

**INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS**

**TO THE MEMBERS OF NATIONAL JUTE MANUFACTURES CORPORATION LIMITED**

**REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS**

**Qualified Opinion**

We have audited the accompanying consolidated financial statements of NATIONAL JUTE MANUFACTURES CORPORATION LIMITED (hereinafter referred to as the 'Holding Company') and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), which comprise the consolidated Balance Sheet as at March 31, 2022, the consolidated Statement of Profit and Loss and the consolidated Cash Flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

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 consolidated financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2022, of consolidated Loss, and its consolidated cash flows for the year then ended.

**Basis for Qualified Opinion**

• **Going Concern Assumption:**

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

- 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 10<sup>th</sup> 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 177<sup>th</sup> meeting nominated M/s. MSTC as Auctioning Agency for disposal of all movable assets and Building but no specific development in that regard has been achieved yet. Further NBCC(India) Ltd has been appointed as Pre-Land Management Agency (LMA) for verification, assessment and valuation of assets before undertaking disposal in accordance with the DPE guidelines which has been extended by six months without imposition of LD but the report is still awaited.

- In terms with the closure notification, the holding company has during the year 2018-19 refunded Interest Free Loan to the extent of Rs.200 crores to the Government of India. The income of the holding company for the last several years is primarily from Interest on Fixed Deposits which has reduced significantly after the said refund.
- The auditors of the subsidiary company in their report on the Standalone Financial Statements have also expressed opinion that there exists material uncertainty which is casting significant doubt on the ability of the subsidiary to continue as a going concern.
- The subsidiary company has made a provision of Rs 32.35 Lakhs (Previous Year 13.34) towards unpaid municipal taxes and interest thereon. The auditors of the subsidiary company has expressed inability to comment on the adequacy or otherwise of such provision in view of uncertainty over the amount of further interest and penalty, if any, payable on this account.
- The auditors of subsidiary company have also stated that the balances in Trade Receivables, Creditors, Suppliers and Advances are subject to confirmation/reconciliation and subsequent adjustments, if any.
- In the opinion of the auditors of the subsidiary company, it in all material respects, does not have adequate internal control system over financial reporting and such internal controls over financial reporting were not operating effectively as on 31<sup>st</sup> March, 2022.
- The Financial Statements indicate that the group's current and non-current liabilities exceed its total assets by Rs 32,557.61 Lakhs (Previous



Year Rs 31,744.40 Lakhs) and the manufacturing units of the group are also not in operation for the last several years.

These factors confirm the inability of the group 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 1.3, 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 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 proper valuation.

### **B.2 Accounting Standard-21 - Consolidated Financial Statements :**

The group has not prepared and presented any consolidated financial statements in the earlier years, as required by (AS)21, 'Consolidated Financial Statements till the date of our reporting.

### **B.3 Accounting Standard-22 – Accounting for Taxes on Income:**

Ascertainment of Deferred Tax Asset & Liability in accordance with AS-22 on Accounting for Taxes on Income has not been done.

### **B.4 Accounting Standard-29 – 'Provisions, Contingent Liabilities and Contingent Assets':**

According to the information and explanations given to us, both the companies in the group are in litigation with various parties on diverse matters, a number of which are pending for several years. However, against many cases, these companies have 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 11, Property, Plant & Equipment include certain machines of the holding company having WDV of Rs. 637/- lying with a third party since Nationalization.



But the holding company has not ascertained the actual existence of those machineries as on Balance Sheet date.

b) As disclosed in Note 11, 'Land & Building' includes property at 5, Alipore Road, Kolkata, which is not in the possession of the holding Company though vested in it under the Jute Companies (Nationalization) Act, 1980. The property is under litigation and the legal experts are having divergent views regarding the ownership right over the property. Though the ownership is disputed, the holding company is providing liability in respect of municipal taxes payable to Kolkata Municipal Corporation, which amounted to Rs.4.45 Lakhs for the financial year 2021-22 (Previous Year: Rs. 4.45 Lakhs). The cumulative liability so provided by the holding company upto 31.03.2022 is Rs112.02Lakhs (upto 31.03.2021:Rs.107.57 Lakhs)

c) Certain items of Plant & Machinery lying at the National Mill Unit of the holding company, having aggregate book value of Rs.2.12 Lakhs as on 31-03-2022, as determined by the management, were stated to have been theft in the earlier year (Rs.0.28 Lakhs) as well as during the financial year 2021-22 (Rs.1.84 Lakhs), for which FIRs have been lodged by the holding company. No provision has been made towards loss on these account as the management of the holding company intends to recover the same from the Insurance Company and/or the concerned Security Service 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 concerned parties. In absence of updated fixed assets register we could not verify the correctness of the aforesaid value calculated by the management.

d) The Title Deeds of the land at various location in case of the holding company 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 its 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 as well as Secretary Land and Land Reforms and Refugee Relief and Rehabilitation Department, Government of West Bengal for updating the land records in respect of the said properties but, the matter is still pending as on 31st March, 2022.

The auditors of the subsidiary company in their report have stated the title deeds of the immoveable properties (other than properties where the subsidiary is the Lessee and the lease agreements are duly executed in favour of the lessee) are partly held in the name of the company in digitized form and partly in the name of erstwhile company M/s Lansdowne Jute Company Limited. Further, the auditors of the subsidiary company in their report have stated that no physical verification of Fixed Assets have been carried out in any manner whatsoever and they are unable to comment on the



quantitative details, situation of Fixed Assets, any material discrepancies and accounting impact thereof.

### **C.2 Investments:**

The holding company is not maintaining proper Register of its Investments. Further, no documents could be made available in respect of Investments in 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. It was also noticed that investments include Rs. 0.02 Lakhs in the shares of companies, the names of which have already been struck off. However, full provision has been made against all these investments. Furthermore, investments include shares in Cheviot Company Limited and Birla Corporation Limited against which full provision has been made though dividends have been received against these shares.

### **C3 Inventories:**

The valuation of inventories at the year-end, which are very old, has been done by the management of the holding company without considering damage/obsolesce on account of lapse of time and non-operations of the mills. The write-down in the value of inventories of raw-materials and work-in process has been done by the management without any technical evaluation of the actual diminution in the value of different types of inventories held by the holding company.

### **C4 Cash and Bank Balances:**

Bank balances of holding company include Rs. 91,303.04 on account of Kinnison unit lying with UCO Bank, Titagarh Branch, which is a dormant account as on Balance Sheet date.

For the following old bank accounts of Bird Jute and Export Ltd wherein no transactions have been made and are inoperative, no confirmation has been obtained from the banks:

Bankers Name	Book Balance as at 31.03.2022 (in Rs.)	Book Balance as at 31.03.2021 (in Rs.)
Vysya Bank, N.S. Road, Kolkata	804.15	804.15
Syndicate Bank, Madras	963.00	963.00
Syndicate Bank, Calcutta (PCL)	683.00	683.00



**C.5 Short Term Loans & Advances:**

a) Against the aggregate provision of Holding Company of Rs. 408.77 Lakhs for Income-tax, as appearing in the Balance Sheet, tax payments made by the holding company in the form of income tax deducted at source amounts to Rs. 1172.65 Lakhs. The Income-tax refunds determined for earlier years, together with interest allowed thereon, are being adjusted by the Income Tax department against the arrear demand for the assessment year 1990-91. The outstanding demand summary of the holding company appearing in the Intimation u/s 143(1) for the assessment year 2020-21 is still showing a sum of Rs. 243.15 Lakhs payable by the company towards interest. We have been informed that the holding company is trying to obtain necessary information and documents in respect of the demand raised for the assessment year 1990-91 and necessary adjustment /further provision will be made after receiving necessary documents/information.

b) There are many unreconciled differences in various accounts, as appearing in the respective books of account of the holding company and subsidiary, the details of which is as follows:

Account	Balance as per NJMC (Rs. in Lakhs)	Balance as per Subsidiary (Rs. in Lakhs)	Remarks
Interest Accrued on loans granted to Subsidiary	3814.96	3804.77	Differences need reconciliation and necessary adjustment after obtaining required details and information.
Advances given	605.64	631.05	
Creditor for Goods	Nil	94.91	
Creditor for Rent	Nil	0.15	
Creditor for other services	0.10	Nil	
Creditor for Brokerage	0.28	Nil	
Trade Receivables A/c Goods	23.56	258.21	
Trade Receivables A/c Expenses	Nil	7.40	
Advances given for Services	3.33	Nil	



**The net difference between the holding company and subsidiary company amounted to Rs. 159.24 Lakhs, which has been shown in the consolidated balance sheet as "Net Difference between Holding & Subsidiary subject to reconciliation".**

**C.6 Other Current Assets:**

Since party wise details and relevant documents could not be made available to us in respect of holding company's Security Deposits aggregating to Rs. 56.31 Lakhs, out of which 11.47 Lakhs considered doubtful and provided for, it is not possible to determine how much of deposits considered good are actually realizable.

**C.7 Long Term Borrowings:**

a) The holding company has taken loans of Rs. 281.48 from the Govt of West Bengal in earlier years. The Loan agreement or any other document showing the terms and conditions of such loan could not be made available to us for our verification. In absence of any document showing the rate of interest and other terms, we could not verify the correctness of interest aggregating to Rs. 1308.61 Lakhs provided by the company upto 31-03-2022, which includes Rs. 36.36 Lakhs provided for the year under review. As stated in Note 5 to accounts, the holding 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. 1590.09 Lakhs as on 31st March, 2022 (as on 31st March, 2021 Rs. 1553.73 Lakhs).

The subsidiary company has taken Non-Plan Loan from Government of India of Rs. 2159.36(Rs. 46.96 Lakhs in 2021-22) and 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. 9237.49 Lakhs as on 31st March, 2022 (as on 31st March, 2021 Rs. 8801.39 Lakhs).

b) No balance confirmations have been obtained by the holding company and subsidiary company from the Central/ State Governments for the outstanding balance of loans as on 31-03-2022.

**C.8 Trade Payables:**

Trade Payables of holding company aggregating to Rs.2058.94 Lakhs (as at 31.03.2021 Rs.2096.91 Lakhs) include old outstanding balances carried over for more than three years aggregating to Rs.1977.09 Lakhs (as at 31.03.2021 Rs.1974.07 Lakhs) as per age-wise analysis of trade payables prepared by the holding company. In absence of party wise and invoice wise details or statement of account received from parties, it is not possible to ascertain how much of these liabilities are ultimately payable. In absence of necessary information, the status of parties under MSMED Act and dues to Micro and Small Enterprises could not be ascertained. Further, no liability on account of interest payable under the MSMED Act is being provided in the accounts 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. Furthermore, in case



of Kinnison Unit, the amount of Sundry Creditors for Services and Sundry Creditors for Stores are being included in Trade Payables at net of debit balances aggregating to Rs. 22 Lakhs lying in some of these creditor accounts. Consequently, the liability on account of Trade payables is understated to that extent in the balance sheet. Furthermore, the provision made by the holding company towards doubtful advances given is also short to that extent, which has the impact of understatement of consolidated loss to the extent of Rs. 22 Lakhs on this account.

### **C.9 Other Current Liabilities:**

a) During the year under review, the holding company has made payment of Rs.152.99 lakhs towards arrear ESI Contributions and a further sum of Rs. 50 Lakhs on adhoc basis on account of interest on ESI Dues against the demand of ESI and subsequent order of Hon'ble High Court, Kolkata. These payments have been adjusted by the holding company against the unpaid liability of Rs.3727.18 Lakhs lying in the books of account as on 01-04-2021 as Provision for ESI Damages without any basis and nothing has been charged to the Statement of Profit & Loss on this account. Further, no separate provision has been made for the balance payment of Rs.284.36 Lakhs made by the holding company in the subsequent year on the basis of the said order of Hon'ble High Court, Kolkata towards past dues of ESI Contributions and interest thereon.

In our opinion, such non-charging of the aforesaid payments to the Statement of Profit & Loss and not making provision for the balance payment made in the subsequent year has the effect of understatement of consolidated loss for the year and statutory liabilities payable at the year-end to the extent of these payments.

b) Statutory dues of holding company also include liability for Fringe Benefit Tax amounting to Rs. 8.93 Lakhs, Interest on Professional Tax amounting to Rs. 68.69 Lakhs, Damages due on PF and interest thereon Rs 903.05 Lakhs which are being brought forward since long back. In the absence of relevant information, it could not be ascertained 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, Advance from parties: Rs. 98.83 Lakhs and old outstanding balances included in Security Deposits/EMD Received: Amount of which could not be ascertained for want of details, appearing in the books of account of the holding company, it is not possible for us to ascertain how much of these liabilities are ultimately payable or whether the same have been adequately provided for. Most of these items were stated to be very old..

d) Creditors for unpaid wages of holding company Rs. 320.60 Lakhs include old outstanding liability aggregating to Rs. 226.55 Lakhs on account of VRS payable, Gratuity payable and Arrear Salary Payable. The holding company is maintaining the old balances as liability towards staff related payments. According to the information given





to us, the total financial contingent liability of holding company in Labour matters, so far the management could ascertain in a number of cases comes to Rs. 6866.00 Lakhs.

e) Unpaid Rates & Taxes of holding company include Cess, Duty etc Rs 0.99 Lakhs, Professional Tax Rs 0.12 Lakhs, Service Tax Rs 1.69 Lakhs, TDS 0.99 lakhs, Other Rates & Taxes Rs 109.97 Lakhs, which are being carried forward for long. In the absence of relevant information, it could not be ascertained how much of these liabilities are ultimately payable or whether the same have been adequately provided.

#### **C.10 Ageing Schedules:**

Break-up and ageing Schedules of Trade Payables and Trade Receivables have been given in respect of Trade Payables and Trade Receivables of Holding Company only. We have been informed that the Trade Payables and Trade Receivables of the Subsidiary could not be included in these schedules as the required information could not be obtained from the subsidiary company.

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

#### **KEY AUDIT MATTERS**

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

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.

#### **INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON**

The Holding Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



## **RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS**

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 (the Act) that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

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

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

## **AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS**

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 event 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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

### **OTHER MATTERS**

We did not audit the financial statements and other financial information of the subsidiary, whose financial statements have been considered in the consolidated financial statements. These financial statements and other financial information have been audited by other auditor whose report have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditor.

### **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

1. As required by the Companies (Auditor's Report) Order, 2020 (CARO 2020), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraph 3(xxi) of the Order.



2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary, as noted in the 'other matter' paragraph and except for the possible effects of the matter described in "Basis for qualified opinion" paragraph above, we 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 so far as appears from our examination of the books as it appears from our examination of those books and the report of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

(d) Except for the effects of the matters described in the Basis for Qualified Opinion paragraph, in our opinion, the Consolidated Financial Statements 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 Companies comprised in the group.

(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 holding company, being a Government Company in terms of notification No.G.S.R.463(E) dated 5th June, 2015 and as reported by auditors of the subsidiary, on the basis of written representation received from the directors and taken on record by the Board of Directors, none of the directors of the subsidiary is disqualified as on 31st March, 2022, from being appointed as a director in terms of Section 164(2) of the Act.

(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 group and the operating effectiveness of such controls, refer to our separate Report in Annexure B.



(i) Since the companies comprised in the group are not paying any managerial remuneration to the directors, the provision of Section 197 of the Companies Act, 2013 are not applicable.

(j) 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 of our information and according to the explanations given to us:

i. In the absence of complete details, we are not in position to comment whether the Consolidated Financial Statements has disclosed the full impact of pending litigations in respect of Holding Company, as shown against point no 9 and 10 in Note-28 of other explanatory information, on its financial position in its financial statements. In respect of Subsidiary Company, the impact of pending litigations on its financial position in its financial statements, as per the report of the other Auditor, are disclosed in Annexure C

ii. The Holding Company and its subsidiary company did not have any such long-term contracts including derivatives contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary company incorporated in India.

iv. (a) The respective Managements of Holding Company and its subsidiary companies have represented to us and the other auditors of standalone financial statements of subsidiary company that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company and its subsidiary company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company and its subsidiary company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The respective Managements of Holding Company and its subsidiary company have represented to us and the other auditors of standalone financial statements of subsidiary company that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company and its subsidiary company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company and its subsidiary company



("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. As the holding company and its subsidiary have not declared or paid any dividend during the year, the provisions contained in section 123 of the Companies Act, 2013 are not applicable to it.

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 holding 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.

As reported by the auditors of subsidiary company, the subsidiary company is maintaining its accounts through Tally software but the process of accounting is kind of Hybrid system involve manual and computerized process. The auditors of subsidiary have not found any issue on the integrity of the accounts with any financial implication.

(ii) According to the information and explanations given to us and the records of the Holding Company examined by us, there have been no cases of waiver/write off of debts/loans/interest etc. made by a lender to the holding company due to company's inability to repay the loan.

The auditors of the subsidiary company have reported that the directions related to cases of waiver/write off of debts/loans/interest etc. made by a lender to the subsidiary company due to company's inability to repay the loan is not applicable to the subsidiary company.

(iii)(a) The Holding 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 LongTerm Borrowings.


(b) The Holding 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 31<sup>st</sup> March 1994. The accumulated balance of Loan and Unpaid Interest is Rs.1590.09 Lakhs as on 31.03.2022. 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 Holding 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.

(d) The auditors of the subsidiary company have not pointed out any deviation in respect of Grant received by the Subsidiary in earlier years for the implementation scheme of R & D Programme and product Diversification from Government of India Jute Special Development Fund.

FOR R.K. PATODI & CO.  
CHARTERED ACCOUNTANTS  
FRN: 305091E

  
SIDDHARTHA PATODI  
(PARTNER)  
MEMBERSHIP NO. 144  
UDIN: 22059144 BEX GPK 8358



PLACE: KOLKATA

DATE: 1 - 6 DEC 2022

## Annexure- A to Independent Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of National Jute Manufactures Corporation Limited (the company) on the Consolidated Financial Statements for the year ended 31 March 2022,

As required by paragraph 3(xxi) of the CARO 2020, we report that the auditors of the following companies have given qualification or adverse remarks in their CARO report on the standalone financial statements of the respective companies included in the Consolidated Financial Statements of the Holding Company:

Sl. No	Name of the Company	CIN	Relationship with Holding Company	Date of the respective auditor's report	Paragraph no in the respective CARO Report
<u>1.</u>	National Jute Manufactures Corporation Limited	U17232WB1980GOI032768	Holding Company	23.09.2022	(i)(a)(A), (i)(b), (i)(c), (ii)(a), (iii)(d), (iii)(e), (vii)(a), (vii)(b), (ix)(a), (ix)(c), (xiv)(a), (xvii) and (xix)
<u>2.</u>	Birds Jute and Exports Limited	U17232WB1904GOI001579	Subsidiary Company	03.08.2022	(i)b), (i)c), (vii)(a), (vii)(b), (xvii) and (xix)

FOR R.K. PATODI & CO.  
CHARTERED ACCOUNTANTS  
FRN: 305091



S. Patodi  
SIDDHARTHA PATODI  
(PARTNER)

MEMBERSHIP NO. 59144  
UDIN: 22059144 BEXGPR8358

PLACE: KOLKATA

DATE: 6 DEC 2022



## ANNEXURE – B

TO THE INDEPENDENT AUDITORS' REPORT

### REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (D) 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, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

The respective board of directors of the Holding Company and its Subsidiary Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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. 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, 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.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company and its Subsidiary Company 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") issued by the Institute of Chartered Accountants of India and the standards on auditing prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those standards and the guidance note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.



Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement in 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 Consolidated Financial Statements.

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

### **Qualified Opinion**

According to the information and explanations given to us and based on our audit, the holding company as well as the subsidiary have 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 of Holding Company 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 Holding Company as on 31.03.2022 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.

As opined by the auditors of the subsidiary company, the subsidiary company in all material respects, does not have an adequate internal financial controls over the financial reporting and as such internal financial controls over financial reporting were not operating effectively as at 31st March, 2022, based on the internal control over financial reporting criteria established by the subsidiary company considering the essential components of internal controls as stated in Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

#### Other Matters

Our report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company, in so far as it relates to separate financial statements of the subsidiary, which is a company incorporated in India, is based on the corresponding reports of the auditors of such subsidiary incorporated in India.

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

FOR R.K. PATODI & CO.  
CHARTERED ACCOUNTANTS  
FRN: 305091E

  
SIDDHARTHA PATODI  
(PARTNER)

MEMBERSHIP NO. 59144  
UDIN: 22059144 BEXGPR.8358

PLACE: KOLKATA

DATE: - 6 DEC 2022



## ANNEXURE - C

TO THE INDEPENDENT AUDITORS' REPORT

### Pending Court Cases & Litigations of Subsidiary Company:

1.	<p>Before the 5th, Court, Fast Track &amp; Addl. District Judge at Barasat</p> <p>Title Appeal no. 29 of 1996</p> <p>Anokhi Manufacturing Products Pvt. Ltd.</p> <p>-vs-</p> <p>Birds Jute &amp; Exports Limited</p>	<p>Last date- 08.04.2022</p> <p>Next date- 28.06.2022</p> <p>A suit being Title Suit No. 46 of 1989 was filed by BJEL for eviction of the defendant from the suit property and it was decreed by a Decree and order dated 19.9.2015 on the ground of reasonable requirement by BJEL.</p> <p>The present appeal was filed by the appellant challenging the Decree and order dated 19.9.2015. Title Execution No. 01 of 1996 was filed for execution of the Decree and order dated 19.9.2015, which has been stayed by an order dated 01.03.1996 until disposal of the appeal. The appellant claims to have been depositing rent month by month before the Ld. Court but it has failed to give inspection of original challans in terms of an order passed by Appeal Court. An application has been filed on behalf of BJEL to bring on record the Rehabilitation Scheme of BJEL to prove that the suit property is required for rehabilitation of BJEL.</p> <p>Appeal was being heard by the Appeal Court but original box wherein all original Exhibits were kept in, are not available. The department and the Registry were directed to trace out the same and produce before Appeal Court.</p>
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<p>2 In the Court of the Second Civil Judge (Sr. Division) at Barasat</p> <p>Title Suit no. 42 of 2013</p> <p>New No. Title Suit No. 8191 of 2014</p> <p>Birds Jute &amp; Exports Ltd.</p> <p>-vs-</p> <p>Rototron Containers Pvt. Ltd.</p>	<p>Last dt.-28.03.2022</p> <p>Next date:- 26.08.2022</p> <p>The present suit has been filed by BJEL for decrees for declaration and injunctions in respect of Dag No. 104, including decree for recovery of possession of the Land.</p> <p>The defendant no. 1 has filed its written statement and written objection in the suit and copies thereof have been sent to BJEL. Other defendants have not entered appearance. A paper publication was made on behalf of BJEL.</p> <p>An injunction application was filed praying for temporary injunction against the defendants which was refused. An appeal was preferred against the order of refusal being FMAT No. 583 of 2013 with CAN No. 4828 of 2013.</p> <p>The said appeal was heard by the Hon'ble Justice Subhro Kamal Mukherjee and the Hon'ble Justice Asim Kumar Mondal on 15th May, 2013 when after hearing Counsel appearing on behalf of BJEL Their Lordships were pleased to direct that during pendency of the said stay petition the respondents are restrained by an order of injunction from transferring, alienating, encumbering the property-in-suit being Dag No. 104. Other directions have also been given. The said appeal and application are pending and notices have been</p>



		issued.
3	<p>In the Court of the 3rd Civil Judge (Jr. Division), Mayuk Bhavan</p> <p>Title Suit no. 185 of 2004</p> <p>Birds Jute &amp; Exports Limited.</p> <p>-vs-</p> <p>Sovanath Singh</p>	<p>Next date - 07.05.2022</p> <p>The present Suit has been filed by Bird Jute for decree for injunctions against the defendants (heirs of Late Kashi Nath @ Kashi Prasad Singh) in respect of Dag No. 104.</p> <p>An ad-interim order of status quo was passed by the Learned Court on 14th July, 2004 and from time to time the interim order has been extended and it is still subsisting. Due to non-appearance of the defendants, summons of the suit have been sent to the defendants on number of occasions. Thereafter, an application has been filed on behalf of BJEL for hearing the suit exparte which was allowed by the Learned Court and the matter is fixed for exparte hearing. Examination in Chief has been completed. Fixed for hearing on the next date.</p>
4	<p>Before the LD. District Judge at Barasat</p> <p>Misc Appeal No. 155 of 2016</p> <p>T. K. Ware Housing Enterprise Pvt. Ltd</p> <p>-vs-</p> <p>Birds Jute &amp; Exports Limited</p>	<p>Last date.: 17.03.2022</p> <p>Next date- 06.06.2022</p> <p>This is an appeal from the order dated 20th September, 2016 passed by the Ld. Estate Officer directing the appellant to pay an amount of Rs.4,47,20,439/- .</p> <p>The appellant was a tenant under the respondent. The respondent has initiated proceeding under section 7 of the Public Premises (Eviction of Unauthorized Occupation) Act, 1971.</p> <p>Written objection has been filed on behalf of Bird Jute. An application has also been filed for</p>



		<p>recovery and dismissal of the suit.</p> <p>An order has been passed by the Ld. Court on 27th March, 2018 granting liberty to the Estate Officer to start his recovery proceeding.</p> <p>The Learned Court on 28th June, 2018 after hearing both the parties has called for all the lower court records from the court below.</p>
5	<p>Before the 2nd Civil Judge (Sr. Div), Barasat</p> <p>T.S. No. 85 of 2012</p> <p>New No. Title Suit 2651 of 2014</p> <p>Rototron Containers (P) Ltd.</p> <p>-vs-</p> <p>Birds Jute &amp; Exports Limited</p>	<p>Next dt.-30.05.2022</p> <p>The plaintiff had filed the suit for obtaining injunction against the defendant restraining them from interfering, obstructing the plaintiff in the development of the said premises in question.</p> <p>Written statement has been filed on behalf of Bird Jute. The plaintiff has filed a supplementary affidavit to which written objection has been filed on behalf of Bird Jute.</p> <p>Fixed for hearing on the next date.</p>
6	<p>Before the 2nd Court, Barasat</p> <p>Title Suit No.97 of 2014</p> <p>New No. Title Suit 13252 of 2014</p> <p>B.P. Poddar Foundation for education</p> <p>-vs-</p> <p>Birds Jute &amp; Exports Limited</p>	<p>Next dt.- 20.04.2022</p> <p>Suit file by the plaintiff for decree declaring that the notice dated 21/2/2014 issued by the BL&amp; LRO, Barrackpore under Section 57 of the Estate Acquisition Act, 1953 as illegal, ultra vires and without jurisdiction.</p> <p>Injunction Application filed by the plaintiff for temporary injunction against Bird Jute from restraining them from disturbing the plaintiff peaceful possession regarding the suit property.</p> <p>Written statement filed on behalf of Bird Jute</p> <p>By an order dated 29th April, 2014 the Ld. Court refused to grant the plaintiff an order of injunction. The Plaintiff has filed an appeal being Misc Appeal no. 99 of 2014 challenging the order dated 29th April, 2014 which has been dismissed.</p>
7.	Before the District land & Land	Last date- 06.04.2022



	reforms Officer LR Appeal No. 204 of 2019	Next date- 27.04.2022 The petitioner has challenged the order of B.L & LRO dated 4th February, 2022 wherein the B.L. & L.R.O Barrackpore has directed for change of the record of right in the name of Landsdown Jute Company Limited.
8.	Before the Learned 2nd Civil Judge (Senior Division) at Barasat T. S. No. 736 of 2021 Birds Jute & Exports Ltd. -vs- South Dum Dum Municipality & Ors	Next dt.-29.04.2022 The suit has been filed for permanent injunction against south Dum Dum Municipality for encroachment of the land of BJEL. Injunction has been granted which is till 29th April, 2022. The matter is fixed for appearance of the defendants on the next date.
9.	W.P. No.11297w/2012 Bird Jute & Export Limited-vs- South Dum Dum Municipality	Pending The writ petition has been filed against encroachment of the land of BJEL and for illegal construction of reservoir on the land of BJEL.
10.	CAN No. of 2019 CAN No. of 2019 MAT No. of 2019 Arising out of WP No. 9962(w) of 2019 T.K. Warehousing Enterprises Pvt. Ltd. -vs- Birds Jute & Exports Ltd. & Ors.	Pending. Not Appearing. The petitioner has filed an appeal against the trial court order where the trial court has dismissed the writ petition of the petitioner directing the petitioner to pay the amount due to the respondent.
11.	Before the West Bengal Land Reforms and Tenancy Tribunal, Salt Lake O.A. No. 434 of 2022 Birds Jute & Exports Limited	Next dt. 27.09.2022 This appeal is filed against the order of the ADM & DI & LRO challenging the jurisdiction of the ADM & DL & LRO.





	-vs- Rototron Containers Pvt. Ltd. & Ors	
12.	In the High Court at Calcutta WPA No. 21128 of 2021 Birds Jute & Exports Ltd. & Anr. -vs- South Dum Dum Municipality and Ors.	Pending. To be listed before Justice Shampa Sarkar

FOR R.K. PATODI & CO.  
CHARTERED ACCOUNTANTS  
FRN: 305091E

*S. Patodi*

SIDDHARTHA PATODI  
(PARTNER)

MEMBERSHIP NO. 59144  
UDIN: 22059144BEXGPR8358



PLACE: KOLKATA

DATE: 6 DEC 2022

**NATIONAL JUTE MANUFACTURES CORPORATION LTD.**  
(A Government of India Undertaking)  
**CONSOLIDATED BALANCE SHEET AS AT 31st March, 2022**

(Rs. In Lakh)

		Note no.	As at (Audited) 31st March, 2022		As at (Audited) 31st March, 2021	
(A)	<b>EQUITY AND LIABILITIES</b>					
1	Shareholders' Funds					
	(a) Share Capital	2	5,579.74		5,579.74	
	(b) Reserves and Surplus	3	(38,137.45)	(32,557.71)	(37,324.15)	(31,744.41)
2	Minority Interest	4				
3	Non-Current Liabilities					
	(a) Long-Term Borrowings	5	24,012.25		23,965.29	
	(b) Other Long Term Liabilities	6	6.77		6.77	
	(c) Long-Term Provisions	7	10.08		11.52	
	(d) Net Difference between Holding & Subsidiary subject to reconciliation		159.24	24,188.34	159.24	24,142.82
4	Current Liabilities					
	(a) Trade Payables:					
	i) Dues to micro and small enterprises	8	112.58		112.58	
	ii) Dues to Other than micro and small enterprises		2,137.77		2,134.67	
	(b) Other Current Liabilities	9	14,451.07		14,175.07	
	(c) Short-Term Provisions	10	189.08	16,890.49	189.08	16,611.40
	<b>TOTAL</b>			<b>8,521.12</b>		<b>9,009.81</b>
(B)	<b>ASSETS</b>					
1	Non-Current Assets					
	(a) (i) Property, Plant and Equipment	11	894.24		926.79	
	(ii) Capital Work-in-Progress	11	-		-	
	(iii) Goodwill on Consolidation		131.73		131.73	
	(b) Non-Current Investments	12	-		-	
	(c) Long Term Loans and Advances	13	-		-	
	(d) Other Non -Current Assets	14	1,788.92	2,814.89	7.31	1,065.83
2	Current Assets					
	(a) Inventories	15	585.32		627.31	
	(b) Trade Receivables	16	48.17		56.06	
	(c) Cash And Bank Balance	17	2,834.39		4,996.69	
	(d) Short-Term Loans and advances	18	2,117.85		2,006.18	
	(e) Other Current Assets	19	120.50	5,706.23	257.74	7,943.98
	<b>TOTAL</b>			<b>8,521.12</b>		<b>9,009.81</b>

Summary of significant Accounting Policies

Other Explanatory Information

Additional Regulatory Information

Notes 1 to 29 form integral part of the Financial Statements

28  
29

For R.K. Patodi & Co  
Chartered Accountants  
Registration No. 205091E

S. Patodi  
SIDDHARTHA PATODI  
Partner  
Membership No. 059144  
UDIN: 22059144 BEXGPR8358

Place : Kolkata  
Date : 6 DEC 2022



For and on behalf of the Board

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

*Mohini Verma*  
(Mohini Verma)  
Company Secretary  
Membership No. 52405

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

**CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2022**

Page - 2

(Rs. in Lakh)

	Note no.	For the period ended 31st March 2022	For the period ended 31st March 2021
<b>INCOME</b>			
1			
2			
3	20	-	-
	21	399.19	399.49
		<b>399.19</b>	<b>399.49</b>
<b>EXPENSES</b>			
4			
(a) Cost of Raw Materials Consumed	22	-	-
(b) Change in Inventories of Finished Goods and Work-in-Process	23	-	-
(c) Employee Benefits Expenses	24	101.87	82.00
(d) Finance Costs	25	425.50	419.57
(e) Depreciation and Amortisation Expenses	11	34.65	40.51
(f) Other Expenses	26	606.26	559.97
<b>Total Expenses (a+b+c+d+e+f)</b>		<b>1,168.28</b>	<b>1,102.05</b>
5			
6		(769.09)	(702.56)
7		41.99	-
8		(811.08)	(702.56)
9		-	-
10		(811.08)	(702.56)
(a) Current Tax			
(b) Deferred Tax			
(c) For Earlier Years			
11		2.13	
12		(813.21)	(702.56)
	27	(145.74)	(125.91)
		(145.74)	(125.91)

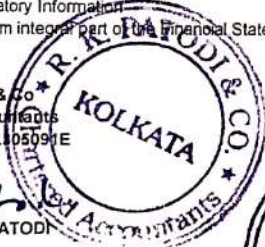
Summary of significant Accounting Policies  
Other Explanatory Information  
Additional Regulatory Information  
Notes 1 to 29 form integral part of the Financial Statements

1  
28  
29

For R.K.Patodi & Co  
Chartered Accountants  
Registration No. 105091E

SIDDHARTHA PATODI  
Partner  
Membership No. 059144  
UDIN: 22059144-BEXGPR8358

Place : Kolkata  
Date : - 6 DEC 2022



For and on behalf of the Board

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

*Mohini Verma*  
(Mohini Verma)  
Company Secretary  
Membership No. 52405

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

(Rs. in Lakh)

	For the year ended 31st March, 2022		For the year ended 31st March, 2021	
<b>A. Cash Flow from Operating Activities</b>				
Net Profit / (Loss) before extraordinary item and Tax		(811.08)		(702.56)
Adjustments for:				
Interest on Borrowings				
Depreciation	425.50		419.57	
Prior Period Depreciation	34.65		40.51	
Dividend Income	0.39		-	
Interest Income on Bank Deposits	(0.11)		(0.01)	
Adjustments for Govt. Grant (Reserve)	(249.39)		(281.36)	
	(0.10)	210.94	(0.10)	178.61
Operating Profit before Working Capital Change		(600.14)		(523.95)
Increase in Short-term Loans & Advances	(72.00)		(163.50)	
(Increase)/Decrease in Other Current Assets	132.59		52.79	
Increase/(Decrease) in Trade Payables	3.10		21.31	
Increase/(Decrease) in Other Current Liabilities	(149.50)		112.20	
Increase/(Decrease) in Long term Provisions	(1.44)		-	
Decrease/(Increase) in Trade Receivables	7.89		(29.76)	
Decrease/(Increase) in Inventories	41.99	(37.37)	0.00	(6.95)
Less: Income-tax (Net)		(637.51)		(530.90)
		46.8		36.95
<b>Net Cash from Operating Activities (A)</b>		<b>(684.31)</b>		<b>(567.85)</b>
<b>B. Cash Flow from Investing Activities</b>				
(Increase)/ Decrease in Fixed Deposits	505.92		(820.51)	
Purchase of Property, Plant & Equipment	(2.49)		(0.09)	
Dividend Income	0.11		0.01	
(Increase)/ Decrease in Loans Granted	5.00		(4.71)	
Interest on Fixed Deposits	254.04	762.57	319.34	(505.96)
<b>Net Cash from Investing Activities (B)</b>		<b>762.57</b>		<b>(505.96)</b>
<b>C. Cash Flow from Financing Activities</b>				
Borrowings from GOI		46.96		-
Interest on Borrowings				4.61
<b>Net cash from Financing Activities (C)</b>		<b>46.96</b>		<b>4.61</b>
<b>Net Inc. / (Dec.) in Cash &amp; Cash Equivalents (A+B+C)</b>		<b>125.22</b>		<b>(1,069.20)</b>
Cash and Cash Equivalents at the beginning of the year		136.28		1,205.48
Cash and Cash Equivalents at the end of the year		<b>261.50</b>		<b>136.28</b>

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

	For the year ended 31st March, 2022		For the year ended 31st March, 2021	
<b>a) Component of Cash and Cash Equivalents</b>				
(i) Balance in bank accounts		82.77		135.80
(ii) Cash in hand		0.12		0.48
(iii) Short Term Fixed Deposits		178.61		-
		<b>261.50</b>		<b>136.28</b>

Summary of significant Accounting Policies 1  
 Other Explanatory Information 28  
 Additional Regulatory Information 29  
 Notes 1 to 29 form integral part of the Financial Statements

For R.K. Patodi & Co.  
 Chartered Accountants  
 Registration No. 306091E

Siddhartha Patodi  
 Partner  
 Membership No. 069144  
 UDIN: 22059144 BEX GPR 8388

Place : Kolkata  
 Date : 6 DEC 2022

For and on behalf of the Board  
 (Mr. Moloy Chandan Chakraborty)  
 Chairman-cum-Managing Director  
 DIN: 08641793

(Ms. Mohini Verma)  
 Company Secretary  
 Membership No: 52405

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022.

- NOTE - 1 FORMING PART TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022**
- 1.1 PRINCIPLES OF CONSOLIDATION**  
The Consolidated Financial Statements (CFS) relate to National Jute Manufactures Corporation Ltd. (the Company) and its subsidiary Bird Jute & Exports Limited (the Holding Company and its subsidiary together referred to as "the Group"). The CFS has been prepared in accordance with the Accounting Standard 21 on "Consolidated Financial Statements" (AS-21)
- 1.2 FINANCIAL STATEMENTS ARE PREPARED ON THE FOLLOWING BASIS:**
- (a) The financial statements of the Company and its Subsidiary are combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating inter group balances and inter group transactions including unrealized profits/losses in the period end assets, such as inventories, property, plant & equipment, etc. The difference between the Company's cost of investments in the Subsidiary, over its portion of equity at the time of acquisition of shares, is recognized in the consolidated financial statements as Goodwill or Capital Reserve on consolidation, as the case may be. Minority equity shareholders of the Company. Minority interest's share in net assets of consolidated subsidiaries is presented in the Consolidated Balance Sheet separate consideration
  - (b) The amount of equity attributable to minorities at the date on which investments in a subsidiary is made.
  - (c) The minorities' share of movement in equity since the date parent-subsidiary relationship came into existence.
  - (d) The losses attributable to the minorities are adjusted against the minority interest in the equity of the subsidiary.
  - (e) The excess of loss attributable to the minority over the minority interest in the equity of the subsidiary is adjusted against the majority interest.
- 1.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**
- (a) BASIS OF ACCOUNTING**  
The Consolidated financial statements have been prepared in accordance with the historical cost convention on accrual basis and comply with the applicable Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (b) PROPERTY, PLANT & EQUIPMENT**
- (i) Properties, Plant & Equipments are stated at cost less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and other costs attributable to bringing the assets to their working condition for their intended use but excludes duties & taxes recoverable from the taxing authorities.
  - (ii) Depreciation on Property, Plant & Equipment is provided on the basis of the useful life of the fixed assets prescribed in Schedule - II of the Companies Act, 2013.
- (c) INVESTMENTS**  
Long term investments are carried at cost. Provision for diminution in the value of long term investment is made when the same is considered to be permanent in nature. Current investments, if any, are carried at the lower of cost and fair value.
- (d) INVENTORIES**
- (i) Raw Jute is valued at cost, determined on FIFO basis, or net realisable value whichever is lower.
  - (ii) Finished Goods are valued at cost or net realisable value whichever is lower. Cost includes all direct cost and applicable manufacturing overheads.
  - (iii) Trading Goods are valued at cost or net realisable value whichever is lower.
  - (iv) Work-in-process is valued at estimated cost based on percentage of specific stage of processing or net realisable value whichever is lower.
  - (v) Stores and spares are valued at cost.
- (e) REVENUE RECOGNITION**  
Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Sale of goods, if any, is recognized when the significant risks and rewards of the ownership in goods are transferred to the buyer as per terms of the contract. Revenue from sale of services, if any, is recognized upon rendering of services to the customer.
- (f) RETIREMENT AND OTHER EMPLOYEE BENEFITS**  
The company has no permanent employee on its payroll. All the employees during the year were working on contractual/deputation basis. Hence no provision is Short term employee benefits are recognized in the period in which the employees rendered the related service.  
Gratuity: Liability for gratuity is provided on the basis of actual liability in respect of employees on roll as on the Balance Sheet date.  
Leave Encashment: Liability for Leave Encashment is provided for on the basis of actual liability as on the Balance Sheet Date.
- (g) ACCOUNTING FOR TAXATION**  
Current Tax is determined as the amount of tax payable on taxable income for the year. The Deferred Tax for timing differences between the book and taxable profit, for the year is accounted for using the tax rates and laws that have been enacted or substantially enacted as on the Balance Sheet date. Deferred Tax assets arising from the timing difference are recognized and carried forward only to the extent that there is a reasonable certainty that the assets will be realized in future.
- (h) PROVISIONS**  
A provision is recognized when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle obligation, in respect of which a reliable estimate can be made.
- (i) CONTINGENT LIABILITIES/ASSETS**  
Contingencies which are material and future outcome of which cannot be ascertained with reasonable certainty are treated as Contingent Liabilities and are disclosed by way of Note in the other explanatory information. Contingent assets are neither recognized nor disclosed in the financial statements.
- (j) CASH & CASH EQUIVALENTS**  
For the purpose of cash flow statement, cash and cash equivalents comprise cash and bank balances in current and short term fixed deposit accounts, if any.
- (k) FOREIGN CURRENCY TRANSACTIONS**  
Transactions in foreign currency, if any, are recorded at the exchange rate prevailing at the date of transaction. Monetary assets and liabilities denominated in foreign currency are re-measured at the rate of exchange prevailing on the date of balance sheet and resultant gain or loss is recognized in the Statement of Profit and Loss.
- (l) IMPAIRMENT OF ASSETS**  
If the carrying amount of property, plant or equipment exceeds the recoverable amount on the reporting date, the carrying amount is reduced to the recoverable amount. The recoverable amount is measured as higher of the net selling price and the value in use determined by the present value of estimated future cash flow.
- (m) BORROWING COSTS**  
Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets, are capitalized as part of the cost of such assets. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for intended use. All other borrowing costs are charged to the Statement of Profit and Loss
- (n) USE OF ESTIMATES**  
The preparation of financial statements in conformity with Indian GAAP which requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.
- (o) LEASES**  
The Accounting Standard 19 on leases is not applicable as the company does not have any financial lease agreement in force.
- (p) INTANGIBLE ASSETS**  
The Company does not own any intangible assets except Goodwill arising on Consolidation.
- (q) GOVERNMENT GRANTS**  
Government Grant is recognized when there is a reasonable assurance that condition attached to such grant shall be complied with and grant shall be received. Government grant related to property, plant and equipment is deducted from the cost of the concerned asset.  
The Accounting policies not specifically discussed above are consistent and in accordance with generally accepted accounting principles in India.

**1.4 Particulars in respect of subsidiary which has been included in the CFB of the Group and the Group's effective ownership interest therein are as under:**

Name of the Company	Relationship	Country of Incorporation	Group's Proportion of Ownership Interest	
			31/03/2022	31/03/2021
Bird Jute & Exports Limited	Subsidiary	India	59.91%	58.93%



NOTE - 2 SHARE CAPITAL

	As at 31st March, 2022	(Rs. In Lacs)	As at 31st March, 2021
<b>AUTHORISED</b> 600000 Equity Shares of Rs. 1,000/- each (As at 31.03.2021: 600000 Equity Shares)	6000.00		6000.00
<b>ISSUED, SUBSCRIBED AND FULLY PAID UP</b> 557974 Equity Shares of Rs. 1,000/- each (As at 31.03.2021: 557974 Equity Shares)	5579.74		5579.74
<b>TOTAL</b>	5579.74		5579.74

ADDITIONAL INFORMATION

- 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.
- There has been no change / movement in number of shares outstanding as at the beginning and as at the end of the year.
- The Company has only one class of Equity Shares having face value of Rs. 1,000/- per shares. Each holder of equity shares is entitled to one vote per share and equal right for dividend.
- For the period of five years immediately preceding the date as at which the Balance Sheet is prepared:
  - The company has not allotted any shares as fully paid up pursuant to any contract without payment being received in cash.
  - The company has not allotted any shares as fully paid up by way of bonus shares.
  - The company has not bought back any shares.
- Shareholders holding more than 5 percent shares in the Company:

Name of the Shareholders	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares	(%)	No. of Shares	(%)
Honourable President of India	557972	99.98	557972	99.98

f) Shareholding of promoters

Name of the Shareholders	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares	(%)	No. of Shares	(%)
Honourable President of India	557972	99.98	557972	99.98
Additional Secretary & Financial Advisor	1	0.01	1	0.01
Economic Advisor	1	0.01	1	0.01

Percentage of Changes during the year

	As at 31st March, 2022	As at 31st March, 2021
	Nil	Nil



NOTE- 3 RESERVES AND SURPLUS

	As at		(Rs. In Lakh)	
	31st March, 2022		31st March, 2021	
<b>Capital Reserve</b>				
Against Government Grants				
Opening Balance				
Add - Addition / Transferred during the year	73.37		73.47	
Less - Utilised / Transferred during the year	-		-	
	<u>0.10</u>	73.27	<u>0.10</u>	73.37
<b>Revaluation Reserve</b>				
Opening Balance				
Add - Addition during the year	441.81		441.81	
Less - Utilised / Transferred during the year	-		-	
	<u>441.81</u>	441.81	<u>441.81</u>	441.81
<b>(Deficit) in Statement of Profit and Loss</b>				
Opening Balance				
Add: Profit/(Loss) for the year	(37,839.32)		(37,136.76)	
	<u>(813.21)</u>	(38,652.53)	<u>(702.56)</u>	(37,839.32)
<b>TOTAL</b>		<u>(38,137.45)</u>		<u>(37,324.14)</u>

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.	0.67	0.77
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
d) Grant received by Subsidiary from Jute Special Development Fund from Government of India in earlier years for the implementation scheme of R & D Programme and product Diversification.	72.48	72.48
	<u>73.27</u>	<u>73.37</u>
<b>Revaluation Reserve</b>		
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 Kathar and Land and Building situated at Kalimpong and Forbesguri in respect of Unit RBHM (Reference : Additional Information No. 7 and 8 in Note 11 on Property, Plant & Equipment)	441.81	441.81
	<u>441.81</u>	<u>441.81</u>

NOTE- 4 Minority Interest

	As at	As at
	31st March, 2022	31st March, 2021
Opening Balance	-	-
Add: Share of current year's profit/(loss)	-	-
	<u>-</u>	<u>-</u>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

NOTE- 5 LONG TERM BORROWINGS

	As at 31st March, 2022	(Rs. In Lakh) As at 31st March, 2021
A) Other loans and advances (Unsecured)		
i) From Government of India	23,730.77	23,693.91
ii) From Government of West Bengal	281.48	281.45
<b>TOTAL</b>	<b>24,012.25</b>	<b>23,975.29</b>

ADDITIONAL INFORMATION

- a) 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.
- b) 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.
- c) The Company has defaulted in repayment of loans and interest in respect of the following :

	As at 31st March, 2022		As at 31st March, 2021	
	Period of default	Amount (Rs. In Lakhs)	Period of default	Amount (Rs. In Lakhs)
<b>Loan from Government of West Bengal :</b>				
i) Principal	Since 31.03.1994	281.48	Since 31.03.1994	281.48
ii) Interest	Since 31.03.1994	1,308.61	Since 31.03.1994	1,272.25
<b>TOTAL</b>		<b>1,590.09</b>		<b>1,553.73</b>
<b>Non-Plan Loan from Government of India:</b>				
i) Principal		2,159.36		2,112.40
ii) Interest				
Upto last year		6,688.99		6,304.95
Add: For current year		389.14		384.04
<b>TOTAL</b>		<b>9,237.49</b>		<b>8,801.39</b>

- d) 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 4 in Note 11 on Property, Plant & Equipment and Intangible Assets and Conversion of accrued interest of Rs. 922 Lakhs included in the above Interest amount of Rs. 1308.61 Lakhs (As at 31-03-2021: Rs. 1272.25 Lakhs) into a Soft Loan in accordance with BIFR Approved Scheme.
- e) An amount of Rs.389.14 Lacs (previous year Rs 384.04 Lacs) has been provided by Bird Jute and Exports Limited towards interest accrued and due for the year on the Non-Plan Loans received from Government of India, for which loan confirmation could not be obtained from the Ministry of Textiles.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

NOTE- 6 OTHER LONG TERM LIABILITIES

	As at 31st March, 2022	(Rs. In Lakh) As at 31st March, 2021
Trade Deposits*	6.77	6.77
*Deposits received by BJEL from different parties / tenants lying in the books since long and are subject to adjustment & reconciliation.	6.77	6.77





NOTE-7 LONG TERM PROVISIONS

Provisions	(Rs. in Lakh)	
	As at 31st March, 2022	As at 31st March, 2021
i) Provision for Leave encashment		
ii) Provision for Gratuity		
<b>TOTAL</b>	10.08	11.52
	<u>10.08</u>	<u>11.52</u>

ADDITIONAL INFORMATION

1. Gratuity : No provision for gratuity has been made during the current financial year since all the employees are on contract/ deputation 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-8 TRADE PAYABLES

	(Rs. in Lakh)	
	As at 31st March, 2022	As at 31st March, 2021
i) Creditors for Goods ,Expenses & Services*	2,123.74	2,120.64
ii) Interest provided on Trade Payables	126.61	126.61
<b>TOTAL</b>	<u>2,250.35</u>	<u>2,247.25</u>

\*Creditors for Goods, Expenses & Services of Bird Jute and Exports Ltd aggregating to Rs.191.41 lakhs (As at 31.3.2021: Rs.150.34) include liability on account of purchase of raw materials and other expenses, which are lying in the books of account for long time and are subject to adjustment.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

As on 31.03.2022 Particulars	Unbilled Trade Payables	Trade Payables Not Due for Payment	Trade Payables due for payment for following periods from due date				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	112.58	112.58
(ii) Disputed dues - MSME	-	-	-	-	-	-	-
(iii) Others	27.83	-	48.77	5.08	0.16	1,864.51	1,946.36
(iv) Disputed dues - Others	-	-	-	-	-	-	-
<b>Total</b>	<b>27.83</b>	<b>-</b>	<b>48.77</b>	<b>5.08</b>	<b>0.16</b>	<b>1,977.09</b>	<b>2,058.94</b>

As on 31.03.2021 Particulars	Unbilled Trade Payables	Trade Payables Not Due for Payment	Trade Payables due for payment for following periods from due date				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	112.58	112.58
(ii) Disputed dues - MSME	-	-	-	-	-	-	-
(iii) Others	51.17	-	64.48	0.16	7.03	1,861.49	1,984.33
(iv) Disputed dues - Others	-	-	-	-	-	-	-
<b>Total</b>	<b>51.17</b>	<b>-</b>	<b>64.48</b>	<b>0.16</b>	<b>7.03</b>	<b>1,974.07</b>	<b>2,096.91</b>

\*\*Break-up and ageing Schedule of Trade Payables has been given in respect of Holding Company only. Trade Payables of Subsidiary could not be included in the above schedule as necessary information in this regard was not made available by the subsidiary.

iii) Break-up of MSME Dues shown above:

	As on 31st March, 2022	As on 31st March, 2021
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 Last Year	57.52	57.52
<b>TOTAL</b>	<b>112.58</b>	<b>112.58</b>



NOTE - 9 OTHER CURRENT LIABILITIES

	As at 31st March, 2022	(Rs. In Lakh) As at 31st March, 2021
i) Statutory Dues (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, Interest/Damages on PF & ESI Contributions, etc.)	5129.88	5300.75
ii) Interest Accrued & Due	8,386.74	7,951.24
iii) Undisbursed claim of Commissioner of Payments	40.29	40.29
iv) Performance Guarantee	57.47	57.47
v) Security Deposits/EMD	92.68	85.07
vi) Interest on ISDS Fund	19.02	19.02
vii) Advance from Parties	142.11	142.11
viii) Unpaid Rates & Taxes including Property Tax/ Municipal Tax	242.79	227.97
ix) Liabilities for Employee Benefits	338.15	339.40
x) Audit Fees Payable	1.92	1.73
<b>TOTAL</b>	<b>14,451.07</b>	<b>14,175.07</b>

ADDITIONAL INFORMATION

- a) The waivers sought by the company from the competent authorities in accordance with BIFR Approved Scheme in respect of damages amounting to Rs. 3550.11 Lakhs (Previous Year Rs.3550.11 Lakhs) and Rs. 592.24 Lakhs (Previous Year Rs.592.24 Lakhs) claimed by ESI Corporation and PF Commissioner respectively are still pending.
- b) During the year NJMC Ltd has made payment of 152.99 lacs towards contribution towards Union & National Mill and a further sum of Rs. 50 Lacs on adhoc basis on account of interest on ESI dues against the demand of ESI and subsequent order of Hon'ble High Court of Kolkata. This payments have been adjusted by the company against the unpaid liability of Rs. 3727.18 Lakhs lying in the books of accounts as on 01.04.2021 as provision for ESI Damages .
- b) Unpaid Property Tax includes liability provided in respect of premises at 5, Alipore Road, Kolkata, which is under litigation. The breakup of the liability so provided is as under:
- |              | (Rs. In Lakh) | (Rs. In Lakh) |
|--------------|---------------|---------------|
| Principal    | 66.23         | 61.78         |
| Penalty      | 7.21          | 7.21          |
| Interest     | 38.58         | 38.58         |
| <b>Total</b> | <b>112.02</b> | <b>107.57</b> |
- Though neither NJMC is making any payment nor the KMC has raised any demand upon the company, the above provision is being made as a precautionary measure as the ownership of the said property is under dispute.
- c) Liabilities for Employee Benefits include old outstanding dues aggregating to Rs. 243.61 Lakhs (As at 31.03.2021: Rs. 243.61 Lakhs) payable on account of VRS , gratuity, LTA, arrear salary etc.

NOTE- 10 SHORT TERM PROVISIONS

	As at 31st March, 2022	(Rs. In Lakh) As at 31st March, 2021
Provision for Contingency (On account of Gratuity payable to workmen after reconciliation)	189.08	189.08
<b>TOTAL</b>	<b>189.08</b>	<b>189.08</b>



**NATIONAL JUTE MANUFACTURES CORPORATION LTD.**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022**

**NOTE- 11 PROPERTY, PLANT AND EQUIPMENT & INTANGIBLE ASSETS**

Description	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 31st March, 2021	Addition(+)	Deduction(-)	As at 31st March, 2022	Upto 31st March, 2021	For the Year	Arrear Depn	Upto 31st March, 2022	As at 31st March, 2022	As at 31st March, 2021
<b>A) Property, Plant &amp; Equipment</b>										
(a) Land -Freehold	608.09	-	-	608.09	-	-	-	-	608.09	608.09
(b) Buildings & Roads	1,088.61	-	-	1,088.61	929.00	13.21	-	942.21	146.40	159.61
(c) Plant and Equipment	3,906.11	-	-	3,906.11	3,755.49	19.59	-	3,775.08	131.03	150.62
(d) Furniture and Fixtures	69.87	-	-	69.87	66.90	0.18	-	67.08	2.79	2.97
(e) Vehicles	47.43	-	-	47.43	45.16	0.35	-	45.51	1.92	2.27
(f) Computer	70.12	0.71	-	70.83	68.45	0.33	-	68.78	2.05	1.67
(g) Railway Siding	2.43	-	-	2.43	2.39	-	-	2.39	0.04	0.04
(h) Office Equipments	20.50	1.78	-	22.28	18.97	1.00	0.39	20.36	1.92	1.53
<b>Total (A)</b>	<b>5,813.16</b>	<b>2.49</b>	<b>-</b>	<b>5,815.65</b>	<b>4,886.36</b>	<b>34.65</b>	<b>0.39</b>	<b>4,921.41</b>	<b>894.24</b>	<b>926.79</b>
<b>Previous Year Total (A)</b>	<b>5,813.07</b>	<b>0.09</b>	<b>-</b>	<b>5,813.16</b>	<b>4,845.86</b>	<b>40.51</b>	<b>-</b>	<b>4,886.36</b>	<b>926.79</b>	<b>967.21</b>
<b>C) Capital Work in Progress</b>	24.86	-	-	24.86	-	-	-	-	24.86	24.86
Less: Provision	24.86	-	-	24.86	-	-	-	-	24.86	24.86
<b>Total (C)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Previous year Total(B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Current Year Total (A+B)</b>	<b>5,813.16</b>	<b>2.49</b>	<b>-</b>	<b>5,815.65</b>	<b>4,886.36</b>	<b>34.65</b>	<b>0.39</b>	<b>4,921.41</b>	<b>894.24</b>	<b>926.79</b>
<b>Previous year Total (A+B)</b>	<b>5,813.07</b>	<b>0.09</b>	<b>-</b>	<b>5,813.16</b>	<b>4,845.86</b>	<b>40.51</b>	<b>-</b>	<b>4,886.35</b>	<b>926.79</b>	<b>967.21</b>

(Rs. In Lakh)



NOTE- 11 PROPERTY, PLANT AND EQUIPMENT INTANGIBLES ASSETS (contd.....)

ADDITIONAL INFORMATION

- 1) a) Government of India has approved the closure of NJMC Ltd. and its subsidiary 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.  
b) 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. 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 6 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.
- 4) 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.
- 5) The company has not maintained proper records of its Property, Plant & Equipment. In an earlier year certain records were prepared by the company in respect of Property, Plant & Equipment, which are incomplete and lack various relevant information and proper description of assets in many cases. Further, these records are not being updated for the last several years.
- 6) Property, Plant & Equipment 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 [(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 (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 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. 17/16/2008 - 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 Barister Sri Anindya Kumar Mitra were forwarded to MOT vide letter No. JNMC/CMD/8 dated 28/01/2008 and also to Barister 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 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. Since the matter is subjudice no adjustment has been made in the accounts.



NOTE- 9 PROPERTY, PLANT AND EQUIPMENT INTANGIBLES ASSETS (contd.....)

7) Value of land pertaining to Unit RBHM, measuring 98 Bighas 15 Kattaha, 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.

8) 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.

9) 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.

10) 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.

During the Financial Year 2016-17 the Company has disposed off a substantial portion of some of the property, plant & equipment of Alexandra and National, which are all closed units.		Gross Block as on 31.03.2017 (Rs.)	WDV as on 31.03.2017 (Rs.)
Name of Mills	Name of the Fixed Assets		
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

12) Certain items of movable fixed assets lying at the National Mill Unit of the company, having aggregate book value of Rs.28422.16 as on 31.03.2020, were not found at the time of physical verification conducted by the management during the year 2020-21 for which FIR has been lodged by the company. Necessary adjustments in this regard will be made on final settlement of the matter with the respected security services provider.

During the financial year 2021-22 also, further incidents of theft took place at the factory premises of National Mill unit and various items of Plant & Machinery having aggregate book value of Rs.33171 as on 31.03.2021 were reported as stolen by the security service provide. The company has lodged necessary FIR in respect of the said thefts during the year with the local police station and hopes to recover the loss from the insurance company. Necessary adjustment on this account will be made on settlement of insurance claims lodged by the company which are yet to be admitted by the insurance company.

13) Union Cabinet declared closure on 10.10.2018. As part of the closure process Pre-LMA work ( verification, assessment & valuation of all movable & immovable assets) is going on through NBCC (I) Ltd., a Central Govt PSU. This report is in advance stage of finalisation. After receiving the final report and duly accepted by appropriate authority, the effect of revaluation will be given in the Books of Account.

14) Pursuant to an application filed by the proprietor of Rajat Engineering Works before the Hon'ble High Court in order to secure the Awarded amount of Rs. 1106.76 Lakhs u/s 36(2) in their favour with a prayer for specific direction to be given to NJMC Ltd to deposit the Awarded amount with the Register of High Court and also for appointment of Receiver to take custody of the property of NJMC Ltd with a prayer for injunction upon NJMC for disposal of its immovable properties. The Hon'ble Calcutta High Court vide its order dated 28.02.2022 has allowed the said application in favour of the aforesaid party. The company has made an application u/s 34 of The Arbitration Act by challenging the legality of the award passed against the company by the Ld. Arbitration Tribunal.

15) Freehold Land includes plot of Land measuring 15 acres (approx) in respect of RBHM Katihar Unit, the ownership title of which is under litigation before the Hon'ble Patna High Court.

16) Bird Jute and Exports Ltd has filed a writ petition before the Hon'ble High Court, Calcutta for the eviction of illegal occupation of 94.37 Kathas of land by the South Dum-Dum Municipality. Since the matter is under litigation, necessary adjustment if necessary will be made in the accounts as and when the matter is settled.

17) Bird Jute and Exports Ltd has filed a title suit before the Sealdah Court for the eviction of illegal occupation of 0.5412 Acre of land by Shobhnath Singh & Others. Since the matter is under litigation, necessary adjustment if necessary will be made in the accounts as and when the matter is settled.



As at 31st March, 2022	As at 31st March, 2021		As at 31st March, 2022	(Rs. In Lakh) As at 31st March, 2021
Trade Investments Number	Number			
250	250	<b>EQUITY SHARES IN CO-OPERATIVE SOCIETIES-UNQUOTED</b>		
		Union North Jute Mills Employees' Co-Operative Stores Ltd (Face value Rs. 10/- each)*	-	-
		<b>EQUITY SHARES IN ASSOCIATED COMPANIES-UNQUOTED</b>		
5	5	The Kinnison Jute Mills Co. Ltd., (Face value Rs. 100/- each)*	-	-
		<b>EQUITY SHARES IN OTHER COMPANIES-QUOTED</b>		
180	180	Dumcans Agro Industries Ltd. (Face value Rs. 10/- each)	0.01	0.01
111	111	Birla Corporation Limited (Face value Rs. 10/- each)	0.01	0.01
63	63	Cheviot Company Ltd. (Face value Rs. 10/- each)*	-	-
			0.02	0.02
		<b>EQUITY SHARES IN OTHER COMPANIES-UNQUOTED</b>		
180	180	Hathikhira Tea Co. Ltd. (Face value Rs. 10/- each)	0.01	0.01
1200	1200	Jaipur Udyog Ltd. (Face value Rs. 10/- each)	0.02	0.02
95	95	Budge Budge Co. Ltd. (Face value Rs. 10/- each)	0.01	0.01
95	95	Delta Jute & Industries Ltd. (Face value Rs. 4/- each)*	-	-
20	20	The Ganges Manufacturing Co. Ltd. (Face value Rs. 100/- each)*	-	-
2	2	Anglo India Jute Mills Co. Ltd. (Face value Rs. 100/- each)*	-	-
25	25	The Empire Jute Co. Ltd. (Face value Rs. 10/- each)*	-	-
600	600	Willard India Ltd. 600 Nos. (Face value Rs. 10/- each)	0.01	0.01
3	3	Lawrence Investment & Property Co. Ltd. 3 Nos. (Face value Rs. 100/- each)	0.01	0.01
100	100	Waverly Jute Co. Ltd. (Face value Rs. 50/- each)	0.01	0.01
35972	35972	Britannia Engineering Co. Ltd. (in liquidation) (Face value Rs. 100/- each)*	-	-
2700	2700	2700 Stock of 1 Pound each in Titagarh Jute Factory PLC (Face value Pund 1/- each)*	0.11	0.11
47710	47710	Bisra Stone Lime Co. Ltd.	4.50	4.50
500	500	Sonakunda Bailing Co. Ltd.	0.45	0.45
716	716	Becker Gray & Co.(1930) (P) Ltd.	1.46	1.46
			6.59	6.59
<b>Number of Share / Security / Bonds / Units</b>		<b>(B) INVESTMENT IN PREFERENCE SHARES</b>		
700	700	J. F. Low & Co. Ltd. (Face value Rs. 100/- each)*	-	-
305	305	5% 2nd Preference Sh. of Sonakunda Bailing Co. Ltd.	0.24	0.24
			0.24	0.24
		<b>(C.) INVESTMENT IN GOVERNMENT SECURITIES &amp; Other Investments</b>		
		3% Conversion Loan 1986 (Face value Rs. 700/- Matured)	0.01	0.01
		3% Conversion Loan 1986 (Face value Rs. 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 Savings Certificate	0.01	0.01
		Government of India 5.5% Loan 1999 (Face value Rs. 42,500/-)	0.42	0.42
		12 Years National Defence Certificate	0.01	0.01
		12 Years National Savings Certificate	0.04	0.04
		National Defence Certificate	0.16	0.16
			0.90	0.90
		<b>(D) INVESTMENT IN DEBENTURES-UNQUOTED</b>		
	10000	East India Clinic Ltd., 5% Non redeemable Debentures	0.36	0.36
		5% Registered Non- Redeemable Debenture Stock 1957 of The East India Clinic Ltd.	0.10	0.10
			0.46	0.46
		<b>TOTAL</b>	8.21	8.21
		<b>Less Provision</b>	-	-
		<b>TOTAL</b>	8.21	8.21
		* Denotes the Book Value of which is below Rs. 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	-	-
		Aggregate Market value of quoted Non Current Investment	NA	NA



**ADDITIONAL INFORMATION**

- (1) Unit : National - Investment of 5 Equity Shares of Rs. 100/- each with Kinnison Jute Mills Co. Ltd. (unquoted) book value Rs. 1/- stand in the name of National Co. Ltd., awaiting transfer in the name of the Corporation.  
 (2) Unit : Union - Certain Investment (Book Value Rs. 8981/-) continued to be registered in the name of the erstwhile Union Jute Company Ltd.

(i) 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 nationalisation. This matter has been taken up with Board and it has been advised to include the same in the forensic audit which is under

(ii) Total Investments in shares include investment in two (2) Struck off Companies namely Duncans Agro Industries Ltd. & Lawrence Investment & Property Co. Ltd. having aggregate Book Value of 0.02 lakhs against which full provision has been made.

(iii) Investment made by Bird Jute and Exports Ltd in 500 No. of Ordinary Shares and 305 No. of 5% 2nd Preference Shares of Sonakunda Bailing Company Ltd. Bangladesh were held in the name of Lansdowne Jute Co. Ltd., which was the erstwhile name of the Company. The Company had lodged claims (including share certificate) with the Custodian of Enemy Property, Government of India (GOI) in the year 1978. No document in support of claim lodged with GOI is available with the company. In the absence of any information from Bangladesh full provision have been made.

(iv) In respect of investment made by Bird Jute and Exports Ltd in M/s Bisra Stone Lime Co. Ltd., and M/s Becker Gray & Co. (1930) (P) Ltd, full provision was made in earlier years.

(v) Interest on 5% Registered Non-Redeemable Debenture Stock (1957) from East India Clinic Ltd. has not been received for last several years. Also interest has not been accounted for in the books of account. Full provision has been made in the accounts by Bird Jute and Exports Ltd

(vi) National Defence Certificate amounting to Rs 0.16 Lakhs matured long back but these certificates have not been released by the Central Excise Department and no income has been accounted for on such certificates. Document in support of lodging of certificate with Central Excise Department is not shown. Full provision has been made in the accounts by Bird Jute and Exports Ltd.

**NOTE- 13 LONG TERM LOANS & ADVANCES**

	(Rs. In Lakh) As at 31st March, 2022	(Rs. In Lakh) As at 31st March, 2021
(unsecured considered good)		
(i) Capital Advances	3.59	3.59
Less: Provision for Machinery Advance	3.59	3.59
	-	-

Capital Advances given by Bird Jute and Exports Limited for purchase of machinery are lying in the books for long time for which no confirmation from the parties has been received/ obtained. Full provision has been made in earlier year.

**NOTE- 14 OTHER NON CURRENT ASSETS**

	(Rs. In Lakh) As at 31st March, 2022	(Rs. In Lakh) As at 31st March, 2021
(i) Non-Current Fixed Deposits with Bank		
Term Deposits with Bank maturing after 31.03.2023	1781.61	-
(ii) Security Deposit	8.67	8.67
	1790.28	8.67
Less: Provision for Security Deposits	1.36	1.36
	1788.92	7.31

**(i) Details of Non-Current Fixed Deposits with Bank**

FD NO	Maturity Date	Amount as on 31/03/22
F.D.301603030131371	02.06.2023	126.89
F.D.301603030131380	03.06.2023	206.95
F.D.301603030131388	04.06.2023	206.92
F.D.301603030131388	05.06.2023	206.90
F.D.301603030131384	07.06.2023	206.84
F.D.301603030131386	08.06.2023	206.82
F.D.301603030131388	09.06.2023	206.79
F.D.301603030131384	10.06.2023	206.78
F.D.301603030131392	11.06.2023	206.74
Grand Total		1781.61

(ii) Security Deposits of Bird Jute and Exports Limited with different statutory bodies are lying in the books for a long time for which no confirmation from the parties has been received/ obtained except for deposit of Rs.7.31 lakhs lying with Calcutta Electric Supply Co. Provision for rest of the amount has been made in the earlier year.





NOTE-15 INVENTORIES

	As at		(Rs. In Lakh)	
	31st March, 2022	31st March, 2021	31st March, 2022	31st March, 2021
a) Raw Materials (At the Lower of Cost and net realisable value) Less - Provision for diminution in value	133.02 0.04		133.58 0.04	138.61 0.04
b) Work in Process (At Lower of estimated cost and net realisable value)			63.38	63.38
c) Finished Goods (At the Lower of Cost and net realisable value) Less - Provision for diminution in value	167.51 5.03		162.48 5.03	204.51 5.03
d) Stores & Spares (At Cost) Less - Provision for diminution in value	382.42 156.54		225.88 156.54	382.42 156.54
e) Stock in Trade Less - Provision for diminution in value	15.45 15.45		- -	15.45 -
<b>TOTAL</b>			<b>585.32</b>	<b>627.31</b>

Additional Information

The Holding Company has stopped its operations from 2015-16. No Production/ Sale of Inventories have taken place since that year. Though the inventories are lying in the safe custody of the company, there may be change of value due to deterioration of stock. Based on the stock audit report the value of inventory has been accordingly adjusted and the resultant reduction in value has been written down during the year and charged to the Statement of Profit & Loss as Exceptional item.

Provision for obsolete stores and stock made in different previous accounting years are being continued to be shown in the year under review by the subsidiary Bird Jute and Exports Limited.

NOTE-16 TRADE RECEIVABLES

	As at		(Rs. In Lakh)	
	31st March, 2022	31st March, 2021	31st March, 2022	31st March, 2021
Outstanding for a period exceeding six months				
a) Unsecured - Considered Good - Considered Doubtful	288.56 259.80		267.39 259.80	
Less : Provision for Doubtful Trade Receivables*	548.36 500.19	48.17	527.19 471.13	56.06
b) Other Receivables-Considered Good	-	-	-	-
<b>TOTAL</b>	<b>48.17</b>		<b>56.06</b>	

\*Provision during the year amounting to Rs 29.08 lakh for doubtful Trade Receivables has been made by Bird Jute and Exports Ltd.

Break-up and ageing Schedule of Trade Receivables:\*\*

Particulars	Unbilled Dues	Not Due	Age wise analysis of Trade Receivables as on 31.03.2022					Total
			Outstanding for following periods from due date of Receipts					
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	-	-	-	-	-	-	-	
(ii) Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-	-	
(iii) Disputed Trade Receivables-considered good	-	-	-	-	-	-	-	
(iv) Disputed Trade Receivables - considered doubtful	-	-	-	-	-	-	259.80	
Less: Provision for doubtful receivable (Disputed + Undisputed)	-	-	-	-	-	-	-	
							259.80	

Particulars	Unbilled Dues	Not Due	Age wise analysis of Trade Receivables as on 31.03.2021					Total
			Outstanding for following periods from due date of Receipts					
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	-	-	-	-	-	-	-	
(ii) Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-	-	
(iii) Disputed Trade Receivables-considered good	-	-	-	-	-	-	-	
(iv) Disputed Trade Receivables - considered doubtful	-	-	-	-	-	-	259.80	
Less: Provision for doubtful receivable (Disputed + Undisputed)	-	-	-	-	-	-	-	
							259.80	

\*\*Break-up and ageing Schedule of Trade Receivables has been given in respect of Holding Company only. Trade Receivables of Subsidiary could not be included in the above schedule as necessary information in this regard was not made available by the subsidiary.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022  
NOTE-17 CASH AND BANK BALANCE

	As at 31st March, 2022	As at 31st March, 2021	(Rs. in Lakh)
a) Cash & Cash Equivalents			
Balance in:			
(i) Bank Accounts			
(i) Sweep A/C	82.77		
(ii) Cash on hand	149.35		135.80
(iv) Short Term Fixed Deposits	0.12		109.78
	<u>178.61</u>		<u>0.48</u>
b) Other Bank Balances	410.85		246.09
(i) In Fixed Deposit Accounts with Banks:			
(a) Having original maturity period of more than 12 months	2,309.06	-	
(b) Other Fixed Deposits	114.48	223.90	
(ii) Margin Money	3.10	4,526.73	
Less - Provision against Margin Money	<u>2,426.64</u>	<u>3.10</u>	
	3.10	4,753.73	
<b>TOTAL</b>	<u>2,423.54</u>	<u>3.10</u>	4,750.63
<b>ADDITIONAL INFORMATION</b>	<u>2,834.39</u>		<u>4,998.69</u>

- 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, ESIC 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.
- c) The following old bank accounts of Bird Jute and Export Ltd wherein no transactions have been made and are inoperative.

Bankers Name		Book Balance (In Rs.)	
		As on 31.03.2022	As on 31.03.2021
Vysya Bank, N.S. Road, Kolkata	Unconfirmed	804.15	804.15
Syndicate Bank, Madras	Unconfirmed	963.00	963.00
Syndicate Bank, Calcutta (PCL)	Unconfirmed	883.00	883.00

Steps have been taken for confirmation from respective banks. On receipt of confirmation appropriate adjustments will be made by the subsidiary.



	As at 31st March, 2022		As at 31st March, 2021		(Rs In Lakh)
a) Loans and advances					
Unsecured - considered good (other than related party)	1,083.65		1,088.65		
Less - Provision	5.44	1,078.21	5.44		1,083.21
b) TDS & other Income-tax					
- Considered good	780.53		734.43		
- Considered doubtful	443.52		444.95		
Less - Provision	1,224.05		1,179.38		
	424.08	799.97	424.08		755.30
c) Balances with Government Authorities					
Unsecured - considered good	-		-		
- considered doubtful	12.10		12.10		
Less: Provision	12.10		12.10		
	12.10		12.10		-
d) GST Input Credit					
Less: Provision	279.14		205.26		
	40.70	238.44	40.70		164.56
e) GST TDS Excess Paid					0.11
f) TDS Excess Paid					0.13
g) Others*					
Unsecured - considered good	0.21		0.67		
- considered doubtful	458.69		459.58		
Less: Provision	458.90		460.25		
	457.67	1.23	457.38		2.87
<b>TOTAL</b>	<b>2,117.85</b>		<b>2,006.18</b>		



ADDITIONAL INFORMATION

1 \*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 10.39 lakhs in the Accounts.
- 2 GST Input credit of Rs. 238.45 lakhs(Previous Year Rs. 164.56 Lakhs) is considered good as the same is expected to be adjusted against future GST liabilities.



*[Handwritten signature]*



3 During the financial year 2018-19 the Company has given an Interest free loan amounting to Rs 1200.00 Lakhs to Handicrafts & 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 31.03.2022 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.

4 The total amount of Income Tax deducted at Source (TDS) of the holding company is Rs. 1172.65 Lakh The assessment year wise break-up of which as under

Financial Year	Assessment Year	TDS Amount (In Lakh)
Old balance		
2014-15		13.10
2015-16	2015-16	167.73
2016-17	2016-17	181.76
2017-18	2017-18	412.38
2018-19	2018-19	173.19
2019-20	2019-20	130.52
2020-21	2020-21	54.51
2021-22	2021-22	28.01
	2022-23	31.46
Total		1172.65

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 CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

NOTE- 19 OTHER CURRENT ASSETS

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	As at 31st March, 2022		(Rs. In Lakh) As at 31st March, 2021	
a) Interest accrued on deposits	10.89		15.54	
Less :- Provision	<u>1.80</u>	9.09	<u>1.80</u>	13.74
b) Security deposits				
Unsecured - considered good	44.84		179.24	
- considered doubtful	<u>11.47</u>		<u>11.47</u>	
	56.31		190.71	
Less: Provision	<u>11.47</u>	44.84	<u>11.47</u>	179.24
c) Others	227.48		225.66	
Less :- Provision	<u>160.91</u>	66.57	<u>160.91</u>	64.75
<b>TOTAL</b>	<u>120.50</u>		<u>257.74</u>	



*[Handwritten signature]*



NOTE- 20 REVENUE FROM OPERATIONS

	For the year ended 31st March, 2022	(Rs. In Lakh) For the year ended 31st March, 2021
Sale of Jute Products	-	-
Other Operating Revenue	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>

NOTE- 21 OTHER INCOME

	For the year ended 31st March, 2022	(Rs. In Lakh) For the year ended 31st March, 2021
a) Interest Income		
Interest from Banks Deposits		
Rent Received	248.11	281.36
b) Other Non-operating Income	<u>128.77</u>	<u>116.03</u>
<b>TOTAL</b>	<b>22.31</b>	<b>2.10</b>
	<u>399.19</u>	<u>399.49</u>

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 Deposits with bank for the time being. The interest earned on 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 shown above.

B) Other Non-operating Income comprises of

	For the year ended 31st March, 2022	(Rs. In Lakh) For the year ended 31st March, 2021
i) Depreciation Adjustment for assets acquired with Govt. Grant	0.10	0.10
ii) Interest from CESC	0.85	-
iii) Prov. Written back	2.15	-
iv) Interest on I Tax Refund	15.91	1.20
v) Others	1.81	-
vi) Dividends Received	0.11	0.80
vii) Insurance Claim	1.37	-
	<u>22.31</u>	<u>2.10</u>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022.

NOTE- 22 COST OF RAW MATERIALS CONSUMED

	(Rs. In Lakh)	
	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Opening Stock (Net of Provision made)	138.57	138.57
Less: Write down of value of inventory	4.99	-
Add :- Purchase	133.58	138.57
	<u>                    </u>	<u>                    </u>
	133.58	138.57
Less :- Closing stock (Net of Provision made)	133.58	138.57
Cost of Raw Materials Consumed (Including Process Loss)	<u>                    </u>	<u>                    </u>
	-	-

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- 23 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK IN TRADE AND WORK-IN-PROCESS

	(Rs. In Lakh)	
	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Inventories at the beginning of the year		
Finished Goods	204.51	204.51
Stock in Trade	15.45	15.45
Work in Process	63.38	63.38
	<u>283.34</u>	<u>283.34</u>
Less: Write down of the value of inventory of finished goods	37.00	-
Less: Provision against inventories of Finished and Trading Goods	20.48	20.48
	<u>                    </u>	<u>                    </u>
	225.86	262.86
Inventories at the end of the year		
Finished Goods	167.51	204.51
Stock in Trade	15.45	15.45
Work in Process	63.38	63.38
	<u>246.34</u>	<u>283.34</u>
Less: Provision against inventories of Finished and Trading Goods	20.48	20.48
Net increase / (decrease)	<u>                    </u>	<u>                    </u>
	-	-
<b>TOTAL</b>	<u>                    </u>	<u>                    </u>

NOTE- 24 EMPLOYEE BENEFITS EXPENSE

	(Rs. In Lakh)	
	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Salaries	98.66	80.66
Contribution to Provident Fund & Other Fund	2.46	1.32
Gratuity	-	-
Staff Welfare Expenses	0.75	0.02
	<u>101.87</u>	<u>82.00</u>





NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022.

NOTE 25 FINANCE COSTS

	For the year ended 31st March, 2022	(Rs. In Lakh) For the year ended 31st March, 2021
Interest on Borrowings from Govt		
Interest on other Borrowings		
<b>TOTAL</b>	<b>425.50</b>	<b>419.57</b>
	<u>425.50</u>	<u>419.57</u>

NOTE- 26 OTHER EXPENSES

	For the year ended 31st March, 2022	(Rs. In Lakh) For the year ended 31st March, 2021
Rent		
Rates and taxes	19.73	16.78
Professional Charges	23.28	18.08
Hire Charges (Machine and Car)	48.17	3.19
Travelling and Conveyance	12.69	8.35
Communication	7.43	3.40
Printing and stationery	0.45	0.53
Computer Expenses	2.20	1.21
Insurance - Corporate & Branch	0.60	0.25
Municipal & Property Tax - Branch	21.88	8.89
Repairs and Maintenance - Others	27.43	22.00
Repairs & Office Maintenance - Branch	13.95	2.14
Security Expenses - Corporate	1.70	3.79
Security Expenses - Branch	42.06	38.09
Electricity Charges - Corporate	270.09	251.81
Electricity Charges - Branch	7.27	7.10
General Expenses - Branch	12.25	13.04
Excise Duty, Sales Tax etc. Paid on demand - Branch	2.71	1.07
Other General Expenses - Branch	4.92	4.12
PF Administrative Expenses _ Branch	1.14	0.90
Misc. Legal Expenses - Branch	0.54	-
Legal Charges	-	0.46
Bank Charges	10.38	8.13
Provision for doubtful trade and other receivables	0.17	0.17
Prior period Items(Net)	29.06	4.90
Miscellaneous expenses	16.53	121.27
Interests & penalties on delayed payments	5.82	12.37
Advertisement	20.81	4.22
	0.32	1.68
	<u>603.58</u>	<u>557.94</u>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022.  
NOTE- 26 OTHER EXPENSES(CONTD.)

	For the year ended 31st March, 2022	(Rs. In Lakh) For the year ended 31st March, 2021
<b>Auditors Remuneration :</b>		
a) Statutory Auditors:		
i) Statutory Audit Fees		
b) Other Auditors	1.67	1.67
i) Tax Audit Fees	0.51	0.36
ii) Others Audit Fees	0.49	
	<u>2.67</u>	<u>2.03</u>
<b>TOTAL</b>	<u><u>606.26</u></u>	<u><u>559.97</u></u>

ADDITIONAL INFORMATION

i) Prior Period items include:

	For the year ended 31st March, 2022	(Rs. In Lakh) For the year ended 31st March, 2021
Prior Period Expenses	16.14	121.27
Depreciation	0.39	-
	<u>16.53</u>	<u>121.27</u>

NOTE- 27 EARNINGS PER SHARE

	For the year ended 31st March, 2022	(Rs. In Lakh) For the year ended 31st March, 2021
Profit / (Loss) after tax as per Statement of Profit and Loss ( Rs. In Lakh)	(813.21)	(702.56)
Weighted average Number of equity share	557974	557974
Earnings per share (Rs.) - Basic	(145.74)	(125.91)
Earnings per share (Rs.) - Diluted	(145.74)	(125.91)



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022.  
NOTE-28 : OTHER EXPLANATORY INFORMATION

- 1) Government of India has approved the closure of NJMC Ltd. & its subsidiary Bird Jute & Exports 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) Related Party Transactions

i) Details of Parties :

Description of Relationship	Name of related Parties
Controlling Party	Honourable President of India
Key Management Personnel	Sri Moley Chandan Chakraborty (CMD)
Key Management Personnel	Ms. Mohini Verma (CS)
Key Management Personnel	Sri Hemant Nanda (Director)
Key Management Personnel	Sri Iman Ali Mandal (Director)

ii) Details of related party transaction during the year ended 31st March 2022 and balances outstanding as at 31st March 2022 :

With Key Managerial Personnel : Remuneration paid as Company Secretary	3.10	4.39
--	------	------

3) 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

4) Earnings per share (EPS)

Particulars	2021-22	2020-21
(a) Weighted Average No. of Shares	557,974	557,974
(b) Profit/(Loss) after tax (Rs.)	-813.21	-702.56
(c) Basic & Diluted Earnings per Share (b/a) (Rs.)	(145.74)	(125.91)
(d) Face value per Share (Rs.)	1,000	1,000



NATIONAL JUTE MANUFACTURES CORPORATION LTD.  
 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022.

5)

Earnings, expenditure, remittances in foreign currency:		
Particulars	For the year ended	For the year ended
	31st March, 2022	31st March, 2021
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. In view of continuous losses incurred by the Subsidiary Company since its inception, deferred tax assets have not been recognised, as there is no reasonable certainty that sufficient future taxable income would be available against which such deferred tax assets can be realized.

8) The Company has not assessed the Impairment loss on its property, plant & equipment as per Accounting Standard 28. However, most of the assets comprised in property, plant & equipment are very old and their WDV has already become insignificant.

9) Disputed liabilities and commitments not provided for by the Holding Company:-

SL NO.	Particulars	As at	As at
		31st March, 2022	31st March, 2021
A)			
i)	Claims against the Company not acknowledged as debt towards Central Excise for Unit Kinnison	16.43	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 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 0.11Lakh and Kinnison Rs 0.22 Lakh)	223.09	223.09
iii)	Service Tax demand	0.10	0.10
iv)	Demands of Interest appearing on the Income-tax Portal in respect of Assessment Years 1990-91, 2007-08 and 2009-10, which according to the company is not correct and for which the company has taken up the matter with Jurisdictional Income Tax Authority who informed that they do not have any knowledge regarding the demand and advised it 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.	676.17	676.17
v)	Demands raised on account of of TDS defaults and interest thereon appearing on the Income Tax Portal.	1.59	3.21
B)	Commitments		
	<b>Total</b>	<b>917.38</b>	<b>920.71</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022.

10) (i) Contingent liabilities and commitments not provided for by the Holding Company:

SL NO.	Particulars	As at	As at
		31st March, 2022	31st March, 2021
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
iii)	Claims made by ex-employees/ officers of the company	Amount Not Ascertained	Amount Not Ascertained
iv)	Claims for interest demanded by the creditors of the company pending before various legal forums	Amount Not Ascertained	Amount Not Ascertained

(ii) Contingent liabilities and commitments not provided for by the Subsidiary Company:

Particulars	As at 31st March 2022	As at 31st March 2021
Arrears Dividend on 7% Cumulative Preference Shares of the company for the year ended 31st March 1967 to 31st March 2022.	57.75	56.7
<b>Total</b>	<b>57.76</b>	<b>56.7</b>

The Subsidiary Company in its Annual General Meeting held on 28.09.93 has approved the redemption of old 7% Cumulative Preference Shares and to make fresh issue of 15000 14% Cumulative Preference Shares in lieu thereof including liability for dividend due. The Subsidiary Company took the matter with the Registrar of Companies but since the Subsidiary Company has been referred to BIFR, the matter has been kept pending by the R.O.C.



NATIONAL JUTE MANUFACTURES CORPORATION LTD.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022.

NOTE- 28 Contd.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022.

11) Break-up of consolidated Net Assets and Profit or Loss:

Name of Entity	Net Assets i.e. total assets minus total liabilities		Share in Profit or Loss	
	As % of Consolidated Net assets	Amount	As % of Consolidated Profit or Loss	Amount
A. Parent: NATIONAL JUTE MANUFACTURES CORPORATION LTD.	70.19%	(22851.59)	58.93%	(361.97)
B. Subsidiary: BIRD JUTE & EXPORTS LIMITED	29.81%	(9706.22)	41.07%	(451.25)
	100.00%	(32,557.71)	100.00%	(813.21)

12) Figures of the previous year have been regrouped / rearranged wherever necessary to make them comparable with the current year figures.

For R.K. Patodi & Co.  
Chartered Accountants  
Registration No. 362091E

S. Patodi  
SIDDHARTHA PATODI  
Partner  
Membership No. 059144  
UDIN: 22059144 BEXGIR8358

Place : Kolkata  
Date: 6 DEC 2022

Kolkata-1  
4, N. S. Road

For and on behalf of the Board

(Mr. Moly Chandan Chakraborty)  
Chairman-cum-Managing Director  
DIN: 08641783

(Ms. Mohini Verma)  
Company Secretary  
Membership No: 52405

Note 79 **Additional Regulatory Information**

(i) **Title deeds of Immovable Properties not held in name of the Company**

The management of six sick private sector Jute manufacturing companies were taken over by the Central Government under Clause (a) of sub-section (1) of Section 18 AA of the Industries (Development and Regulation) Act, 1956 and thereafter the ownership of all the properties and other Assets of these companies were vested in the Central Government through enabling legislations. The National Jute Mill was nationalized under the National Company Limited (Acquisition and transfer of Undertakings) Act, 1980 and the remaining five companies were nationalized under the Jute Companies (Nationalization) Act, 1980. The ownership of these nationalized companies was vested on NJMC Ltd, a company newly created specifically for this purpose on 3rd June 1980. (National Jute Mill w.e.f. 10th June, 1980 and the remaining five mills w.e.f. 21st December, 1980). The details in respect of immovable properties not held in the name of NJMC Ltd are as follows -

The details of Immovable Property not held in the name of the company						
Relevant line item in the Balance Sheet	Description of item of property	Gross Carrying Value	Title deed held in the name of	Whether title deed holder is a promoter/director or relative of promoter/director/employee of	Property held since date	Reason for not being held in the name of the company
Property Plant & Equipment	Land - Unit Alexandra	Included in Rs. 134752/- mentioned in FAR not separately ascertainable	Alexandra Jute Mills Ltd	NA	21st December 1980	Though all the mentioned properties were vested on NJMC Ltd as per the Jute Company Nationalisation Act, the transfer of the same in the name of NJMC is still pending
	Land - Unit Alexandra	480,332.00	Mackinnon Mackenzie & Co Pvt Ltd *	NA	21st December 1980	
	Land - Unit National	3,183.01	Mayarani Devi	NA	10th June 1980	
	Land - Unit National	Included in Rs. 240384.99/- mentioned in FAR not separately ascertainable	National Jute Co Ltd	NA	10th June 1980	
	Land - Unit Kinnison	Included in Rs. 7911000/- mentioned in FAR not separately ascertainable	The Kinnison Jute Mills Co Ltd	NA	21st December 1980	
	Land - Unit Kinnison		The Cable Chul Company Ltd.	NA	21st December 1980	
	Land - Unit Khardah	515136.00	Khardah Company Ltd.	NA	21st December 1980	
	Land - Unit RBHM	2700000.00	British India Corporation (Lease)	NA	21st December 1980	
	Building - Allpore Road	200000.00	Mackinnon Mackenzie & Co Pvt Ltd *	NA	21st December 1980	
	Land - BJEL	Included in Rs. 2,50,142/-	Lansdowne Jute Co Limited	NA	30th June 1904	

\* The title over Property at Allpore Road, Kolkata is under litigation.

- ii) The Company has not revalued its property, plant & equipment during the year 2021-22.
- iii) The company has no intangible assets except Goodwill on Consolidation
- iv) Details of Loans & Advances granted to related parties without specifying any terms or period of repayment:

Type of Borrower	Loans/Advances granted Individually or Jointly with other. (Individually / Jointly)*	Repayable on demand	Terms/Period of repayment is specified	31 March 2022		31 March 2021	
				Amount outstanding as at the balance sheet date (including Interest)	% of Total	Amount outstanding (including Interest)	% of Total
Promoter							
Directors							
KMPs							
Related Parties	to subsidiary	Yes	No	4898.10	81.86%	4818.59	81.72%



*Signature*



Note : 29 **Additional Regulatory Information (Contd.)**

v) Capital-Work-in Progress (CWIP)

(a) For Capital-work-in progress, following ageing schedule shall be given:  
 CWIP aging schedule

a) Ageing Schedule

CWIP	Amount in CWIP for a period of				Total
	As at 31st March, 2022				
	Less than 1 year	1-2 year	2-3 year	More than 3 years	
Projects in progress suspended					
Projects temporarily suspended					
<b>Total</b>					<b>24.85</b>

CWIP	Amount in CWIP for a period of				Total
	As at 31st March, 2021				
	Less than 1 year	1-2 year	2-3 year	More than 3 years	
Projects in progress suspended					
Projects temporarily suspended					
<b>Total</b>					<b>24.85</b>

Due to closure declared by cabinet the entire CWIP has been considered suspended and 100% provision made in the books.

- v) The Company does not have any Intangible Assets under development.
- vi) The company has no Benami Property and no proceedings has been initiated or pending against the company for holding any Benami Property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under.
- vii) The Company has no borrowing from banks or any other Financial Institutions on the basis of security of Current Assets.
- viii) The company has not been declared wilful defaulter by any bank or financial institution or other lender.
- x) Relationship with Struck off Companies

Name of struck off Company	Nature of transactions with struck-off Company	Relationship with the Struck off company, if any, to be disclosed	Balance outstanding as on 31.03.2022	Balance outstanding as on 31.03.2021
Duncans Agro Industries Ltd.	Investments in Equity Shares	Investee Company	0.01	0.01
Lawrence Investment & Property Co. Ltd.	Investments in Equity Shares	Investee Company	0.01	0.01
Sonakunda Baling Company Ltd. Bangladesh.	Investments in Equity Shares (held in the name of Lansdowne Jute Co.Ltd., which was the erstwhile name of the Subsidiary.	Investee Company	0.45	0.45
Sonakunda Baling Company Ltd. Bangladesh.	Investments in Preference Shares (held in the name of Lansdowne Jute Co.Ltd., which was the erstwhile name of the Subsidiary.	Investee Company	0.24	0.24
Baker Grey & co	Investments in Equity Shares	Investee Company	1.46	1.46

- x) NJMC Ltd & its Subsidiary does not have any secured loan as on 31st March 2022 and 31st March 2021 as per its record. However, the satisfaction of charge in respect of Secured Loans already repaid in earlier years.

A brief description of the charges or satisfaction	The location of the Registrar	The period (in days or months) by which such charge had to be registered as on March 31, 2022	The period (in days or months) by which such charge had to be registered as on March 31, 2021	Reason for delay in registration
A brief description of the charges, which status showing open in index of charge of the Company at MCA Portal: 1. Charges were created on 10.12.1981 and 16.08.1981 with UCO Bank, amount to Rs. 36 lakhs and 50 lakhs. The Particulars of property on which the said charge has been created is as mentioned "the whole of borrower's stock-in-row jute, work-in-progress and finished goods and all other articles, goods stocks and movable properties of whatever kind which now or hereafter from time to time during this security shall be brought into store or be in or about the Borrower's premises godowns plinths open spaces factories or whatever else they may be including in particular such stocks stored or to be stored in the Borrower's premises or warehouses/godowns situated at Titagarh 24 Parganas, West Bengal. All the Borrower's present and future book debts, Bill Money receivables choses in action and claims" 2. The Charge was created on	Nizam Palace, 2nd MSO Building, 2nd Floor, 234/A, A.J.C.B. Road, Kolkata-700020, West Bengal.	Could not be ascertained as the matter is very old.	Could not be ascertained as the matter is very old.	All Charges created in the name of NJMC Ltd. are registered with RoC, since status of two charges, created with UCO Bank (Charges Id 90249588 & 90249595) and Central Bank (Charge Id 90249585) is still showing open at MCA Portal. Therefore, the letter has been sent to both the banks vide ref. NJMC/COO/2022-23/4951 and NJMC/COO/2022-23/4952 to share the status of the Charges as mentioned as per their records. Management is following up the matter with the banks. After receiving the status, appropriate action will be taken.



Note : 29 Additional Regulatory Information (Contd.)

- xii) The company has not made any investment beyond the number of layers prescribed under clause 87 of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017
- xiii) Financial Ratios : Refer Annexure A to Note -29
- xiv) The Company has not entered into any scheme of arrangement under approved by competent authority in terms of sections 230 to 237 of the Companies Act, 2013.
- xv) (A) The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding (whether recorded in writing or otherwise) that the intermediary shall:
  - (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;
 (B) The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:
  - (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- xvi) The Company does not have any undisclosed income which is not recorded in the books of Account that has been surrendered or disclosed as income during the year (Previous year- Nil) in the Tax assessments under Income Tax Act 1961 (such as , search, survey or any other relevant provisions of Income Tax Act 1961.
- xvii) The Provisions of section 135 of the Companies Act, with regard to CSR activities do not apply to the Company.
- xviii) The Company has not traded or invested in Crypto currency or Virtual Currency during this financial year.

For and on behalf of the Board

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

  
 (Ms. Mohini Verma)  
 Company Secretary  
 Membership No: 52405

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

  
 SIDDHARTHA PATODI  
 Partner  
 Membership No. 059144  
 UDIN: 22059144 BEXGPR8358

Place : Kolkata  
 Date : / /

6 DEC 2022





NATIONAL JUTE MANUFACTURES CORPORATION LTD.  
 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

NOTE: ADDITIONAL REGULATORY INFORMATION (ANNEXURE - A)

Ratios							
Ratio	Formulas	Items Included in Numerator	Items Included in Denominator	As at 31st March, 2022	As at 31st March, 2021	% Variance(s)	Explanation for change in ratio by more than 25%, if any
1. Current Ratio	Current Assets / Current Liabilities	Inventories, Trade Receivables, Cash And Bank Balances, Short-Term Loans and advances, Other Current Assets	Trade Payables, Other Current Liabilities, Short-Term Provisions	0.34	0.48	-29.36	Due to Non Current Fixed Deposits made with bank
2. Debt Equity Ratio	Total Debts / Shareholders Fund	Short Term Borrowing + Long term Borrowing	Share Capital, Reserves & Surplus	-	-	-	Not applicable as shareholders fund is negative for both the years.
3. Debt Service Coverage Ratio	Earning Available for Debt Service / (Interest + Principal Repayments)	Profit before Interest & Tax + Non Cash Expenses & amortisations	Principal + Interest & Lease Payments	-	-	-	Not applicable as earnings available for Debt Service is negative for both the years.
4. Return On Equity Ratio (%)	Net Income / Shareholders' Equity	Net profit after Tax - Preference Dividend	Average Shareholders Equity	-	-	-	Not applicable as shareholder's equity is negative in both the years.
5. Inventory Turnover Ratio	COGS / Average Inventory	COGS or Sales	Average Inventory	-	-	-	Not applicable as there is no sale of goods in both the years.
6. Trade Receivables Turnover Ratio	Net Credit Sales / Average Accounts Receivables.	Net Credit Sales	Average Accounts Receivable	-	-	-	Not applicable as there is no sales turnover in both the years.
7. Trade Payables Turnover Ratio	Net Credit Purchases / Average Accounts Payables.	Net Credit Purchases	Average Accounts Payable	-	-	-	Not applicable as there is no purchase of materials in both the years.
8. Net Capital Turnover Ratio (%)	Sales / Average Working Capital	Net Sales	Average Working Capital	-	-	-	Not applicable as there is no sales turnover in both the years.
9. Net Profit Ratio (%)	Net Profit / Net Sales * 100	Net Profit After Tax	Total Income	-	-	-	Not applicable as there is no revenue from operations in both the years.
10. Return on Capital Employed (%)	EBIT / Gross Capital Employed * 100	Profit Before Interest & Tax (%)	Tangible Networth + Total Long Term Debt + Deferred Tax Liability	-	-	-	Not applicable as capital employed is negative in both the years.
11. Return On Investment (%)	Income from Investments / Average Investments * 100	Income from Investments	Average Investments	1.37	0.07	1981.67	Dividends Income was insignificant in the last year as compared to the current year.

