ultimately payable or whether the same have been adequately provided.

c) In the absence of party-wise details and other necessary information in respect of undisbursed claim of Commissioner of payment: Rs. 40.29 Lakhs; Performance Guarantee: Rs. 57.47 Lakhs, Security Deposit/ EMD: Rs. 85.07 Lakhs and Advance from parties: Rs. 98.83 Lakhs, it is not possible for us to ascertain how much of these liabilities are ultimately payable or whether the same have been adequately provided.

d) Creditors for accrued wages and salaries of Rs. 339.40 Lakhs include old outstanding aggregating to Rs. 226.55 Lakhs on account of VRS payable, Gratuity payable and Arrear Salary Payable. In the absence of relevant information, it is not possible to ascertain how much of these liabilities are ultimately payable.

In view of the aforesaid observations, we are unable to determine the impact of these matters on the statement of affairs of the company and the corresponding impact on the Statement of Profit & Loss.

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 Companies Act, 2013 ('the Act') with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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, 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the audit of the Financial Statements

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and Rules made thereunder and the Order issued under Section 143(11) of the Act.

We conducted our audit in accordance with Standards on Auditing specified under Section 143(10) of the Act. Those standards required that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of



the financial statement that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the standalone financial statement.

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our qualified 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statement that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factor in (1) planning the scope of our audit work and in evaluating the results of our work; and (2) to evaluate the effect of any identified misstatements in the financial statements.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in Annexure-A, a statement on the matters specified in paragraphs 3 and 4 of the Order.



NATIONAL JUTE MANUFACTURES CORPORATION LTD.

2. As required by section 143 (3) of the Act, based on our audit report, to the extent applicable, that:

(a) 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.

(b) Except for the possible effects of 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 appears from our examination of the books;

(c) The Balance Sheet, Statement of Profit and Loss and the Statement of Cash Flow dealt with by this report are in agreement with the books of account.

(d) Except for the effects of the matters described in the Basis for Qualified Opinion paragraph, In our opinion, the Balance Sheet, Statement of Profit and Loss, Cash Flow Statement comply with the accounting standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014.

(e) The matters described in the basis for Qualified Opinion Paragraph, in our opinion, may have an adverse effect on the functioning of the Company.

(f) We have been informed that the provisions of section 164(2) of the Act in respect of disqualification of directors are not applicable to the Company, being a Government Company in terms of notification No.G.S.R.463(E) dated 5th June, 2015.

(g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion Paragraph above.

(h) 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.

(i) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best our information and according to the explanations given to us:

a. In the absence of complete details, we are not in position to comment whether the Company has disclosed the full impact of pending litigations on its financial position in its financial statements.

b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

c. There were no amounts which required to be transferred to the Investor Education and Protection Fund by the Company.

3. In response to the directions issued by the Comptroller and Auditor General of India under section 143(5) of the Act, we report that:

(i) The company does not have an ERP Accounting System or fully integrated IT system among its units and corporate office. The accounts of each unit and corporate office are maintained on accounting software. Consolidation of accounts of the corporate office and the various divisions are done through a separate data entry mode.

The present system adopted by the company leaves a scope of absence of data integrity and increases audit risk.

(ii) According to the information and explanations given to us and the records of the Company examined by



us, there have been no cases of waiver/write off of debts/loans/interest etc made by a lender to the company due to company's inability to repay the loan.

(iii)(a) The Company is carrying Interest Free loan, sanctioned by the Government of India as additional budgetary support for restructuring/revival of the Company as approved by Cabinet Committee of Economic Affairs (CCEA) and BIFR, as Long Term Borrowings.

(b) The Company has obtained a Loan of Rs. 281.48 lakhs from Government of West Bengal in earlier years, repayment of Loan and Interest on which have been defaulted in since 31st March 1994. The accumulated balance of Loan and Unpaid Interest is Rs. 1553.73 Lakhs as on 31.03.2021. In absence of loan documents, terms & conditions, adequacy of the interest provision made cannot be commented upon.

(c) As disclosed in Note 3 of the Financial Statements, the Company had received grants from Bihar Government and IJIRA in 1988-89 and subsidy from West Bengal Industrial Development Corporation in 1982-83. The detailed papers of such grant/subsidy as well as the assets acquired out of such grant were not made available to us.

For R. K. Patodi & Co.
Chartered Accountants
FRN: 305091E

Saibal Gangopadhyay
Partner
Membership number: 300680
UDIN: 21300680AAAAAD6255

Place: Kolkata
Date: 10.09.2021



Annexure A to Independent Auditor's Report

The Annexure referred to in Independent Auditors' Report to the members of National Jute Manufactures Corporation Limited (the company) on the Financial Statements for the year ended 31 March 2021,

We report that:

(a) The Company has maintained records of fixed assets which lacks details like sufficient description to make identification possible, location/situation, year of purchase, adjustment for revaluation, useful life, impairment and components of fixed assets.

(b) The fixed assets have not been physically verified by the management at any time during the year except in case of National Unit of the company. During such verification, certain items of fixed assets located at the sad unit, having book value of Rs. 28422/- as on 31.03.2020, were physically not found, for which an FIR has been lodged by the company. In this connection, we have been informed by the management that the company intends to recover the loss on this account from the concerned security services agency and, accordingly, no provision has been made for the same. Further, during the year under review, the company appointed a valuer for determining the estimated realizable value of its Plant & Machinery and Furniture & Fixtures lying at the various mills except the Union Mill. Though the said valuer has prepared a list of various items of fixed assets physically found at the Mill premises, the same were not verified by it with the records of fixed assets and, hence, we are unable to comment whether there existed any material discrepancy in the fixed assets of these mills. Furthermore, we are unable to comment on the discrepancy, if any, in the fixed assets lying at Head Office of the company as no physical verification was done during the year.

(c) The Title Deeds of the land at various location, though made available to us could not be thoroughly verified and linked with the fixed asset register for want of proper details. The landed property of three mills viz Khardah, some portion of Kinnison and Alexandra continue to be in the name of erstwhile companies. We have been informed that representation has been made to the Additional District Magistrate & District Land & Land Reforms North 24 Paraganas, Barasat for updating the land records but the updation is still pending.

ii) The inventories of the company were not physically verified during the year and hence we are unable to comment whether any discrepancy was there between the physical inventory and book inventory.

Further, most of the inventories are very old and there are no movement in inventory for a number of years. Moreover, age-wise analysis of inventory as well as identification of obsolete, damaged and non-saleable inventories has not been done. The net realizable values of the inventories have also not been determined. Hence, it is not possible for us to determine whether the carrying value of inventory represents the fair value and whether there exists any discrepancy.

iii. a) The Company had granted unsecured loan to its subsidiary, which amounted to Rs. 4818.59 Lakhs as on 31.03.2021 including interest amounting to Rs. 3735.46 Lakhs accrued till that date. The Union Cabinet has approved the closure of the said subsidiary company and consequently the said loan is being considered doubtful but the company is charging interest on the loan given to its subsidiary at the agreed rates and also made full provision for the same since the amount is considered irrecoverable, besides the difference in between the advance given to a subsidiary and interest receivable needs to be reconciled and adjustment be made. The terms and conditions of the loan granted to its subsidiary were not made available to us and therefore, we are unable to comment whether the same were prejudicial to the interest of the Company. Besides, the company has also granted non-interest bearing loan to a central public sector unit, the outstanding balance of which as on 31.03.2021 is Rs 10.78 Lakhs. As per terms of sanction, the said loan is repayable within a maximum period of two years from the date of disbursement of the loan from the sale proceeds of its assets. Apart from



these, the Company has not granted any loan, secured or unsecured, to any Company, firm, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

b. The company is charging interest for the loan provided to its subsidiary and also making full provision for the same as the amount is considered irrecoverable.

c. The loan given to subsidiary together with interest remains overdue for more than 90 days. There is no recovery of loan and interest for several years. Since the Union Cabinet has approved closure of the subsidiary there is no realistic chance of recovery of loan amount and interest.

iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loan, made investment, provided any guarantee or security, which attracts the provisions of section 185 and 186 of the Act.

v) The Company has not accepted any deposit from the public during the year within the meaning of sections 73 to 76 of the Act and the rules framed there under to the extent notified and does not have any unclaimed deposits as at 31st March, 2021 and therefore the provisions of clause 3(v) of the Order are not applicable to the company.

vi) During the year under review, the company was not engaged in any such activities which attracts the maintenance of cost records under section 148 of the Act.

vii) a) According to the information and explanations given to us, the company was generally regular in depositing its undisputed statutory dues with the appropriate authorities. According to the information given to us, there were no undisputed statutory dues outstanding at the year-end for a period of more than six months from the date they became payable;

b) According to the information and explanations given to us, the following statutory dues have not been deposited as on 31st March, 2021 on account of dispute:

Nature of the Statute	Nature of Dues	Forum where dispute is pending	Amount Due (Rs. in lacs)	Period to which dues relate
Finance Act 1994	Service Tax	Deputy Commissioner, Service Tax	0.10	Very Old
West Bengal Value Added Tax, 2003	CST	Deputy Commssioner of Commercial Tax	223.08	2010-11 to 2017-18

In addition to above, the following old statutory dues stated to be disputed, remain outstanding in the books of the company as on 31st March, 2021 for which details are not available:

- a) Provident Fund Rs. 903.05 Lakhs
- b) Employees State Insurance Rs. 3727.35 Lakhs
- c) Profession tax Rs. 69.40 Lakhs
- d) Fringe Benefit tax Rs. 8.92 Lakhs
- e) VAT/CST Rs. 9.74 Lakhs

viii) According to the records of the Company examined by us and the information and explanations given to us, the Company has defaulted in repayment of loan taken from Government of West Bengal amounting to Rs 1553.73 Lakhs (including interest thereon Rs. 1272.25 Lakhs) as on 31.03.2021. The company has made



NATIONAL JUTE MANUFACTURES CORPORATION LTD.

request for adjustment of principal amount against the compensation receivable by the company towards acquisition of land and conversion of Rs 922 Lakhs out of interest payable into a soft loan as disclosed in Additional Information to Note 4 of Financial Statements.

ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments). The Company has obtained loans from both Government of West Bengal and Government of India in earlier years. However, the terms and conditions subject to which the company has obtained the loans including purpose for which such loans were sanctioned were not made available to us. Therefore, we are unable to comment whether the loans were applied for the purposes for which those were obtained.

x) 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 course of our audit.

xi) The provisions contained in section 197 of the Companies Act, 2013 relating to payment of managerial remuneration are not applicable to the company, being a Government Company, in terms of Ministry of Corporate Affairs Notification No.G.S.R.463(E) dated 5th June, 2015.

xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii) 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) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

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 him. Accordingly, paragraph 3(xv) of the Order is not applicable.

xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For R. K. Patodi & Co.
Chartered Accountants
FRN: 305091E

Saibal Gangopadhyay
Partner
Membership number: 300680
UDIN: 21300680AAAAAD6255

Place: Kolkata
Date: 10.09.2021



Annexure B

To 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 **NATIONAL JUTE MANUFACTURES CORPORATION LIMITED** ("the Company") as on 31st March, 2021 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 Companies Act, 2013.

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 Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 was 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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



NATIONAL JUTE MANUFACTURES CORPORATION LTD.

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 authorizations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 company has not established its internal financial control over financial reporting on criteria based on or considering the essential components of internal control stated in Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by ICAI, e.g control environment, risk assessment, control activities, information system and communication and monitoring. The Board's report also does not include any risk management policy for the company including identification therein of elements of risk.

In view of above observations, Internal Financial Controls in the Company as on 31.03.2021 is inadequate based on the internal control over financial reporting criteria as stated in Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

We have considered the qualified opinion reported above in determining the nature, timing and extent of audit tests applied in our opinion on the financial statements of the company.

For R. K. Patodi & Co.
Chartered Accountants
FRN: 305091E

Saibal Gangopadhyay
Partner
Membership number: 300680
UDIN: 21300680AAAAAD6255

Place: Kolkata
Date: 10.09.2021



NATIONAL JUTE MANUFACTURES CORPORATION LTD.
(A Government of India Undertaking)

Balance Sheet
as at
31st March 2021



NATIONAL JUTE MANUFACTURES CORPORATION LTD.

BALANCE SHEET AS AT 31ST MARCH, 2021

(₹ In Lakh)

	Note no.	As at 31st March, 2021		As at 31st March, 2020	
(A) EQUITY AND LIABILITIES					
(1) Shareholders' Funds:					
(a) Share Capital	2	5,579.74		5,579.74	
(b) Reserves and Surplus	3	(28,078.08)	(22,498.34)	(27,839.04)	(22,259.30)
(2) Non-Current Liabilities					
(a) Long-Term Borrowings	4	23,125.14		23,085.00	
(b) Long-Term Provisions	5	11.52	23,136.66	11.52	23,096.52
(3) Current Liabilities					
(a) Short-Term Borrowings	6	-		-	
(b) Trade Payables	7	-		-	
(i) Dues to micro and small enterprises		112.58		112.58	
(ii) Dues to Others than micro and small enterprises		1,972.82		1,949.77	
(c) Other Current Liabilities	8	5,596.63		5,615.57	
(d) Short-Term Provisions	9	189.08	7,871.11	189.08	7,867.00
TOTAL			8,509.43		8,704.22
(B) ASSETS					
(1) Non-Current Assets					
(a) Property, Plant and Equipment					
(i) Tangible Assets	10	918.02		957.90	
(ii) Capital Work-in-Progress	10	-		-	
(b) Non-Current Investments	11	-	918.02	-	957.90
(2) Current Assets					
(a) Inventories	12	627.31		627.31	
(b) Trade Receivables	13	-		-	
(c) Cash and Bank Balance	14	4,755.58		4,994.35	
(d) Short-Term Loans and advances	15	1,992.30		1,964.36	
(e) Other Current Assets	16	216.22		160.29	
(f) ISDS Project	17	-	7,591.41	-	7,746.32
TOTAL			8,509.43		8,704.22

Summary of Significant Accounting Policies 1
Notes forming integral part of the Financial Statements 1-26

For and on behalf of the Board

For R. K. Patodi & Co.
Chartered Accountants
Registration No.305091E

(Mr. Moly Chandan Chakraborty)
Chairman-cum-Managing Director
DIN: 08641793

Saibal Gangopadhyay
Partner
Membership No. 300680
UDIN: 21300680AAAAAD6255

(Malini Mahapatra)
Company Secretary
Membership No. A39997

Place: Kolkata
Date: 10.09.2021



STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ In Lakh)

	Note no.	For the year ended 31st March, 2021	For the year ended 31st March, 2020
INCOME			
1	18	-	-
2	19	357.90	549.46
3		357.90	549.46
EXPENSES			
4	20	-	-
	21	-	-
	22	67.74	78.42
	23	35.53	32.39
	10	39.96	46.18
	24	453.60	454.20
		596.83	611.20
5		(238.94)	(61.72)
6		-	-
7		(238.94)	(61.72)
8		-	-
9		(238.94)	(61.72)
10		-	-
		-	-
11		(238.94)	(61.72)
12			
	25	(42.82)	(11.06)
	25	(42.82)	(11.06)

Summary of Significant Accounting Policies 1
Notes forming integral part of the Financial Statements 1-26

For and on behalf of the Board

For R. K. Patodi & Co.
Chartered Accountants
Registration No.305091E

(Mr. Moley Chandan Chakrabortty)
Chairman-cum-Managing Director
DIN: 08641793

Saibal Gangopadhyay
Partner
Membership No. 300680
UDIN: 21300680AAAAAD6255

(Malini Mahapatra)
Company Secretary
Membership No. A39997

Place: Kolkata
Date: 10.09.2021



NATIONAL JUTE MANUFACTURES CORPORATION LTD.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ In Lakh)

		For the year ended 31st March, 2021		For the year ended 31st March, 2020	
A.	Cash Flow from Operating Activities				
	Net Profit / (Loss) before extraordinary item and Tax.		(238.94)		(61.72)
	Adjustments for:				
	Interest on Borrowings	40.14		32.39	
	Depreciation	39.96		46.18	
	Prior Period Depreciation	-		0.14	
	Interest Income	(267.55)		(403.86)	
	Adjustment for Govt. Grant (Reserve)	(0.10)	(187.54)	(0.10)	(325.26)
	Operating Profit before Working Capital Change		(426.48)		(386.98)
	Change in Inventories	-		-	
	Decrease Trade Receivables	-		-	
	Increase in Short Loan & Advances	(27.94)		(61.18)	
	Increase in Other Current Assets	(55.93)		(94.57)	
	Increase/(Decrease) in Trade Payables	23.67		(6.02)	
	Decrease in Other Current Liabilities	(18.94)		(37.24)	
	Decrease in Long term Provisions	-		(11.83)	
	ISDS Fund expenditure	-		-	
	Net Cash Flow from working capital charges		(79.14)		(210.84)
	Net Cash from Operating Activities (A)		(505.62)		(597.81)
B.	Cash Flow from Investing Activities				
	(Increase)/Decrease in Fixed Deposits	(831.91)		1,219.45	
	Purchase of Fixed Assets	(0.71)		-	
	Interest on Fixed Deposits	267.55	(565.06)	403.86	1,623.31
	Net Cash from Investing Activities (B)		(565.06)		1,623.31
C.	Cash Flow from Financing Activities				
	Net cash from Financing Activities (C)		-		-
	Net Inc. / (Dec.) in Cash & Cash Equivalents (A+B+C)		(1,070.68)		1,025.50
	Cash and Cash Equivalents at the beginning of the year		1,202.06		176.56
	Cash and Cash Equivalents at the end of the year		131.38		1,202.06



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd.)

(₹ In Lakh)

		For the year ended 31st March, 2021	For the year ended 31st March, 2020
a)	Component of Cash and Cash Equivalents		
	(i) In bank accounts	130.94	1,201.72
	(ii) Cash in hand	0.44	0.34
		131.38	1,202.06

Summary of Significant Accounting Policies **1**
Notes forming integral part of Financial Statements **1-26**

For and on behalf of the Board

For R. K. Patodi & Co.
Chartered Accountants
Registration No. 305091E

(Mr. Moley Chandan Chakrabortty)
Chairman-cum-Managing Director
DIN: 08641793

Saibal Gangopadhyay
Partner
Membership No. 300680
UDIN: 21300680AAAAAD6255

(Malini Mahapatra)
Company Secretary
Membership No. A39997

Place : Kolkata
Date : 10.09.2021



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021.

NOTE - 1 SIGNIFICANT ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements are prepared in accordance with Generally Accepted Accounting Principles and the Company follows Mercantile system of accounting and recognises income and expenditure on accrual basis. The Company has complied with the accounting standards specified in under section 133 of The Companies Act, 2013 (the Act') read with Rule 7 of The Companies (Accounts) Rules 2014 (as amended) and other relevant provisions of The Companies Act 2013 to the extent applicable.

1.2 PROPERTY, PLANT & EQUIPMENT

1.2.1 Fixed Assets are stated at cost/revalued amount in case certain items of fixed assets which were revalued during the financial year 1997-98. Fixed assets acquired at the time of nationalisation are being stated at their book value on the date of nationalisation.

1.2.2 Depreciation:

Depreciation on fixed assets is charged on written down value as per Schedule - II to the Companies Act, 2013. The company has re assessed the useful life of its existing fixed assets in accordance with schedule - II and a new rate of depreciation on written down value method has been arrived at to depreciate the assets over the remaining useful life. Since most of the fixed assets were procured long back and the useful life has already been exhausted, no further depreciation is being provided on those fixed assets as their book value has already been reduced to 5% or lower residual value.

1.3 INVESTMENTS

Investments are carried at book value as on the date of nationalisation or at cost of acquisition/procurement in respect of investments made afterwards. Out of the total investments, documents in respect of investments made in various Government authorities, Britannia Engineering Co Ltd. and J.F. Low & Co. Ltd. are not traceable since nationalisation.

Investments are valued at cost / book value as on the date of nationalisation as well as the cost of procurement of Investments afterwards.

1.4 VALUATION OF STOCK:

1.4.1 Raw Jute is valued at cost, determined on FIFO basis, or market price whichever is lower.

1.4.2 Finished Goods are valued at cost or market value whichever is lower. Cost includes all direct cost and applicable manufacturing overheads.

1.4.3 Work-in-process is valued at estimated cost based on percentage of specific stage of processing or realisable value whichever is lower.

1.4.4 Stores and spares are valued at cost.

1.5 REVENUE RECOGNITION

Sales to Director General of Supply & Disposal (DGS&D) are accounted on the basis of delivery of goods and for other cases on generation of Paid Delivery Order. Other income is accounted on accrual basis.

1.6 CONTINGENT AND OTHER LIABILITIES

When the demands are raised against show cause notices issued by Government / Revenue Authorities, after considering Company's views, these demands are either paid or treated as liabilities, if accepted by the Company and are treated as contingent liability, if disputed by the Company.



NOTE - 1 (Contd.)

1.7 RETIREMENT BENEFITS

- 1.7.1 Gratuity: Liability for gratuity is provided on the basis of actual liability in respect of employees on roll as on the Balance Sheet date .
- 1.7.2 Leave Encashment: Liability for Leave Encashment is provided for on the basis of actual liability as on the Balance Sheet Date.

NOTE - 2 SHARE CAPITAL

	(₹ In Lakh)	
	As at 31st March, 2021	As at 31st March, 2020
AUTHORISED		
600000 Equity Shares of ₹ 1,000/- each (Previous Year 600000 Equity Shares)	6000.00	6000.00
ISSUED, SUBSCRIBED AND FULLY PAID UP		
557974 Equity Shares of ₹ 1,000/- each (Previous Year 557974 Equity Shares)	5579.74	5579.74
TOTAL	5579.74	5579.74

ADDITIONAL INFORMATION

- a) Out of total 557974 shares, 366000 Equity Shares of Rs. 1,000/- each were allotted as fully paid up shares against Nationalization Adjustment Account, without payment having been received in cash.
- b) There has been no change / movement in number of shares outstanding as at the beginning and as at the end of the year.
- c) The Company has only one class of Equity Shares having face value of is Rs. 1,000/- per shares. Each holder of equity shares is entitled to one vote per share and equal right for dividend.
- d) Shareholders holding more than 5 percent shares in the Company :

Name of the Shareholders	As at 31st March, 2021		As at 31st March, 2020	
	No. of Shares	(%)	No. of Shares	(%)
Honourable President of India	557972	99.99	557972	99.99



NATIONAL JUTE MANUFACTURES CORPORATION LTD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021.

NOTE - 3 RESERVES AND SURPLUS

	As at 31st March, 2021	As at 31st March, 2020	(₹ In Lakh)
Capital Reserve			
Against Government Grants			
Opening Balance	0.99	1.09	
Add :- Addition / Transferred during the year	-	-	
Less :- Utilised / Transferred during the year	0.10	0.10	
Closing Balance	0.89	0.99	
Revaluation Reserve			
Opening Balance	441.81	441.81	
Add :- Addition during the year	-	-	
Less :- Utilised / Transferred during the year	-	-	
Closing Balance	441.81	441.81	
(Deficit) in Statement of Profit and Loss			
Opening Balance	(28,281.84)	(28,220.11)	
Balance in Statement of Profit and Loss	(238.94)	(61.72)	
Closing Balance	(28,520.78)	(28,281.84)	
TOTAL	(28,078.08)	(27,839.04)	

ADDITIONAL INFORMATION

Capital Reserve

a) Against balance of grant received from Bihar Government, amounting to Rs. 150 Lakhs, in 1988-89 for acquiring Fixed Assets after adjustment of depreciation on the assets so procured out of the above funds in respect of RBHM and against balance of grant received from IJIRA, amounting to Rs. 5.44 Lakhs, in 1988-89 for installation of Ring Spinning Frame under UND Project after adjustment of depreciation on the assets so procured out of the above funds in respect of Unit Kinnison.	0.77	0.87
b) Subsidy of Rs. 0.01 Lakh being the balance of grant received from WB Industrial Development Corporation Limited in 1982-83 amounting to Rs. 6.97 Lakh for installation of captive diesel power generating set in respect of Unit Kinnison after adjustment of depreciation from the date acquisition (P.Y. 0.01 Lakh.)	0.01	0.01
c) The difference between market value and book value of Investments in respect of Unit RBHM as on the date of nationalisation.	0.11	0.11
	<u>0.89</u>	<u>0.99</u>

Revaluation Reserve

The difference between the revalued amount (as per valuation report in 1997-98) and book value as on 31.03.1993 in respect of Land situated at Katihar and Land and Building situated at Kalimpong and Forbesgunj in respect of Unit RBHM (Reference : Additional Information No. 5 and 6 in Note 10 on Fixed Assets)

441.81	441.81
<u>441.81</u>	<u>441.81</u>



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021.

NOTE - 4 LONG TERM BORROWINGS

	(₹ In Lakh)	
	As at 31st March, 2021	As at 31st March, 2020
A) Other loans and advances (Unsecured)		
i) From Government of India	21,571.41	21,571.41
ii) From Government of West Bengal	281.48	281.48
iii) Interest accrued and due on borrowings from Government of West Bengal	1,272.25	1,232.11
TOTAL	23,125.14	23,085.00

ADDITIONAL INFORMATION

- Loan received from Government of India as additional budgetary support is interest free as per the restructuring/revival scheme of NJMC approved by Cabinet Committee on Economic Affairs (CCEA) and BIFR. The Company has repaid Rs.20000 Lakh in terms with closure notification during 2018-19.
- The Company has not provided any security or any guarantee in respect of the above Loans from Government of India and Government of West Bengal.
- The Company has defaulted in repayment of loans and interest in respect of the following :

	(₹ In Lakh)			
	As at 31st March, 2021		As at 31st March, 2020	
	Period of default	Amount (₹ In Lakhs)	Period of default	Amount
Loan from Government of West Bengal :				
i) Principal	Since 31.03.1994	281.48	Since 31.03.1994	281.48
ii) Interest	Since 31.03.1994	1,272.25	Since 31.03.1994	1,232.11
TOTAL		1,553.73		1,513.59

The company is yet to receive the formal consent from Government of West Bengal in respect of:

- Adjustment of Principal Amount of Rs. 281.48 Lakhs above against compensation receivable for acquisition of Land by them as referred to in Additional Information 3 in Note 10 on Fixed Assets and
- Conversion of accrued interest of Rs. 922 Lakhs included in the above Interest amount of Rs. 1272.25 Lakhs (P. Y. Rs. 1232.11 Lakhs) into a Soft Loan in accordance with BIFR Approved Scheme.



NATIONAL JUTE MANUFACTURES CORPORATION LTD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021.

NOTE - 5 LONG TERM PROVISIONS

(₹ In Lakh)

	As at 31st March, 2021	As at 31st March, 2020
Provision for Employee Benefits		
i) Provision for Leave encashment	-	-
ii) Provision for Gratuity	11.52	11.52
TOTAL	11.52	11.52

ADDITIONAL INFORMATION

1. Gratuity : No provision for gratuity has been made during the current financial year since all the employees are on contract basis.
2. Leave Encashment : No provision for Leave Encashment has been made on the same ground as mentioned above. However, actual payment is charged to revenue accounts as and when payment is made.

NOTE - 6 SHORT TERM BORROWINGS

(₹ In Lakh)

	As at 31st March, 2021	As at 31st March, 2020
	-	-
TOTAL	-	-

NOTE - 7 TRADE PAYABLES

(₹ In Lakh)

	As at 31st March, 2021	As at 31st March, 2020
i) Creditors for Goods, Expenses & Services	1,958.79	1,935.74
ii) Interest provided on Trade Payables	126.61	126.61
TOTAL	2,085.40	2,062.35

ADDITIONAL INFORMATION

(₹ In Lakh)

	As at 31st March, 2021	As at 31st March, 2020
i) Disclosure Under Section 22 of the Micro, Small and Medium Enterprise		
a) Principal amount remaining unpaid to any supplier as at the end of the year	55.06	55.06
b) Interest due and payable upto the end of the last year	57.52	57.52
TOTAL	112.58	112.58



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021.

NOTE - 8 OTHER CURRENT LIABILITIES

	As at 31st March, 2021	As at 31st March, 2020
	(₹ In Lakh)	
i) Statutory Dues (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, Vat, Service Tax, Interest on PF etc.)	4732.60	4727.18
ii) Undisbursed claim of Commissioner of Payments	40.29	40.29
iii) Performance Guarantee	57.47	57.47
iv) Security Deposit/EMD	85.07	80.75
v) Provision for Interest on ISDS Fund	19.02	19.02
vi) Advance from Parties	98.83	98.83
vii) Property Tax/Municipal Tax & Rates & Taxes	223.95	246.60
viii) Creditors for accrued wages and salaries	339.40	345.42
TOTAL	5,596.63	5,615.57

ADDITIONAL INFORMATION

- Statutory Liabilities includes damages amounting to ₹ 3550.11 Lakhs (Previous Year ₹ 3550.11 Lakh) and ₹ 592.24 Lakhs (Previous Year ₹ 592.24 Lakh) claimed by ESI Corporation and PF Commissioner respectively for which waiver has been sought from the competent authorities in accordance with BIFR Approved Scheme.
- Statutory Dues also includes Fringe Benefit Tax amounting to ₹ 8.93 Lakhs (Previous Year ₹ 8.93 lakh), Interest on Professional tax ₹ 68.69 Lakhs (Previous year ₹ 68.69 lakh) for long time.
- Property Tax reflects the demand made by K.M.C for the premises 5 Alipore Road, Calcutta, which is under subjudice. The breakup of which is as under.

	(₹ In Lakh)			
	Principal	Penalty	Interest	Total
	61.78	7.21	38.58	107.57
	57.33	7.21	38.58	103.12
d) Property Tax also includes ₹ 2.82 Lakh (Previous Year ₹ 29.92 Lakh) for other units.				
e) Creditors for accrued wages and salaries include old outstanding aggregating to ₹ 226.55 Lakhs payable on account of VRS, Gratuity payable and arrear salary payable which are still under reconciliation.				

NOTE - 9 SHORT TERM PROVISIONS

	As at 31st March, 2021	As at 31st March, 2020
	(₹ In Lakh)	
Provision for Contingency (On account of Gratuity payable to workmen after reconciliation)	189.08	189.08
TOTAL	189.08	189.08



NATIONAL JUTE MANUFACTURES CORPORATION LTD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021.
NOTE- 10 PROPERTY, PLANT AND EQUIPMENT

(₹ In Lakh)

Tangible Assets	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As at 31st March, 2020	Addition (+)	Deduction (-)	As at 31st March, 2021	Upto 31st March, 2020	For the Year	Arrear Depn	Upto 31st March, 2021	As at 31st March, 2021	As at 31st March, 2020
(a) Land -Freehold	605.59	-	-	605.59	-	-	-	-	605.59	605.59
(b) Buildings & Roads	1,003.41	-	-	1,003.41	834.28	14.12	-	848.39	155.02	169.13
(c) Plant and Equipment	3,730.16	-	-	3,730.16	3,557.25	23.92	-	3,581.16	149.00	172.91
(d) Furniture and Fixtures	88.71	0.09	-	88.80	82.93	1.37	-	84.30	4.50	5.78
(e) Vehicles	47.21	-	-	47.21	44.38	0.56	-	44.94	2.27	2.83
(f) Computer	67.90	-	-	67.90	66.29	-	-	66.29	1.61	1.61
(g) Railway Siding	1.55	-	-	1.55	1.51	-	-	1.51	0.04	0.04
Total Tangible Assets (A)	5,544.53	0.09	-	5,544.62	4,586.64	39.96	-	4,626.59	918.03	957.89
Previous year (A)	5,543.92	0.62	-	5,544.54	4,540.33	46.18	0.13	4,586.64	957.90	1,003.60
Capital Work in Progress	24.86	-	-	24.86	-	-	-	-	24.86	24.86
Less: Provision	24.86	-	-	24.86	-	-	-	-	24.86	24.86
Total Capital Work-in Progress (B)	-	-	-	-	-	-	-	-	-	-
Previous year (B)	-	-	-	-	-	-	-	-	-	-
Total Fixed Assets (A+B)	5,544.53	0.09	-	5,544.62	4,586.63	39.96	-	4,626.59	918.03	957.89
Previous year(A+B)	5,543.92	0.62	-	5,544.54	4,540.33	46.18	0.13	4,586.64	957.90	1,003.60



NOTE 10 FIXED ASSETS (contd)

ADDITIONAL INFORMATION

- 1) Government of India has approved the closure of NJMC Ltd. on 10.10.2018. As per the directive of the competent authority, the closure has to be made in accordance with the DPE Guidelines issued vide O.M.No. DPE/5(1)/2014-Fin(Part-I) on 14.06.2018. NBCC(India) Ltd. has been appointed as Land Management Agency (LMA) and M/S. MSTC Ltd. has been appointed as E-Auctional agency for disposal of Plant & Machinery etc. with approval of Board of Directors of NJMC Ltd.

Process of closure in line with the DPE Guidelines dated 14.06.2018 is under progress. Also NBCC India Ltd has been entrusted for pre LMA activities for verification, assessment and valuation of assets of NJMC Ltd with the approval of the Board of Directors which is under process.

- 2) Plant and Equipments include 8 Nos. Herackle Machines pertaining to Unit Alexandra which is lying with a third party on the date of Nationalisation.
- 3) Land includes Leasehold Land, pertaining to Unit Khardah, the value of which could not be ascertained.
- 3a) Land includes 4.48 acres of land of Unit Khardah acquired by Govt. of West Bengal, for setting up Titagarh Thermal Power Plant of Calcutta Electric Supply Corporation Ltd. Necessary adjustment will be made on receipt of compensation amount.
- 4) Fixed Assets vested under the provision of the Jute Companies (Nationalisation) Act, 1980 on 20th December, 1980 with National Jute Manufactures Corporation Ltd., include land and building at 5, Alipore Road, Kolkata, in respect of unit-Alexandra but not in possession of the Company. This property was mortgaged prior to the date of take-over of the Management of the Alexandra Jute Mills Ltd under the Industries (Development & Regulations) Act, 1951 [I (D&R) Act, 1951] and was under an "Agreement to Sale" on the date of such take over. The Sale Agreement was, however, not concluded & was challenged by the Management under the provision of Industries (Development & Regulations) Act, 1951 at Alipore Court, Calcutta. An Interim order of injunction was ultimately issued by the High Court on 8th September, 1981 directing that all further proceedings at Alipore Court be stayed. Subsequently the mortgagee had filed a writ petition in the Calcutta High Court challenging the applicability of the provisions of I (D&R) Act, 1951. Thereafter Alexandra Jute Mills Ltd was nationalised under Jute Companies (Nationalisation) Act, 1980 with effect from 20.12.1980 and the Assets were vested to this Corporation free from all encumbrances. The mortgagee thereafter another writ petition in the Calcutta High Court challenging the provisions of the Jute Companies (Nationalisation) Act, 1980 and their validity. The Writ Petition filed by the mortgagee challenging the applicability of provisions of Industries (Development & Regulations) Act, 1951 has since been dismissed by the Hon`ble High Court, Calcutta and thereafter an interim order of status quo is passed by the Hon`ble High Court, Calcutta.

The opinion of standing counsel M/s, Fox & Mondal that premises No.5, Alipore, Kolkata vested in Central Govt. which has again vested in NJMC under Section 6 of the Jute Companies (Nationalisation) Act, 1980 and NJMC is the owner of the said property free from all mortgages or lien or encumbrances, However, NJMC has sought for opinion at the instruction of MOT vide their letter F. No. 17/16/2006 - JE dated 24/12/2007 wherein MOT asked NJMC to examine the issue from Legal point of view. Accordingly NJMC has referred the matter of Ministry of Law Justice & Company affairs vide letter No....received from Ministry of Law & Justice and Barrister Sri Anindya Kumar Mitra were forwarded to MOT vide letter No. NJMC/CMD/8 dated 28/01/2008 and also to Barrister Sri Anindya Kumar Mitra on the aforesaid matter. The opinions NJMC/CMD/08/239 dated 3rd April, 2008 along with opinion of our dealing Counsel M/s. Fox & Mondal. The MOT vide their letter No. 17/1/2006 - JE dated 30th April, 2008 stated that the opinion of Sri Anindya Kumar Mitra, Barister and Sr. Advocate as well as



NATIONAL JUTE MANUFACTURES CORPORATION LTD.

NOTE-10 FIXED ASSETS (contd...)

of Ministry of Law and Justice Bench Secretariat, Kolkata is that the ownership of the premises No. 5, Alipore Road, cannot be deemed as vesting in Central Govt./NJMC under the Nationalisation Act. On the other hand the standing counsel on behalf of NJMC has opined otherwise. MOT further directed that the affidavits in reply on behalf of NJMC and Union of India (MOT) may be amended in the Hon'ble High Court, Calcutta based on the above majority legal opinion which included legal opinion from Ministry of Law & Justice Bench secretariat Kolkata, that the Nationalisation Act, should not be applicable on the said property as the property was no longer a property of Alexandra during the time of Nationalisation. However, the affidavits were filed on June 2019.

In 2019 writ petition 5292 of 1981 was restored, exchange of affidavits completed and will come up for hearing. No further development has taken place during the financial year 2020-21 due to pandemic

Since the matter is subjudice no adjustment has been made in the accounts.

- 5) Value of land pertaining to Unit RBHM, measuring 96 Bighas 15 Kattahs, 5 Dhurs has been capitalised for Rs. 373.02 Lakhs in 1999-2000 with the approval of Board of Directors on 21.06.2000 as per valuation report as on 31.03.1993 of M/s Esjay consultants Pvt Ltd. appointed by IIBI.
- 6) Value of Land includes 4.03 acres of land valued at Rs. 41.55 Lakh and Value of Building includes building valued at Rs. 27.24 Lakh situated at Kalimpong & Forbesgunj of Unit R.B.H.M as per valuation Report as on 31.03.1993 of M/s Esjay Consultants Pvt Ltd. appointed by IIBI duly approved by the Board of Directors on 24th December, 1997 and the same have been capitalised during the year 1997-98.
- 7) The Title deeds of land which were mortgaged to IIBI, has been received by the Company during the year 2006-07. Some of the Title Deeds are torn and in precarious condition. Hence it is not possible to physically verify the same. The Company's management is not in a position to reconcile their records of title deeds with the immovable properties acquired on the date of nationalisation in the name of the Company.
- 8) Plant & Machinery declared as discarded and / or obsolete are shown as current assets at their book value amounting to Rs. 8.14 lakhs (Previous Year Rs. 10.01 lakhs) which is fully provided for.
- 9) During the Financial Year 2016-17 the Company has disposed off a substantial portion some of the fixed assets of Alexandra and National, which are all closed units.

Name of Mills	Name of the Fixed Assets	Gross Block as on 31.03.2017 (₹)	WDV as on 31.03.2017 (₹)
Alexandra	Plant & Machineries	148,276.00	1,483.75
National	Plant & Machineries	3,745,379.30	61,424.22
Total		3,893,655.30	62,907.97



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021.

NOTE - 11 NON CURRENT INVESTMENT

(₹ In Lakh)

As at 31st March, 2021	As at 31st March, 2020		As at 31st March, 2021	As at 31st March, 2020
Trade Investments				
Number	Number			
(A) INVESTMENT IN EQUITY INSTRUMENTS- EQUITY SHARES IN SUBSIDIARY COMPANIES-UNQUOTED				
14415	14415	Birds Jute & Exports Ltd., Ordinary Share (Face value ₹100/- each)*	-	-
10	10	Birds Jute & Exports Ltd., Ordinary Share (Face value ₹100/- each)*	-	-
143	143	Birds Jute & Exports Ltd., 7% Cumulative Preference Share (Face value ₹100/- each)	0.01	0.01
			0.01	0.01
EQUITY SHARES IN CO-OPERATIVE SOCIETIES-UNQUOTED				
250	250	Union North Jute Mills Employees' Co-Operative Stores Ltd. (Face value ₹10/- each)*	-	-
			-	-
EQUITY SHARES IN ASSOCIATED COMPANIES-UNQUOTED)				
5	5	The Kinnison Jute Mills Co. Ltd., (Face value ₹100/- each)*	-	-
EQUITY SHARES IN OTHER COMPANIES-QUOTED)				
180	180	Duncans Agro Industries Ltd. (Face value ₹10/- each)	0.01	0.01
111	111	Birla Corporation Limited (Face value ₹10/- each)	0.01	0.01
63	63	Cheviot Company Ltd. (Face value ₹10/- each)*	-	-
			0.02	0.02
EQUITY SHARES IN OTHER COMPANIES-UNQUOTED				
180	180	Hathikhira Tea Co. Ltd. (Face value ₹10/- each)	0.01	0.01
1200	1200	Jaipur Udyog Ltd. (Face value ₹10/- each)	0.02	0.02
95	95	Budge Budge Co. Ltd. (Face value ₹10/- each)	0.01	0.01
95	95	Delta Jute & Industries Ltd. (Face value ₹4/- each)*	-	-
20	20	The Ganges Manufacturing Co. Ltd. (Face value ₹100/- each)	-	-
2	2	Anglo India Jute Mills Co. Ltd. (Face value ₹100/- each)*	-	-
26	26	The Empire Jute Co. Ltd. (Face value ₹10/- each)*	-	-
600	600	Willard India Ltd. 600 Nos. (Face value ₹10/- each)	0.01	0.01
3	3	Lawrence Investment & Property Co. Ltd. 3 Nos. (Face value ₹100/- each)	0.01	0.01
100	100	Waverly Jute Co. Ltd. (Face value ₹50/- each)	0.01	0.01
36972	36972	Britannia Engineering Co. Ltd. (in liquidation) (Face value ₹100/- each)*	-	-
2700	2700	2700 Stock of 1 Pound each in Titagarh Jute Factory PLC (Face value ₹1/- each)*	0.11	0.11
			0.18	0.18



NATIONAL JUTE MANUFACTURES CORPORATION LTD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021.

NOTE - 11 NON CURRENT INVESTMENT (CONTD.)

(₹ In Lakh)

**Number of Share /
Security / Bonds / Units**

(B) INVESTMENT IN PREFERENCE SHARES

700	700	J. F. Low & Co. Ltd. (Face value Rs. 100/- each)*	-	-
			<u>-</u>	<u>-</u>

(C) INVESTMENT IN GOVERNMENT SECURITIES

3% Conversion Loan 1986 (Face value ₹ 700/- Matured)	0.01	0.01
3% Conversion Loan 1986 (Face value ₹ 5,300/-)	0.04	0.04
7 Years National Savings Certificate :-		
Old Series	0.05	0.05
New Series	0.15	0.15
The West Bengal Estate Acquisition Compensation Bonds	0.01	0.01
12 Years National Plan Saving Certificate	0.01	0.01
Government of India 5.5% Loan 1999 (Face value ₹ 42,500/-)	0.42	0.42
12 Years National Defence Certificate	0.01	0.01
12 Years National Savings Certificate	0.04	0.04
	<u>0.74</u>	<u>0.74</u>

(D) INVESTMENT IN DEBENTURES-UNQUOTED

East Indian Clinic Ltd., 5% Non redeemable Debentures	0.36	0.36
	<u>0.36</u>	<u>0.36</u>

TOTAL	1.31	1.31
Less Provision	1.31	1.31
TOTAL	<u>-</u>	<u>-</u>

* Denotes the Book Value of which is below ₹ 1,000/-.

Aggregate Book value of Quoted Non-Current Investment	-	-
Aggregate Book value of Unquoted Non-Current Investment less Provision	-	-
Total Quoted and Non-quoted Non-current investment	<u>-</u>	<u>-</u>
Aggregate Market value of quoted Non Current Investment	NA	NA

ADDITIONAL INFORMATION

	UNIT	(₹ In Lakh)	(₹ In Lakh)
(1) Provision made for doubtful of recovery :	National	7857	7857
	Union	31172	31172
	Kinnison	65328	65328
	Khardah	4883	4883
	R.B.H.M	21340	21340
	Corporate	903	903
	Alexandra	3	3
	TOTAL	<u>131486</u>	<u>131486</u>

(2) Out of the total investments, documents in respect of investments made in various Govt. authorities, Britannia Engineering Co. Ltd. and J.F. Low & Co. Ltd. are not traceable since long. This matter has been taken up with Board and it has been advised to include the same in the forensic audit to be held shortly. However full provision has been made in the Books of Accounts.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021.

NOTE - 12 INVENTORIES

(₹ In Lakh)

	As at 31st March, 2021		As at 31st March, 2020	
a) Raw Materials (At Lower of Cost or Market price)	138.57		138.57	
Add : In Transit	-	138.57	-	138.57
b) Work in Process (At Lower of estimated cost or realisable value)		63.38		63.38
c) Finished Goods (At Lower of Cost or Market price)		199.48		199.48
d) Stores & Spares (At Cost)	380.81		380.81	
Less - Provision for diminution in value	154.93	225.88	154.93	225.88
TOTAL		627.31		627.31

ADDITIONAL INFORMATION

- a) Due to Covid 19 pandemic it was not possible to take physical inventories as on 31.03.2021. As there was no movement in inventories during the F.Y.20-21 and all the items of inventories are lying in the safe custody of the company, the value of inventories were taken at the same figures as that on 31.03.2020.
- b) Closing stocks are valued as per the Company's approved Policy, vide Note. No. 1.4.

NOTE - 13 TRADE RECEIVABLES

(₹ In Lakh)

	As at 31st March, 2021		As at 31st March, 2020	
Outstanding for a period exceeding six months				
a) Unsecured - Considered Good	-		-	
- Considered Doubtful	283.36		283.36	
	283.36		283.36	
Less : Provision for Doubtful Trade Receivables	283.36	-	283.36	-
b) Other Receivables-Considered Good		-		-
TOTAL		-		-



NATIONAL JUTE MANUFACTURES CORPORATION LTD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021.

NOTE - 14 CASH AND BANK BALANCE

(₹ In Lakh)

	As at 31st March, 2021	As at 31st March, 2020	
a) Cash & Cash Equivalent			
(i) Balance with Bank Accounts	130.94	1,201.72	
(ii) Cash on hand	0.44	0.34	
	<u>131.38</u>	<u>1,202.06</u>	
b) Other Bank Balances			
(i) In Fixed Deposit Accounts with Banks			
(a) Having original maturity period of more than 12 months	223.90	1,521.98	
(b) Other Fixed Deposits with Bank	4,400.29	2,270.31	
(ii) Margin Money	3.10	3.10	
	<u>4,627.30</u>	<u>3,795.39</u>	
Less:- Provision against Margin Money	3.10	3.10	3,792.29
	<u>4,624.20</u>		
TOTAL	<u>4,755.58</u>	<u>4,994.35</u>	

ADDITIONAL INFORMATION

- a) Balances in Bank accounts include Rs. 18.10 Lakhs lying in current account with Bank of India, which has been attached by Certificate Officer, Gratuity in connection with its dues. (Previous Year Rs. 18.10 Lakhs).
- b) Margin Money of Rs. 3.10 lakhs is a very old balance being carried forward without any details. Accordingly full provision has been made.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021.

NOTE - 15 SHORT TERM LOANS AND ADVANCES

(₹ In Lakh)

	As at 31st March, 2021	As at 31st March, 2020	
a) Loans and advances			
Unsecured - Considered Good	1,078.21	1,078.62	
<i>(other than related party)</i>	-	-	
Unsecured - Considered doubtful	4,818.59	4,739.09	
<i>(to related party)</i>	5,896.80	5,817.30	
Less: Provision	4,818.59	4,739.09	
	1,078.21	1,078.21	
b) Income Tax deducted as Source			
- Considered good	734.43	706.44	
- Considered doubtful	408.77	408.77	
	1,143.20	1,115.21	
Less:- Provision	408.77	408.77	706.44
c) Advances recoverable in cash or kind or for value to be received			
i) Security deposits			
Unsecured - considered good	179.24	179.24	
- considered doubtful	11.47	11.47	
	190.71	190.71	
Less: Provision	11.47	11.47	
	179.24	179.24	
ii) Balances with Government Authorities			
Unsecured - considered good	-	-	
- considered doubtful	12.10	12.10	
	12.10	12.10	
Less: Provision	12.10	12.10	
	-	-	
iii) Others			
Unsecured - considered good	-	-	
- considered doubtful	414.64	414.70	
	414.64	414.70	
Less: Provision	414.22	414.21	
	0.41	0.47	
TOTAL	1,992.29	1,964.36	



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST March, 2021.

NOTE - 15 SHORT TERM LOANS AND ADVANCES (CONTD.)

ADDITIONAL INFORMATION

a) Birds Jute & Export Limited (BJEL) is a subsidiary company of NJMC Ltd. Due to financial crisis of BJEL, the Board of NJMC Ltd had granted temporary loans from time to time since 29th December 1986. The last instalment of loan had been granted by Board in the year 2004-05. NJMC Ltd, in its Board meeting held on 23rd December 1991 also resolved to charge interest at 18.50% with effect from 01.04.1991 on the existing and future loans as may have to be advanced to BJEL.

In view of failure to refund the accumulated loan as well as interest thereon and the approval of the Government of India to the closure of BJEL., the Board of NJMC Ltd decided to make the provision for doubtful debts for the amount receivable from BJEL and, accordingly, provision is being made every year in respect of interest accrued net of TDS on the loans granted to BJEL.

The aggregate amount of Loans & Advances given to BJEL, the subsidiary of the company, including accrued interest considered thereon is Rs. 4818.59 lakhs as per the books of account of the company. However, as per the statement of accounts received from the subsidiary, such amount aggregates to Rs.4833.77 lakhs. The difference is yet to be reconciled. After reconciliation, the account will be placed before the management for appropriate decision in the matter.

b) Security Deposit includes an amount of Rs. 1.87 lakhs which has been recovered by Provident Fund authority in spite of provision for waiver of damages in BIFR revival scheme as well as existence of injunction by the High Court of Kolkata against W.P.No.471(W)/2016. The provision for the entire Rs. 1.87 Lakhs has been made in the Account.

c) Others Include

- i) An amount of Rs. 11.33 Lakh in respect of Unit Khardah (Previous Year Rs. 11.33 Lakhs) which represents money in course of misappropriation of deposit/payment of railway freight in 1982-83. The matter is subjudice. However, full provision has been made in the accounts.
- ii) An amount of Rs. 24.00 Lakhs in respect of Unit National (Previous Year Rs. 24.00 Lakhs) paid to the Trustees of National Company Limited Jute Mill works' Provident Fund as interest free loan to cover the loss of interest to the fund caused by non receipt of Securities from the Brokers on the condition that the proceeds from the said securities to be obtained from the Brokers would be appropriated towards refund of the said loan. Since the proceeds have not yet been realised no adjustment was carried out and full provision has been made in the accounts.
- iii) An amount of Rs. 32.76 lakhs (Previous Year Rs. 32.76 Lakhs) and an amount of Rs. 2.24 Lakhs (Previous Year Rs. 2.24 lakhs), being the balance of claim towards value of the stock of finished goods and the balance of claim towards the value of the fixed assets destroyed by fire on 31st August, 1986 respectively pertaining to Unit National. The insurance claim was finally settled by the National Insurance Company after disallowing the above balances. The Company referred the matter to the concerned Ministry, New Delhi for further referring the matter to the arbitrator, as required under the guidelines for settlement of disputes between two Public Sector Undertakings. The matter has not yet been resolved and full provision against the same has been made in the accounts.
- iv) An amount of Rs. 10.39 lakhs represents advanced towards VRS Package to officers of the Company provision has been made for the entire amount of Rs. 10.39 lakhs in the Account.



NOTE - 15 SHORT TERM LOANS AND ADVANCES (CONTD.)

- v) An amount of Rs. 4818.59 lakhs is receivable from BJEL on account of transactions carried out in the preceeding year and full provision has been made in the accounts.
- vi) During the financial year 2018-19 the Company has given an Interest free loan amounting to Rs.1200.00 Lakhs to Hadricrafts & Handlooms Exports Corporation of India Ltd. This loan was given on the basis of directive from Ministry of Textiles, Government of India vide its letter no.F.No.21/2/2018/HHEC/PSU dated 03.07.2018. The outstanding balance as on 31.03.2021 was Rs.1078.21 Lakhs. As per condition of MOU the loan will be repaid by sale of assets of the Company within 2 years from date of disbursement of loan.
- d) (i) The amount of Income Tax deducted at Source (TDS) is Rs.1141.19 Lakh. The details of above assessment year wise as under:

Financial Year	Assessment Year	TDS Amount (In Lakh)
Old balance		13.10
2014-15	2015-16	167.73
2015-16	2016-17	161.76
2016-17	2017-18	412.38
2017-18	2018-19	173.19
2018-19	2019-20	130.52
2019-20	2020-21	54.51
2020-21	2021-22	28.01
Total		1141.19

The Income Tax Refund determined by the Income Tax department in respect of earlier assessment years together with interest allowable thereon are being adjusted by the department against arrear demands in respect of assessment years 1990-91. The details/documents in respect of such demand could not be traced by the company. Accordingly, the company took up the matter with the jurisdictional Income Tax Authority which expressed its inability to provide copies of relevant orders vide which the demand for the said assessment year was raised and advised the company to contact CPC Bangalore.

CPC-Bangalore was also contacted under RTI Act.2005 from whom clarification is yet to be received.

The company intends to deal with the matter in appropriate manner and necessary adjustment in this regard will be made after obtaining necessary information/details from the Income Tax department.



NATIONAL JUTE MANUFACTURES CORPORATION LTD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021.

NOTE - 16 OTHER CURRENT ASSETS

(₹ In Lakh)

	As at 31st March, 2021		As at 31st March, 2020	
a) Accruals				
Interest accrued on deposits	8.17		44.54	
Less :- Provision	1.80	6.37	1.80	42.74
b) Others				
Other Current Assets	454.47		362.17	
Less :- Provision	244.62		244.62	
		209.85		117.55
TOTAL		216.22		160.29

ADDITIONAL INFORMATION

Other Current Assets of Rs. 454.47 lakhs (Previous Year Rs. 362.17 Lakhs) includes input GST credit of Rs. 164.56 lakhs (Previous Year Rs. 107.80 Lakhs) which is expected to be adjusted against future GST liabilities.

NOTE - 17 ISDS PROJECT

(₹ In Lakh)

	As at 31st March, 2021		As at 31st March, 2020	
	-	-	-	-
TOTAL	-	-	-	-

NOTE - 18 REVENUE FROM OPERATIONS

(₹ In Lakh)

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Sale of Jute Products	-	-
Other Operating Revenue	-	-
TOTAL	-	-

ADDITIONAL INFORMATION

The three revival mills namely Kinnison, Khardah and RBHM (Katihar) remained inoperative since mid of 2016. In line with the erstwhile BIFR GOI has taken a decision to close National, Union and Alexandra mills. So there is no revenue from operation for the F.Y. 2017-18, 2018-19, 2019-20 & 2020-21.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021.

NOTE - 19 OTHER INCOME

(₹ In Lakh)

	For the year ended 31st March, 2021		For the year ended 31st March, 2020	
a) Interest Income				
Interest from Banks Deposit	267.55		403.86	
Interest income on Loan to Subsidiary	88.34	355.89	88.25	492.10
b) Other Non-operating Income		2.01		57.36
TOTAL		357.90		549.46

ADDITIONAL INFORMATION

- A) Govt of India has sanctioned interest free loan amounting to Rs.48,362 lakhs for revival of NJMC Ltd. Out of that a sum of Rs.41,571.41 lakhs has been released till 31.03.18. Unspent amount out of that has been invested in Term Deposit for the time being which has earned an interest amounting to Rs.267.55 lakhs (Previous Year Rs. 403.86 lakhs) during the year . The same is being considered as Company's income consistently since 2011-12. ISDS fund of Rs. 144.00 lakhs released on 31st March'2016 has also been invested in Fixed Deposit. This interest is also included in the Interest income from Bank Deposits.
- B) Interest income on loan to subsidiary company calculated on compound interest basis, whereas the same is calculated on simple interest basis by the subsidiary company. The aggregate amount of loans and advances give to the subsidiary of the company, including accrued interest considered there on is Rs. 4818.59 lakhs as on 31.03.2021 as per books of accounts of the company. However , as per the statement of accounts received from the subsidiary, such amount aggregates to Rs. 4833.79 lakhs. The difference is yet to be reconciled.

(₹ In Lakh)

A) Other Non-operating Income comprises of	For the year ended 31st March, 2021		For the year ended 31st March, 2020	
i) Depreciation Adjustment for assets acquired with Govt. Grant	0.10		0.10	
ii) Interest from CESC	-		-	
ii) Prov. Written back	1.11		51.52	
iii) Interest on I Tax Refund	-		3.45	
iv) Others	0.80	2.01	2.29	57.36
TOTAL		2.01		57.36



NATIONAL JUTE MANUFACTURES CORPORATION LTD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021.

NOTE - 20 COST OF RAW MATERIALS CONSUMED

(₹ In Lakh)

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Opening Stock	138.57	138.57
Add :- Purchase	-	-
	<hr/> 138.57	<hr/> 138.57
Less: Jute Loss	-	-
Less :- Closing stock	138.57	138.57
Cost of Raw Materials Consumed (Including Process Loss)	<hr/> -	<hr/> -
ADDITIONAL INFORMATION		
i) Raw Materials consumed comprises :- Raw Jute		
ii) Indegenous	-	100%

The three revival mills namely Kinnison, Khardah and RBHM (Katihar) remained inoperative since mid of 2016. In line with the erstwhile BIFR GOI has taken a decision to close National, Union and Alexandra mills. So there is no consumption of Raw materials.

NOTE - 21 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROCESS

(₹ In Lakh)

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Inventories at the beginning of the year		
Finished Goods	199.48	199.48
Work in Process	63.38	63.38
	<hr/> 262.86	<hr/> 262.86
Adjustment of Stock	-	-
	<hr/> 262.86	<hr/> 262.86
Inventories at the end of the year		
Finished Goods	199.48	199.48
Work in Process	63.38	63.38
	<hr/> 262.86	<hr/> 262.86
Net increase / (decrease)	-	-
TOTAL	<hr/> -	<hr/> -

NOTE - 22 EMPLOYEE BENEFITS EXPENSES

(₹ In Lakh)

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Salaries	66.40	76.97
Contribution to Provident Fund & Other Fund	1.32	1.41
Gratuity	-	-
Staff Welfare Expenses	0.02	0.04
TOTAL	<hr/> 67.74	<hr/> 78.42



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021.

NOTE - 23 FINANCE COSTS

(₹ In Lakh)

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Interest on Borrowings from Govt. of West Bengal	35.53	32.39
TOTAL	35.53	32.39

NOTE - 24 OTHER EXPENSES

(₹ In Lakh)

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
a) Manufacturing Expenses		
Power and fuel (Electricity)	3.82	5.58
Repairs and Maintenance - Buildings	-	0.04
Repairs and Maintenance - Machinery	-	-
Repairs and Maintenance - Others	1.32	0.14
	5.14	5.76
b) Administrative Expenses		
Rent	16.78	16.94
Rates and taxes	4.74	4.83
Insurance	3.37	6.77
Security Expenses	1.20	5.25
Professional Charges	1.85	1.26
Car Hire Charges	3.49	4.55
Travelling and Conveyance	2.84	5.11
Communication	0.52	0.55
Printing and stationery	1.10	0.48
Digitalization Charges	-	-
Computer Expenses	0.25	-
Branch Division Expenses	302.71	293.63
Legal Charges	5.37	2.76
Bank Charges	0.13	0.14
Provision for doubtful trade and other receivables	79.50	70.14
Provision for Input GST	-	-
Prior period Items(Net)	6.51	10.12
Miscellaneous expenses	11.89	14.13
Interests & penalties on delayed payments	2.80	5.82
Advertisement	1.68	3.85
	446.73	446.31



NATIONAL JUTE MANUFACTURES CORPORATION LTD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021.

NOTE - 24 OTHER EXPENSES (CONTD.)

(₹ In Lakh)

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Auditors Remuneration :		
a) Statutory Audit:		
i) Statutory Audit Fees	1.37	1.37
ii) Tax Audit Fees	-	-
b) Others Auditors		
i) Tax Audit Fees	0.36	0.36
ii) Others Audit Fees	-	0.38
	<u>1.73</u>	<u>2.11</u>
TOTAL	<u>453.60</u>	<u>454.20</u>

ADDITIONAL INFORMATION

(₹ In Lakh)

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
i) Prior Period items (net) include:		
Prior Period Expenses	6.51	9.98
Depreciation	-	0.14
	<u>6.51</u>	<u>10.12</u>

NOTE - 25 EARNING PER SHARE

(₹ In Lakh)

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Profit / (Loss) after tax as per Statement of Profit and Loss (₹ In Lakh)	(238.94)	61.72
Weighted average Number of equity share	557974	557974
Earnings per share (₹) - Basic	(42.82)	(11.06)
Earnings per share (₹) - Diluted	(42.82)	(11.06)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021.

NOTE - 26

- 1) Government of India has approved the closure of NJMC Ltd. on 10.10.2018. As per the directive of the competent authority, the closure has to be made in accordance with the DPE Guidelines issued vide O.M. No. DPE/5(1)/2014-Fin(Part-I) on 14.06.2018.

In line with the directive, Rs.20,000 Lakhs has been refunded to Government of India towards the repayment of Interest free loan and NBCC (India) Ltd. has been appointed as Land Management Agency (LMA) and M/S. MSTC Ltd. has been appointed as E-Auctional agency for disposal of Plant & Machinery etc. with approval of Board of Directors of NJMC Ltd. Process of closure in line with the DPE Guidelines dated 14.06.2018 is under progress. Also NBCC India Ltd has been entrusted for pre LMA activities for verification, assessment and valuation of assets of NJMC Ltd with the approval of the Board of Directors which is under process. NBCC India has started the assignment and submitted their first draft report on 21st September, 2020. A committee was constituted for verification of report. The committee has observed some discrepancies which were conveyed to NBCC India. Reverification of the assets is under process.

- 2) These Financial Statements incorporate the Accounts pertaining to the Units of Corporate Office and 6 mills of the company viz Kinnison, RBHM, Khardah, National, Union and Alexandra.

- 3) Related Party Transactions

- i) Details of Parties :

Description of Relationship	Name of related Parties
Subsidiary Company	Birds Jute & Exports Limited
Key Management Personnel	Sri Moloy Chandan Chakraborty (CMD)
	Ms. Malini Mahapatra (CS)

Note :- Related parties have been identified by the Management

- ii) Details of related party transaction during the year ended 31 March 2020 and balances outstanding as at 31 March 2019 :

- a) With subsidiary company:

(₹ In Lakh)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Opening Balance of loan to Subsidiary	4,739.09	4,668.95
Transactions during the year	-	-
Interest charged	88.34	88.25
Less: TDS FY 2020-21	(8.83)	-
Less: TDS FY 2019-20	-	(8.82)
Less: TDS FY 2018-19	-	(9.28)
Closing Balance	4,818.60	4,739.09

Provision against the above balance is mentioned in note no. 15(a)

With Key Managerial Personnel : Remuneration paid as Company Secretary	4.39	2.56
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- 4) Employee Benefits expenses include Director's Remuneration as below :-

Particulars	Current Year	Previous Year
Remuneration	Nil	Nil
Contribution to P.F. Fund	Nil	Nil
Gratuity	Nil	Nil



NATIONAL JUTE MANUFACTURES CORPORATION LTD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021.

NOTE - 26 Condt.....

(₹ In Lakh)

5	Particulars	For the year ended	For the year ended
		31st March, 2021	31st March, 2020
a)	Expenditure/Remittance in Foreign Currency	Nil	Nil
b)	Earnings in Foreign Exchange	Nil	Nil

- 6) The Company's operations pertain to manufacture and selling of single Jute Product for sale in the Domestic Market only. As such reporting under Accounting Standard 17 (Segment reporting under Section 133 of Companies Act 2013) is not applicable.
- 7) The company has net deferred tax asset at the year end. However, in view of the substantial losses incurred in a number of past years and suspension of manufacturing activities by the Company, the Deferred Tax Assets have not been recognized as a matter of prudence as there is no reasonable certainty that sufficient future taxable income would be available against which such Deferred Tax Assets can be adjusted.
- 8) The Company has not assessed the Impairment loss on its fixed assets as per Accounting Standard 28.
- 9) Disputed liabilities and commitments not provided for:-

(₹ In Lakh)

Sl. No.	Particulars	As at 31st March, 2021	As at 31st March, 2020
A) Contingent Liabilities			
i)	Claims against the Company not acknowledged as debt towards Central Excise for Unit Kinnison	21.35	21.35
ii)	Claim against the Company by the West Bengal Commercial Tax Authority And Bihar Commercial Tax Authority as regards non-submission of "C" forms, not acknowledged by the Company as debt and preferred appeal accordingly. (Financial Year 2010-11 Rs 0.003 Lakh, Financial Year 2011-12 Kinnison Rs. 0.002 Lakh, Khardah - Rs.2.88 Lakh, Financial Year 2012-13 Kinnison - Rs. 43.96 Lacs, Khardah - Rs. 38.04 lakh, Financial Year 2013-14 Kinnison - Rs. 67.02 Lakh, Khardah - Rs. 40.18 Lakh & Financial Year 2014-15 Kinnison - Rs. 27.47 Lakh, Financial Year 2015-16 Kinnison - Rs. 3.18 Lakh & 0.01 Lakhs, Financial Year 2017-18 Khardah Rs 0.11 Lakh and Kinnison Rs 0.22 Lakh)	223.09	220.18
iii)	Service Tax demand	0.10	0.10
iv)	This amount was paid to PAO(DGMS), Dhanbad, towards appeal case of Mr. Sheo Kumar Shukla for unit. This amount is refundable after decision	-	-
v)	Balance with Bank of India Rs.18.10 lacs and balance with Indian Bank Rs.1.87 lacs attached by Certificate Officer, Gratuity & Provident Fund Commissioner respectively for recovery of their dues	19.97	19.97



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021.

NOTE - 26 Condt.....

vi)	Claim against the Company by the Income Tax Authority as per the CPC website as on date is Rs.436.80 Lakh. The matter has been taken up with Jurisdictional Income Tax Authority who informed that they do not have any knowledge regarding the demand and advised us to take up the matter with CPC-Bangalore. Accordingly NJMC Ltd. sought the clarification under RTI Act. 2005. NJMC Ltd. is yet to receive any reply. In addition to above in the portal of CPC-Bangalore shows a demand on TDS of Rs.3.21 Lakh relating to previous year but there is no manual demand from Jurisdictional Assessment Officer. Accordingly the Company does not acknowledge the same as on date and the same in being taken up with CPC-Bangalore.	440.01	440.01
B)	Commitments	-	-
	Total	704.51	701.61

9) Contingent liabilities and commitments not provided for:-

SL. NO.	Particulars	As at 31st March, 2021	As at 31st March, 2020
	Contingent Liabilities		
i)	Guarantees extended by the Corporation to SBI Home Finance Ltd for granting House Building Advance to the employees of this Corporation	0.97	0.97
ii)	Guarantee issued to Sales tax Authority by the banks on behalf of the Company	0.50	0.50
	Total	1.47	1.47

Other Contingent Liabilities not provided for :

- iv) Claims made by Ex- Employees/ officers of the company pending before various legal forums : Not Ascertained.
- v) Calims for interest demanded by the creditors of the company pending before various legal forums: Not Ascertained
- vii) "Income Tax refunds determined in respect of past Assessment years & Interset allowed there on adjusted by the Income Tax department towards arear demands : Amount could not be ascertained for want of complete information from the Income Tax Department. Outstanding demand on account of interest payable in respect of demands already collected for earlier assessment years as per portal of Income Tax department amount of Rs. 28947064/=."
- 11) Figures of the previous year have been regrouped / rearranged wherever necessary to make them comparable with the current year figures.



NATIONAL JUTE MANUFACTURES CORPORATION LTD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021.

Summary of significant Accounting Policies & Other	1
Notes form an integral part of this financial statement	1-26

For and on behalf of the Board

For R.K. Patodi & Co.
Chartered Accountants
Registration No. 305091E

(Mr. Moley Chandan Chakraborty)
Chairman-cum-Managing Director
DIN: 08641793

Saibal Gangopadhyay
Partner
Membership No. 300680
UDIN: 21300680AAAAAD6255

(Ms. Malini Mahapatra)
Company Secretary
Membership No: A39997

Place : Kolkata
Date : 10.09.2021