



NATIONAL JUTE MANUFACTURES CORPORATION LTD.

DIRECTORS' REPORT

To
The Shareholders,
National Jute Manufactures Corporation Limited

Gentlemen,

Your Directors have pleasure in presenting the 44th Annual Report of NJMC Ltd. including Consolidated Audited Accounts for the year ended 31st March, 2024 together with the reports of Statutory Auditors and Comptroller and Auditor General of India thereon.

I. Financial Performance

The summarized performance of the Company for the financial year 2023-24 as compared to the previous year is given below:

Sl. No.	PARTICULARS	Standalone		Consolidated	
		2023-24	2022-23	2023-24	2022-23
I	Production (in M. Ton)	NIL	NIL	NIL	NIL
		₹ in Cr.	₹ in Cr.	₹ in Cr.	₹ in Cr.
II.	Revenue from Operations	-	-	-	-
III.	Other Income	96.98	98.65	68.57	65.41
IV.	Net Profit / (Loss) for the year	62.15	59.90	29.84	31.06
V.	Cash profit / (Loss)	-	-	-	-
VI.	Accumulated Profit/ (Loss)	(195.52)	(296.79)	(356.69)	(257.67)
VII.	Net Worth	(135.31)	(235.84)	(295.74)	(197.45)

The Company has earned a net profit of ₹59.90 crores in comparison to net profit of ₹29.84 crores in previous financial year after consolidation with its subsidiary whereas NJMC Ltd. stand alone earned a Profit of ₹62.15 crores in comparison to net profit of ₹31.06 crores in previous financial year.

II. Present Status of the Company

The Union Cabinet has approved the closure of the Corporation on 10th October, 2018 and a letter in this regard was forwarded to us vide letter File No.11/18/2014-Jute (Vol III) dated 31st October, 2018. Further, it was also mentioned to follow the closure procedure as per DPE guidelines.

As per the directives, M/s NBCC (I) Ltd. engaged as Land Management Agency was engaged for Pre-LMA activities for verification, assessment and valuation of all movable and immovable property of the Organization. MOU signed with M/s NBCC (I) Ltd. on 09.01.2020 in line with scope of work of NBCC (I) Ltd.

As per the directives M/s MSTC Ltd. has been appointed as an auctioning agency for disposal of movable and immovable assets of NJMC Ltd.

MOU has been signed with MSTC Ltd. for disposal of movable assets including buildings of NJMC Ltd on 25.03.2022. Special terms and Conditions (STC) of e-Auction Catalogue for sale of movable assets has been approved in 194th Board Meeting of NJMC Ltd. held on 15th September, 2022.

Auctioning for disposal of Movable assets including Factory shed for all mills in West Bengal & Bihar under NJMC Ltd has been completed and a Value of ₹150.31 Crores has been achieved including Khardah Mill



Building structure auction Value. Out of these 36 Crore (20 crore advance tax + 16 crore Income tax) has been paid for sale of assets and ₹ 112 Crore in Indian /UCO Bank account of NJMC as current asset of NJMC Ltd. Further, second phase of auction is being carried out for disposal of Building & Structures of 04(four) mills.

NJMC Ltd. has total of 328 acres of land, out of which 218 acres freehold; 89 acres leasehold; 20 acres-No document. 181.0 acres of land being corrected in the name of NJMC. The rest approx. 147 acres are in the name of erstwhile companies and owners.

NJMC Ltd is constantly following up the matter with State Government Land and Land Reforms, Govt of West Bengal to change the land records in the name of NJMC Ltd. but the same is being delayed by State Government. Therefore, the matter has taken up to the Ministry of Textiles for intervention in this regard.

In between Govt. of WB claimed ownership of the land assets of NJMC Ltd. under West Bengal Estates Acquisition Act, 1953.

- Legal opinion sought from Ld. Attorney General of India. A meeting has been conducted with Ld. Attorney General on 08.02.2024 and he advised to collect the data of the land bank under Central Government with respect to the State of West Bengal and enquire about the status of the companies prior to the acquisition by Central Government - 1977-78 under Section 18 AA of the IRDA Act.

Accordingly, JS, Fibre requested JS, D/o Heavy Industry to share the land details of Hindustan Cables lying at Roop Narayanpur West Bengal.

- Cases of NJMC and Hindustan cables examined and views of the Ministry has been shared with O/o Ld. Attorney General of India on 22.05.2024 with the request for a date of next meeting .
- Second meeting with Ld. AG was held on 20.07.2024.
- a) Prior to management takeover, all the mills were sick as per Gazette notifications published by Ministry of Industries.
- b) To ascertain whether any notification under section 4 of West Bengal Estate Acquisition Act has been published, RTI queries were sent to concerned departments but no answer was received.
- c) Ld. AG enquired about the status of Jute Mills before 1953. Documents were presented showing that the mills were all Joint Stock Companies incorporated under Companies Act 1913.
- d) Ld. AG asked to prepare notes on mode of land purchase by the Jute Mills and also collect documents regarding land sale by NTC in West Bengal. All documents have been sent and next meeting date is awaited.
- Secretary, DPE wrote on 22.11.23 to Chief Secretary, WB for resolving land matters. Secretary, Textiles has written D.O letter on 08.01.2024 to CS, West Bengal requesting his intervention to resolve an issue and to convene a joint meeting at his level with DPE and MoT. However, no response received. Again Secretary (T) has written D.O. Letter to Chief Secretary West Bengal on **16.08.2024**.
- A meeting has been convened by DPE on 12.09.2024 to discuss with Govt. Officials of West Bengal to settle the issue related to the land of NJMC Ltd . at West Bengal.
- Transferring the land of Union mill to NIFT, Kolkata on book value has been approved by NJMC Ltd. Board and the same has been conveyed to MoT. This issue was discussed in last IMC meeting **19.06.2024**. However, extent guideline of DPE dated **13.12.2021** disposal of immovable asset of CPSE for closure does not provide for transfer to department/bodies within the ministry hence, DPE is requested OM dated **05.09.2024** to take up the matter for approval/relaxation in guidelines.
- Out of total 53.49 acre land of RBHM Mill in Bihar, 23.98 acre is unencumbered. Secretary (Textiles) requested Chief Secretary, Government of Bihar to explore the possibility of acquisition of RBHM land due to its location and potential beneficial use. In response, ACS, Govt. of Bihar informed that BIADA



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is ready to take over land only when land is free from any encroachment and litigation and BIADA will try to make the land free of encroachment. Further partial of land of 15 acre of RBHM mill is sub judice in Supreme Court of India. Hon. Supreme Court has granted Status quo in the case of NJMC Ltd. Vs. Umesh Kumar Chamaria & Ors. on petition of NJMC.

- BSF has shown interest to take over the land of Alexandra Mill and Kinnison Mill to set up Battalion Head Quarters. NJMC Ltd. has received letter from BSF seeking consent of offering the land to BSF. The matter was discussed in NJMC Ltd. Board Meeting. The Board has concurred with the proposal and decided to forward the proposal to MoT as NOC from State Govt is necessary before giving consent for these two (02) mills.

It is pertinent to mention that, your corporation is complying with all the applicable guidelines and regular status update on closure of NJMC Ltd. is being updated to the Ministry of Textiles.

Others Matters:

1. **Pending ESIC Dues:** As per Books of Accounts there is liability of 32.40 crores against ESIC Dues. These dues mainly before year 2011, which BIFR approved for waiver. However ESIC has not given the effect of BIFR approval. NJMC Ltd. escalated the matter to the Ministry of Textiles. After intervention of MoT Ministry of Labour has asked information from Regional Office ESIC related to the matter of NJMC.
2. **Status of EPFO Dues:** As per Books of Accounts there is liability of 12 crores against EPFO Dues. These dues mainly before year 2011, which BIFR approved for waiver. However EPFO has not given the effect of BIFR approval. NJMC Ltd. escalated the matter to the Ministry of Textiles. For their intervention. JS (Fibre) written letter to JS (SSD), Ministry of Labour to resolve the matter. Ministry of Labour in response to DO Letter dated 04.04.2024 of JS, Fibre, called a meeting on 13.05.2024 to resolve PF matter. It was decided that NJMC would submit all required documents along with fresh request to respective regional office of EPFO for waiver of the damages and regional office, EPFO would take necessary action for onward transmission to HQs EPFO for consideration by CPFC/CBT for decision. However all necessary documents have been provided to the Regional Office of EPFO, Kolkata by NJMC Ltd. for necessary action from their end.
3. **Income Tax Status:** ₹20 crores Advance Income Tax paid on 15.03.2024 for the financial year 2023-24. This payment has been released to avoid interest.

In pursuance of earlier Board decisions, NJMC Ltd. has paid Income Tax liabilities pertaining to the Financial Years 2006-07 and 2009-10 amounting to ₹1,33,424/- and ₹44,577/ respectively. However, the Income Tax liability pertaining to the Financial Year 1990-91 remains pending. As per the Demand Analysis and Recoverability Status Report of Income Tax Department, the liability for the above year was shown at ₹1.76 Crores, and based on the report, approval was accorded at the 202nd Board Meeting to pay the dues amounting to ₹1.76 Crores as it had remained pending for a considerable period of time. However, the liability for the above Financial Year was displayed as ₹6.75 Crores when NJMC Ltd. has attempted to pay it through the Income Tax portal. The Company has sought clarifications from the Income Tax Department regarding the matter through letter no. NJMC/FIN/2023-24/5858 dated 3rd January, 2024, and letter no. NJMC/FIN/2023-24/5933 dated 29th February, 2024, and the matter has also been discussed at a meeting with the relevant Income Tax Authorities. The said issue has also been informed to the Ministry of Textiles, requesting the Ministry to take up the matter with the appropriate authority. However based on discussion with Income Tax authority NJMC Ltd. engaged One Tax consultant to resolve the issue after proper verification of the records of NJMC Ltd. as well as Income Tax department.

4. **Vediography of NJMC Property:** M/s. Kambill Systems Pvt. Ltd., an external agency is in process of completion of vediography of all the properties of NJMC Ltd.



5. **Forensic Audit:** M/s. JLN US & Co., SEBI empanelled Forensic Auditors, were appointed by MoT, Gol, for Forensic Audit of NJMC Ltd. Accordingly they conducted the Forensic Audit, but their report is not yet finalized.

6. **Profit & Loss Analysis**

During the financial year, the company has earned a net profit of ₹59.90 crores in comparison to net profit of ₹29.84 crores in previous financial year after consolidation with its subsidiary whereas NJMC Ltd. stand alone earned a Profit of ₹62.15 crores in comparison to net profit of ₹31.06 crores in previous financial year.

7. **Subsidiary Company - BJEL**

The company has one Subsidiary, namely Birds Jute and Exports Limited (BJEL). Union Cabinet has approved the closure of the organization on 10th October, 2018.

The statement containing the salient features of the Financial Statements of Company's Subsidiary Company under the first proviso to sub-section (3) of section 129 of Companies Act, 2013 is enclosed as AOC-1, the Annual Accounts of the Subsidiary Company shall be made available to the Shareholders on demand.

8. **Memorandum of Understanding (MOU)**

No Memorandum of Understanding (MOU) has been signed during the year under review.

9. **Corporate Governance**

Company Philosophy

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

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



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Board of Directors and details of Meetings attended during the year as on 31.03.2024

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

Name of Director	Designation	Particulars of Board Meetings held during the year (1st April, 2023 - 31st March, 2024)						Whether AGM Attended
		27 th July 2023	25 th Sept. 2023	28 th Nov. 2023	19 th Dec., 2023	7 th Feb, 2024	28 th March 2024	29 th Dec. 2023
Shri Moloy Chandan Chakrabortty, Jute Commissioner	Chairman-cum- Managing Director (Addl. Charge)	Yes	Yes	NA	NA	NA	NA	NA
Shri Shashi Ranjan Kumar, AS & FA	Govt. Nominee Director	Yes	LoA	LoA	NA	NA	NA	NA
Smt. Prajakta L. Verma, JS (Appointment w.e.f. 02.05.2022)	Govt. Nominee Director	Yes	Yes	Yes	Yes	Yes	Yes	NA
Shri Bimal Chandra Das	Non Official Director	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Shri Asit Gopal, AS & FA	Govt. Nominee Director	NA	NA	NA	NA	LoA	LoA	No

Note:

- i. Tenure of Shri.Moloy Chandan Chakrabortty completed on 08.11.2023.
- ii. Cessation of tenure of Shri. Shashi Ranjan Kumar, AS & FA, Government Nominee Director w.e.f. 23.02.2024.
- iii. Appointment of Shri Asit Gopal, AS & FA with effect from 23.02.2024.

Audit Committee

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

Sl. No.	Name of Directors
1	Shri Asit Gopal, Govt. Nominee, Director - Member
2	Shri Bimal Chandra Das, Non-Official Director - Chairman (From 29.03.2023)
3	Shri Shashi Ranjan Kumar, Govt. Nominee Director - Member
4	Smt. Prajakta L. Verma, Govt. Nominee Director - Member (From 02.05.2022)
5	Shri Moloy Chandan Chakrabortty, Chairman cum Managing Director- Member.



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

Name of Director	Designation	Particulars of Audit Committee Meetings held during the year (1 st April, 2023 - 31 st March, 2024)				
		27 th July 2023	25 th Sept. 2023	19 th Dec. 2023	7 th Feb. 2023 2024 (VC)	28 th March 2024 (VC)
Shri Asit Gopal, AS & FA	Govt. Nominee Director	NA	NA	NA	NA	NA
Shri Bimal Chandra Das, Non-Official Director	Chairman (From 29.03.2023)	Yes	Yes	Yes	Yes	Yes
Shri Shashi Ranjan Kumar, AS & FA	Member	Yes	LoA	LoA	LoA	NA
Smt. Prajakta L. Venna, JS (Appointment w.e.f. 02.05.2022)	Member	Yes	Yes	Yes	Yes	Yes
Shri Moloy Chandan Chakraborty, Jute Commissioner, CMD (Addl. Charge)	Member	Yes	NA	NA	NA	NA

- ❖ The Audit Committee was reconstituted with the inclusion of Smt. Prajakta L. Verna, Joint Secretary as Member of the Committee.
- ❖ Cessation of the tenure of Smt. Madhavi Aagrwal, Non Official Independent Director with effect from 03.02.2023 and thereafter Shri Bimal Chandra Das was designated as Chairman of the Committee w.e.f. 29.03.2023.
- ❖ The Company Secretary shall act as the Secretary to the Committee.

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

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



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General Body Meetings:

		2020-21 (41 st AGM)	2021-22 (42 nd AGM)	2022-22 (43 rd AGM)
01	Date	09.11.2021	31.12.2022	29.12.2023
02	Day	Tuesday	Saturday	Friday
03	Time	03:30 P.M.	12:45 P.M.	03:30 P.M.
04	Venue	Ministry of Textiles, Udyog Bhawan, New Delhi-110011.	Registered Office (Through Video Conferencing), Chartered Bank Buildings, 2nd Floor, 4 N. S. Road, Kolkata - 700001	Registered Office (Through Video Conferencing), Chartered Bank Buildings, 2nd Floor, 4 N. S. Road, Kolkata - 700001

Disclosures

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

a. Other Information

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

Code of Business Conduct

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



10. DIVIDEND

Since, the Corporation has accumulated loss of ₹296.79 crores as per consolidated Statement of Accounts and accumulated loss of ₹195.52 crores as per Standalone Statement of Accounts of NJMC Ltd. for the financial year ended 31st March 2024.

The Corporation is under the process of closure in pursuance of a decision of the parliament and is suffering continuous loss, also has accumulated losses.

Therefore, your Directors do not recommend any amount as dividend during the year 2023-24.

11. TRANSFER TO RESERVES

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

12. VIGILANCE

Vigilance Awareness Program was observed from 30.10.2023 to 05.11.2023. During the said period, pledge (physical as well as e-pledge) was taken by all the employees of the Corporation to bring transparency in all spheres of activities for the eradication of corruption

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

13. PROMOTION OF OFFICIAL LANGUAGE

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

14. DIRECTORS' RESPONSIBILITY STATEMENT

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

- (i) In the preparation of the annual accounts for the year ended 31st March 2024, the applicable accounting standards have been followed alongwith proper explanation relating to material departures;
- (ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2024, and of the profit and loss of the Company for that period.
- (iii) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) The Directors had prepared the annual accounts for the year 2023-24 on a going concern basis.
- (v) The Company being unlisted, sub clause (e) of Section 134(5) of the Companies Act, 2013 pertaining to laying down internal financial controls are not applicable.
- (vi) They have devised proper systems to ensure compliance with the provisions of all the applicable laws and that such systems are adequate and operating effectively.



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15. BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

• Board of Directors

Sl. No.	Name	Designation
1.	Shri Moloy Chandan Chakraborty Jute Commissioner and Chairman cum Managing Director (Additional Charge)	Chairman
2.	Shri Shashi Ranjan Kumar, AS & FA	Govt. Nominee Director
3.	Smt. Prajakta L. Verma	Govt. Nominee Director
4.	Shri Bimal Chandra Das	Non-Official Director
5.	Shri Asit Gopal, AS & FA	Govt. Nominee Director

NOTE:

• Directors

- Tenure of Shri Moloy Chandan Chakraborty completed on 08.11.2023.
- Cessation of tenure of Shri. Shashi Ranjan Kumar, AS & FA, Government Nominee Director w.e.f. 23.02.2024.
- Appointment of Shri Asit Gopal, AS & FA with effect from 23.02.2024.

• Key Managerial Personnel

Ms. Mohini Verma has been appointed as the Company Secretary of the Corporation w.e.f. 1st February, 2023 to 31st January, 2024.

16. RELATED PARTY TRANSACTIONS

Related Party Transactions made with the Subsidiary companies were exempted being transactions between two government companies and transactions entered between a holding and its Subsidiary Company whose accounts are consolidated with holding company and placed before the shareholders at the general meeting for approval. Hence, Form AOC-2 is not prepared.

There are no materially significant related party transactions made by the Company which may have potential conflict with the interest of the Company.

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

17. RTI ACT, 2005

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

18. CORPORATE SOCIAL RESPONSIBILITY

During the year under and in the preceding financial years the Corporation has continuous loss and the Cabinet has also approved the closure of the Corporation on 10.10.2018, hence CSR provisions under section 135 of the Companies Act, 2013 and related rules are not applicable to your Corporation.

19. DEPOSITS

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



20. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.

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

21. ORDERS PASSED BY REGULATORS/COURTS/TRIBUNALS.

1. Court vide reference AP/89/2022, order dated 28.02.2022 allowed the prayer of injunction of M/s Rajat Engineering in respect to the immovable property of the respondent. The Court also made it clear that *“the order of injunction is restricted to the immovable assets of the respondents except insofar as the usual course of business is concerned”*.

Thereafter, application under Sec 34 of Arbitration Act is filed on 19.04.2022 on the grounds of the illegality of the Award passed by the Ld Arbitration Tribunal against NJMC Ltd.

Then the Opposite Parties has filed an Execution Application being E.C. Case No. 22 of 2023, where the Single Bench of Hon'ble Justice. S. B Saraf vide its order dated 31.01.2023 directed the Corporation to deposit 75% of the awarded sum as cash deposit within the period of six weeks from the date of order issued, with the Registrar, Original Side, Calcutta High Court and the balance amount by way of Bank Guarantee before the Registrar Original Side with any Nationalized Bank with an additional clause of renewal of the Bank Guarantee every year with an increment of 5% per annum and atleast one month before the scheduled date of expiry.

As per the order Hon'ble Justice. S. B Saraf dated 31.01.2023, in the event of the above order of security is carried out by the award debtor, AP/89/2022 shall stand disposed of along with the order passed therein. The orders passed in AP/89/2022 shall also stand vacated.

2. The writ petition was filed in Patna High Court (CWJC No. 1850 of 2018) by M/s Rajesh Kumar, a proprietor alleged that they had supplied Jute to NJMC Ltd in 2015 as a result raised claim of ₹ 15,82,609/- which remain unpaid.

Ex-Parte Order was passed on 29.10.2018 to pay outstanding due to the petitioner.

NJMC Ltd. has filed a Review Petition (Civil Revision No. 233 of 2019) before Patna High Court. Hon'ble Patna High Court passed an order on 31.08.2022 and disposed off the review petition, leaving it open to the NJMC Ltd to determine the admitted outstanding dues required to be paid to the opposite party, which in any case, shall be determined and paid within a period of four weeks from the date of /order passed by J. Mohit Kr. Jha.

22. MATERIAL CHANGES & COMMITMENTS

Following material changes and commitments have occurred between the end of the financial year to which the financial statements relate and the date of this Report and their impact on financial position of the company is not determinable.

1. NJMC Ltd. paid ₹9,48,000/- in compliance of court order of Civil Revision No. 233 of 2019, CWJ 1850 of 2018 NJMC Ltd. -vs- M/s Rajesh Kumar at Patna High Court on 25.07.2023.
2. NJMC Ltd. received approval on Pre-LMA Report-June 2023 of NBCC (I) Ltd., submitted for verification, assessment and valuation of immovable assets of NJMC Ltd. to initiate the process of disposal of immovable assets of NJMC Ltd.

Separate auctions for each Mill to be initiated starting from the auctioning of identified movable and immovable assets (Buildings & Structures only) of Khardah Mill, followed by the auctioning of identified assets (Buildings & Structures only) of National Mill, Alexandra Mill and Kinnison Mill successively, **“AS IS WHERE IS BASIS AND AS IS WHAT IS BASIS & CLEAN SWEEP**



BASIS” and “NO COMPLAINT BASIS” and “WITHOUT ANY LIABILITY AFTER SALE” and “NO WARRANTY OR GUARANTEE AS TO THE CONDITION OF THE IDENTIFIED ASSETS.” as per approved Special Terms & Conditions.

3. With respect to AP/89/2022, order dated 28.02.2022, NJMC Ltd. has deposited a cheque of ₹8,30,07,307/- dated 21.04.2023 in favour of The Registrar, Original Side, High Court Calcutta. Further, NJMC Ltd. has paid cash security of ₹2,76,69,102/- through Demand draft issued dated 02.08.2023 in favour of Registrar, Original Side, Calcutta High Court and respondent cost of ₹20,000/- was paid through cheque dated 10.08.2023 in the favour of M/s Rajat Engineering in compliance of Court order.
4. A Writ petition No. 4751 of 2023, “Sushil Kumar Thard vs NJMC Ltd.” before the Hon’ble Calcutta High Court. Where, NJMC Ltd. to quash the order withholding ₹2.20 crores pre-bid earnest money deposited by the agency and refund the same within 21 days from the date of judgment.

Aggrieved with the judgment, NJMC Ltd. has filed MAT No. 2068 of 2023, (NJMC Ltd. vs Sushil Kr. Thard), before the Hon’ble Division Bench of Calcutta High Court. The matter was heard on 17.10.2023, NJMC Ltd. was directed for compliance of the direction of the Learned Single Bench and extended the time by a period of 21 days from the date of order. NJMC Ltd. has filed a Special Leave Petitions (SLP) No. 25436 of 2023 (Diary No. 46006 of 2023), NJMC Ltd. vs Sushil Kr. Thard before the Hon’ble Supreme Court on 03.11.2023, against the Judgment passed by the Learned Division Bench of Hon’ble Calcutta High Court.

Supreme Court has dismissed the matter on 28.11.2023

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

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

24. EXTRACT OF ANNUAL RETURN

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

25. RESERVATION FOR SCHEDULED CASTES, SCHEDULED TRIBES AND OTHER BACKWARD COMMUNITIES

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

26. HUMAN RESOURCE POLICY AND INDUSTRIAL RELATIONS

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

27. STATUTORY AUDITORS

M/s. Salarpuria & Partners, Chartered Accountants, Kolkata has been appointed as the Statutory Auditors by the Comptroller And Auditor General of India for the financial year 2023-24 pursuant to the provisions of Section 139 of the Companies Act, 2013 and applicable rules there under as amended from time to time.



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

28. AUDIT OBSERVATIONS AND COMMENTS

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

29. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

30. REVIEW OF ACCOUNTS BY COMPTROLLER & AUDITOR GENERAL OF INDIA

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

31. ACKNOWLEDGEMENT:

Your Directors are grateful to the various Ministries of the Government of India particularly the Ministry of Textiles, Ministry of Finance and the Department of Public Enterprise for their support and guidance to the company from time to time. They are also thankful for the co-operation received from the Government of West Bengal and Bihar. The Directors also place on record the continued association and support received from Company's Bankers, C&AG, Statutory Auditors and all its employees.

For and on behalf of the Board of Directors

(Moloy Chandan Chakraborty)
Chairman-Cum-Managing Director
DIN: 08641793

Place :

Date :



NATIONAL JUTE MANUFACTURES CORPORATION LTD.

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part “A”: Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹)

Sl. No.	Particulars	Details
1.	Name of the subsidiary	Birds Jute & Exports Ltd.
2.	The date since when subsidiary was acquired	29.09.1986
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA
5.	Share capital	3948000
6.	Reserves & surplus	(1477546000)
7.	Total assets	51542000
8.	Total Liabilities	1525140000
9.	Investments	NIL
10.	Turnover	NIL
11.	Profit before taxation	(53746000)
12.	Provision for taxation	NIL
13.	Profit after taxation	(53959000)
14.	Proposed Dividend	NIL
15.	% of shareholding	58.92



ANNEXURE - I

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

A. Conservation of energy:

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

B. Technology Absorption

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

C. Foreign exchange Earnings and outgo

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

For and on behalf of the Board of Directors

(Moloy Chandan Chakraborty)
Chairman-Cum-Managing Director
DIN: 08641793

Place :

Date :



NATIONAL JUTE MANUFACTURES CORPORATION LTD.

ANNEXURE - II

Form No: MGT-9

Extract of Annual Return as on financial year ended 31.03.2023

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

I. REGISTRATION AND OTHER DETAILS

i)	CIN	U17232WB1980GOI032768
ii)	Date of Registration	03/06/1980
iii)	Name of the company	National Jute Manufactures Corporation Limited
iv)	Category/sub. Category of the company	Company Limited by Shares/ Union Government Company
v)	Address of the Registered office and contact details	Chartered Bank Buildings, 4, N. S. Road, 2 nd Floor, Kolkata-700 001. Telephone: 033-22306434
vi)	Whether listed	No
vii)	Name Address and contact Details of Registrar an Transfer Agent, of any	NA

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

All the six (6) mills of the Company are not in operation which has resulted in nil production during the year 2022-23.

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

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	BIRDS JUTE & EXPORTS LIMITED	U17232WB1904GOI001579	Subsidiary Company	59%	2(87)



IV. SHARE HOLDING PATTERN

(Equity Share Capital Breakup as Percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total
A. Promoters							
(1) Indian							
a) Individual/ HUF	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Central Govt.	Nil	557974	557974	100	Nil	557974	557974
c) State Govt. (s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Any Other....	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub Total (A)(1):-	Nil	557974	557974	100	Nil	557974	557974
(2) Foreign							
a) NRIs – Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Other – Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Bodies Corp	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Any Other	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub Total (A)(2):-	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total shareholding of Promoter (A) = (A)(1) + (A)(2)	Nil	557974	557974	100	Nil	557974	557974
							100
							Nil



NATIONAL JUTE MANUFACTURES CORPORATION LTD.

Category of Shareholders		No. of Shares held at the beginning of the year				No. of Shares held at the end of the year			% change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total Shares	
B.	Public Shareholding								
	1. Institutions								
	a) Mutual Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	b) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	c) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	d) State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	e) Venture Capital Fund	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	f) Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	g) FIIs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	h) Foreign Venture Capital Fund	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	i) Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Sub Total (B)(1)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2. Non-Institutions								
	a) Bodies Corp.								
	i) Indian	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	ii) Overseas	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil



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



NATIONAL JUTE MANUFACTURES CORPORATION LTD.

(ii) Shareholding of Promoters

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

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

(iii) Change in Promoters' Shareholding

(Please specify, if there is no change)-No Change

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



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

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

(v) Shareholding of Directors and Key Managerial Personnel:

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



NATIONAL JUTE MANUFACTURES CORPORATION LTD.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment
(₹ in Crores)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	218.52	
ii) Interest due but not paid	-	-	13.09	
iii) Interest accrued but not due	-	-	-	
Total (i + ii + iii)	-	-	231.61	
Change in Indebtedness during the financial year				
Addition	-	-	-	
Reduction	-	-	-	
Net Change	-	-	3.05	
Indebtedness at the end of the financial year:				
i) Principal Amount	-	-	218.52	
ii) Interest due but not paid	-	-	16.14	
iii) Interest accrued but not due	-	-	-	
Total (i + ii + iii)	-	-	234.66	

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Your Corporation being a Central Public Sector Enterprise (Government Company), the appointment of Directors is made by the Govt. of India. Remuneration to the functional directors is made as per terms of their appointment by Govt. of India. During the year the remuneration paid to Non-Official Independent Director is ₹ 10,000/- per Meeting by way of sitting fees and Key Managerial Personnel (Company Secretary) is ₹ 4.60 lacs.

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

There were no penalties / punishments / compounding of offences for breach of any section of the Companies Act, 2013 against the Company, its Directors or other officers in default, during the financial year ended March 31, 2023.

For and on behalf of the Board of Directors

(Moloy Chandan Chakraborty)
Chairman-Cum-Managing Director
DIN: 08641793

Place :

Date :