

BIRLA JUTE SUPPLY CO. LTD.

Registered Office: 9/1, R.N. Mukherjee Road,
Kolkata- 700 001

DIRECTORS' REPORT

To the Shareholders

Your Directors have pleasure in presenting their Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2012.

ACCOUNTS & FINANCIAL MATTERS:

| | | For the year ended 31st March, 2012 | For the year ended 31st March, 2011 |
|--|---|--|--|
| | | ₹ | ₹ |
| Total Revenue | : | 4,33,242 | 10,63,919 |
| Profit before Tax, Depreciation & Amortization | : | 3,52,885 | 3,94,597 |
| Depreciation and Amortization Expense | : | 5,479 | 5,479 |
| Profit before Tax | : | 3,47,406 | 3,89,118 |
| Tax Expense: | | | |
| Current Tax | : | 1,11,688 | 1,09,314 |
| Deferred Tax | : | (1,654) | (14,131) |
| Income Tax for earlier years | : | - | 18,258 |
| Profit for the year | : | 2,37,372 | 2,75,677 |
| Surplus as per last Financial Statement | : | 27,85,737 | 25,10,060 |
| Net Surplus | : | 30,23,109 | 27,85,737 |

GENERAL:

During the year under review, the Company did not trade in raw jute. The Company had earned ₹ 4,33,242 towards Interest Income.

DIVIDEND:

Your Directors do not recommend any Dividend during the year.

DIRECTORS:

Shri K.P. Chokhani retires from the Board by rotation and being eligible, offers himself for re-appointment.

AUDITORS:

Messrs. O.P. Shah & Company, Chartered Accountants, retire as Auditors of the Company and being eligible, offer themselves for re-appointment.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

Information in accordance with the provisions of Section 217(1)(e) of the Companies Act, 1956, read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 regarding conservation of energy and technology absorption is not provided as the same is not applicable to the Company. There are no foreign exchange earnings and outgo during the year under review.

PARTICULARS OF EMPLOYEES:

The Company has no employee getting remuneration as prescribed under Section 217(2A) of the Companies Act, 1956, read with the amended Companies (Particulars of Employees) Rules, 1975.

DIRECTORS' RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 217(2AA) of the Companies Act, 1956, your Directors state that -




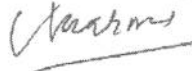
- i) in the preparation of the annual accounts, the applicable accounting standards have been followed;
- ii) the accounting policies adopted and applied in the preparation of the annual accounts have been consistently followed and reasonable and prudent judgments and estimates have been made so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2011-12 and of the profit for the year ended 31st March, 2012;
- iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 and safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the annual accounts have been prepared on a going concern basis.

ACKNOWLEDGEMENT:

Your Directors wish to place on record their appreciation for co-operation received from various Government agencies.

Yours faithfully,

Registered Office:
Birla Building,
9/1, R.N. Mukherjee Road,
Kolkata- 700 001

| | | | |
|---|---------------|---|-----------|
|  | G. Jayaraman | } | Directors |
|  | D.L. Rathi | | |
|  | K.P. Chokhani | | |
|  | G. Sharma | | |

Date: 19th April, 2012

O.P. Shah & Company

Chartered Accountants

7B, Everest House

46C, Jawaharlal Nehru Road

Kolkata – 700 071

Tel:2248-0813

Fax : (91)(33)2248-0826

Email: surendrashah_company@yahoo.com

AUDITOR'S REPORT

To the Shareholders of M/s. BIRLA JUTE SUPPLY COMPANY LIMITED, on the Accounts for the year ended 31st March 2012.

We have audited the attached Balance Sheet of M/s Birla Jute Supply Company Limited, as at 31st March 2012, the Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Our audit includes an examination on a test basis, of evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates and judgments made by the management in the preparation of financial statements and evaluating the overall financial statement presentation. We planned and performed our audit, so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatements and to provide a reasonable basis for our opinion.

We further report that :

We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of audit ;

In our opinion, proper Books of Account as required by law have been kept by the Company so far as appears from our examination of those Books;

The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the Books of Account;

In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the requirements of the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act,1956;

On the basis of the written representations received from the directors and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2012 from being appointed as a director in terms of clause(g) of sub-section(1) of Section 274 of the Companies Act,1956;



Contd..P/2.

In our opinion and to the best of our information and according to the explanations given to us, the said accounts, together with the Schedule and notes thereon, give the information required by the Companies Act, 1956 in the manner so required and also give a true and fair view, in conformity with the accounting principles generally accepted in India;

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2012, and
- b) In the case of Profit & Loss Account of the Profit for the year ended on that date, and
- c) In the case of Cash Flow Statement of the Cash Flow for the year ended on that date.

As required by the Companies (Auditor's Report) Order, 2003 (the Order) as amended by the Companies (Auditor's Report) order, 2004, issued by the Central Government of India in terms of Section 227 (4A) of the "Companies Act, 1956" of India (the "Act") and according to the information and explanations given to us during the course of the audit and on the basis of such checks as were considered appropriate, we report that :

- i)
 - a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets ;
 - b) As explained to us, the assets have been physically verified by the management. No material discrepancies have been noticed on such physical verification.
- ii) On the basis of information and explanation given to us, the company is not maintaining inventory. Hence clause (ii)(a), (b) & (c) the order are not applicable.
- iii)
 - a) The company has neither granted nor taken any loans to and from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act 1956; Hence clause (iii)(b)(c), (d), (e), (f) & (g) the order are not applicable.
- iv) There are adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventories, fixed assets and for the sale of goods.
- v) The Company has not purchased any goods of Rs.5,00,000/- or more from firms, companies or other parties in which the directors are interested as listed in the register maintained under Section 301 of the Companies Act, 1956. Hence clause v(a) & v(b) are not applicable.
- vi) The Company has not accepted deposits from the public.
- vii) The Company does not have any formal internal audit system.
- viii) On the basis of information and explanation given to us, Central Government has not prescribed for maintenance of cost records under clause(d) of section (1) 209 of the Act.
- ix)
 - a) According to the records of the Company, the Company is regular in depositing undisputed statutory dues including Provident Fund, Income-Tax, and other statutory dues with appropriate authorities. According to the information and explanations given to us, there are no undisputed amounts payable in respect of such statutory dues which have remained outstanding as at 31st March 2012 for a period more than six months from the date they became payable;
 - b) There are no disputed Provident Fund, Income Tax or any other statutory dues.



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- x) The Company has no accumulated losses and has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- xi) The company has not taken any loan from Financial Institution, Bank.
- xii) The Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or other securities.
- xiii) The provisions of any Special Statute applicable to Chit Fund, Nidhi or Mutual Benefit Fund/Societies are not applicable to the Company.
- xiv) The Company is not dealing or trading in shares, securities, debentures or other investments and hence the requirements of Para 4(xiv) are not applicable to the Company.
- xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks and financial institutions.
- xvi) The Company has not taken any term loan during the year.
- xvii) On the basis of information and explanation given to us, the company has not raised any fund on short term / long term basis.
- xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act,1956 during the year.
- xix) No Debentures have been issued during the year.
- xx) The Company has not raised any money by way of public issues during the year.
- xxi) On the basis of our examination and according to the information and explanations given to us, no fraud, on or by the Company, has been noticed or reported during the year.

Kolkata
Dated: 19th day of April 2012



Surendra Shah
Partner
Membership No. 300/50003
For and on behalf of
O.P. Shah & Company
Chartered Accountants
Firm Registration No. 304118E

BIRLA JUTE SUPPLY COMPANY LIMITED
BALANCE SHEET as at 31st March 2012

| | | <i>Amount in Rs.</i> | |
|---------------------------------------|------|-------------------------|-------------------------|
| | Note | As At March 31, 2012 | As At March 31, 2011 |
| <u>EQUITY AND LIABILITIES</u> | | | |
| <u>SHAREHOLDERS' FUND</u> | | | |
| Share Capital | 2.1 | 600,000 | 600,000 |
| Reserves and Surplus | 2.2 | 6,854,696 | 6,617,324 |
| | | 7,454,696 | 7,217,324 |
| <u>NON-CURRENT LIABILITIES</u> | | | |
| Deferred Tax Liabilities (Net) | 2.3 | 58,853 | 60,507 |
| | | 58,853 | 60,507 |
| <u>CURRENT LIABILITIES</u> | | | |
| Trade Payables | 2.4 | 20,525 | 19,704 |
| Short-Term Provisions | 2.5 | - | 27,274 |
| | | 20,525 | 46,978 |
| TOTAL | | 7,534,074 | 7,324,809 |
| <u>ASSETS</u> | | | |
| <u>NON-CURRENT ASSETS</u> | | | |
| Fixed Assets | | | |
| Tangible Assets | 2.6 | 182,258 | 187,737 |
| | | 182,258 | 187,737 |
| Long-Term Loans and Advances | 2.7 | 38,288 | 38,288 |
| | | 38,288 | 38,288 |
| <u>CURRENT ASSETS</u> | | | |
| Cash and Bank Balances | 2.8 | 7,176,812 | 7,098,784 |
| Short-Term Loans and Advances | 2.7 | 136,716 | - |
| | | 7,313,528 | 7,098,784 |
| TOTAL | | 7,534,074 | 7,324,809 |

Significant Accounting Policies

1

The Notes are an integral part of the Financial Statements

Surendra Shah
Partner
Membership No 300/50003
For and on behalf of
O.P. Shah & Company
Chartered Accountants
Firm Regn No - 304118 E
7B, Everest House
46C, Chowringhee Road
Kolkata 700071



Dated- the 19th day of April, 2012

G. Jayaraman
Ushant
Kumar

BIRLA JUTE SUPPLY COMPANY LIMITED
STATEMENT OF PROFIT & LOSS for the year ended 31st March 2012

| | | Amount in Rs. | |
|--|------|--|--|
| | Note | For the year ended 31st March, 2012 | For the year ended 31st March, 2011 |
| Income | | | |
| Revenue from Operations (Gross) | 2.9 | - | 632,047 |
| Less: Excise duty | | - | - |
| Revenue from Operations (Net) | | - | 632,047 |
| Other income | 2.10 | 433,242 | 431,872 |
| Total Revenue | | 433,242 | 1,063,919 |
| Expenditure: | | | |
| Purchases of traded goods | | - | 594,776 |
| Other Expenses | 2.11 | 80,357 | 74,546 |
| Total | | 80,357 | 669,322 |
| Profit before Tax, Depreciation & Amortisation | | 352,885 | 394,597 |
| Depreciation and Amortization Expense | 2.12 | 5,479 | 5,479 |
| Profit before Tax | | 347,406 | 389,118 |
| Tax Expense: | | | |
| Current Tax | | 111,688 | 109,314 |
| Deferred Tax | | (1,654) | (14,131) |
| Income Tax for earlier years | | - | 18,258 |
| Profit for the year | | 237,372 | 275,677 |
| Earnings Per Share [nominal value Rs. 100 /-] | | | |
| Weighted Average Number of Ordinary Shares outstanding during the year | | 6,000 | 6,000 |
| Basic and Diluted earning per share | | 39.56 | 45.95 |

Significant Accounting Policies

1

The Notes are an integral part of the Financial Statements

Surendra Shah
 Partner
Membership No. 300/50003
 For and on behalf of
 O.P. Shah & Company
 Chartered Accountants
 Firm Regn. No- 304118 E
 7B, Everest House
 46C, Chowringhee Road
 Kolkata 700071



G. Jayaraman
Member

K. S. N. N.
Member

Dated :- the 19th day of April, 2012

BIRLA JUTE SUPPLY COMPANY LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2012

| | <i>Amount in Rs.</i> | |
|--|--|--|
| | For the year ended 31st March, 2012 | For the year ended 31st March, 2011 |
| A. Cash Flow from Operating Activities: | | |
| Profit before Tax | 347406 | 389118 |
| Adjustments for : | | |
| Depreciation & Amortisation | 5479 | 5479 |
| Miscellaneous expenditure amortised | 352885 | 394597 |
| | - | - |
| Operating Profit before Working Capital changes | 352885 | 394597 |
| Adjustments for : | | |
| Increase/ (Decrease) in Trade Payables | 821 | 50 |
| Cash generated from operations | 353706 | 394647 |
| Direct Taxes Paid | (275678) | (80438) |
| Net Cash from Operating Activities | 78028 | 314209 |
| B. Cash Flow from Investing Activities: | | |
| Net Cash used in Investing Activities | - | - |
| C. Cash Flow from Financing Activities | | |
| Net Cash used in Financing Activities | - | - |
| Net increase in Cash and Cash Equivalents | 78028 | 314209 |
| Cash and Cash Equivalents (Opening Balance) | 7098784 | 6784575 |
| Cash and Cash Equivalents (Closing Balance) | 7176812 | 7098784 |

- Notes:**
- a Above statement has been prepared in indirect method.
 - b Cash and Cash Equivalents consist of Cash balance in hand and balances with Scheduled Banks.
 - c Figures for the previous year have been re-grouped wherever considered necessary.


Surendra Shah
 Patner
Membership No 300/50003
 For and on behalf of
 O.P. Shah & Company
 Chartered Accountants
 Firm Regn No - 304118 E
 7B, Everest House
 46C, Chowringhee Road
 Kolkata 700071




 Surendra Shah


Dated- the 19th day of April, 2012

BIRLA JUTE SUPPLY COMPANY LIMITED

Notes to Financial Statements for the year ended 31st March 2012

1. Significant Accounting Policies

1.1 Basis of Accounting

The financial statements are prepared under the historical cost convention, except stated otherwise, on an accrual basis and in accordance with the generally accepted accounting principles in India, the applicable mandatory Accounting Standards as notified by the Companies (Accounting Standard) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956.

The financial statements had been prepared and presented as per the requirement of revised Schedule VI as notified under Companies Act 1956 with effect from current year. The adoption of revised schedule VI does not have any impact on recognition and measurement principles as followed by the company.

1.2 Tangible Fixed Assets

Fixed Assets, other than those which have been revalued, are stated at their original cost which includes expenditure incurred in the acquisition and construction/installation and other related expenses.

1.3 Depreciation

Depreciation on assets has been provided on Straight Line Method at rate prescribed in Schedule XIV to Companies Act , 1956.

1.4 Recognition of Revenue and Expenses

All revenue and expenses are accounted for on accrual basis except as otherwise stated

1.5 Taxation

Provision for Current Income Tax is made in accordance with the Income Tax Act, 1961. The deferred tax charge or credit is recognised using substantively enacted tax rates subject to consideration of prudence on timing differences between book and tax profits.

1.6 Impairment

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful life of the assets. An impairment loss is recognised as an expense in the Profit & Loss Account in the year in which an asset is identified as impaired. The impairment loss recognised in earlier accounting period is reversed if there has been an improvement in recoverable amount.

1.7 Provisions

Provisions are recognised where reliable estimate can be made for probable outflow of resources to settle the present obligation as a result of past event and the same is reviewed at each Balance Sheet date.

1.8 Contingent Liabilities

Contingent Liabilities are not provided for and are disclosed separately.



BIRLA JUTE SUPPLY COMPANY LIMITED

Notes to financial Statements for the year ended 31st March,2012

| | | Amount in Rs. | |
|---------------------------------|--|--------------------------|--------------------------|
| | | As at 31st March,2012 | As at 31st March,2011 |
| NOTE 2.1 : SHARE CAPITAL | | | |
| 25,00,0 | Authorised Ordinary Shares of ` 100/- each | 2,500,000 | 2,500,000 |
| | | <u>2,500,000</u> | <u>2,500,000</u> |
| 6,00,0 | Issued, Subscribed and Paid-up Ordinary Shares of Rs 100/- each fully paid-up Add: Forfeited Ordinary Shares (Amount originally paid-up) | 600,000 | 600,000 |
| | | - | - |
| | | <u>600,000</u> | <u>600,000</u> |

- a) The company has only one class of issued shares i.e. equity shares having par value of Rs100 per share. Each holder of equity shares is entitled to one vote per share and equal right for dividend. No preference and/or restrictions on distribution of dividend and repayment of capital is attached to the above shares.
- b) There has been no change/movements in number of shares outstanding at the beginning and at the end of the reporting period.
- c) All equity shares of the company are being held by Birla Corporation Limited - the Holding Co.and its nominees
- d) No Shares have been reserved for issue under options and contracts/commitments for the sale of shares/disinvestment at the balance sheet.
- e) No Shares have been allotted or has been brought back by the company during the period of 5 years preceding the date as at which the Balance Sheet is prepared..
- f) No convertible securities has been issued by the company during the year.
- g) No calls are unpaid by any Director and Officer of the Company during the year.

NOTE 2.2 : RESERVES & SURPLUS

i) Capital Reserves

| | As at 31st March,2012 | As at 31st March,2011 |
|----------------------------------|--------------------------|--------------------------|
| As per last Financial Statements | 82,040 | 82,040 |
| | <u>82,040</u> | <u>82,040</u> |

ii) General Reserve

| | As at 31st March,2012 | As at 31st March,2011 |
|----------------------------------|--------------------------|--------------------------|
| As per last Financial Statements | 3,749,547 | 3,749,547 |
| | <u>3,749,547</u> | <u>3,749,547</u> |

i) Surplus

| | As at 31st March,2012 | As at 31st March,2011 |
|----------------------------------|--------------------------|--------------------------|
| As per last Financial Statements | 2,785,737 | 2,510,060 |
| Add: Profit for the year | 237,372 | 275,677 |
| | <u>3,023,109</u> | <u>2,785,737</u> |

Net Surplus in the Statement of Profit and Loss

| | As at 31st March,2012 | As at 31st March,2011 |
|--|--------------------------|--------------------------|
| | 3,023,109 | 2,785,737 |
| | <u>6,854,696</u> | <u>6,617,324</u> |



| NOTE 2.3 : DEFERRED TAX LIABILITIES (NET) | Amount in Rs. | |
|---|--------------------------|--------------------------|
| | As at 31st March,2012 | As at 31st March,2011 |
| Deferred Tax Liabilities | | |
| Arising on account of : | | |
| Depreciation | | |
| Arising on account of : | 58,853 | 60,507 |
| Section 43B of Income-tax Act | | |
| Others | | |
| Deferred Tax Liabilities | <u>58,853</u> | <u>60,507</u> |

In accordance with Accounting Standard - 22 i.e. 'Accounting for Taxes on Income' issued by the Institute of Chartered Accountants of India, the Company has deferred tax liabilities of Rs 58853 as on date 31st March 12 arising out of timing differences in respect of depreciation on fixed assets. The excess of deferred tax liabilities over assets has been recognized in the accounts.

NOTE 2.5 : PROVISIONS

| | Long-term | | Short-term | |
|---|--------------------------|--------------------------|--------------------------|--------------------------|
| | As at 31st March,2012 | As at 31st March,2011 | As at 31st March,2012 | As at 31st March,2011 |
| Provision for Employee Benefits | | | | |
| Other Provisions | | | | |
| Provisions for Taxation (Net of Payments) | - | - | - | 27,274 |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>27,274</u> |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>27,274</u> |

NOTE 2.4 : TRADE PAYABLES

| | As at 31st March,2012 | As at 31st March,2011 |
|--|--------------------------|--------------------------|
| | For Services | 20,525 |
| | <u>20,525</u> | <u>19,704</u> |

NOTE 2.7 : LONG TERM LOANS & ADVANCES

| | Non-Current | | Current | |
|---|--------------------------|--------------------------|--------------------------|--------------------------|
| | As at 31st March,2012 | As at 31st March,2011 | As at 31st March,2012 | As at 31st March,2011 |
| Other Loans and Advances (Unsecured, Considered good) | | | | |
| Advance Tax (including TDS) (Net of provisions) | | | 136,716 | - |
| Advance Under Protest | 38,288 | 38,288 | - | - |
| | <u>38,288</u> | <u>38,288</u> | <u>136,716</u> | <u>-</u> |
| Total | <u>38,288</u> | <u>38,288</u> | <u>136,716</u> | <u>-</u> |



BIRLA JUTE SUPPLY COMPANY LIMITED

NOTE 2.6 : FIXED ASSETS

| Description | GROSS BLOCK | | | | DEPRECIATION | | | Amount in Rs. | |
|------------------------------|-----------------------------------|--------------------------|---|-----------------------------------|--------------------------|---|-----------------------|-----------------------|---------------|
| | Cost/Value as at 31st March, 2011 | Addition During the Year | Deductions/ Adjustments during the year | Cost/Value as at 31st March, 2012 | Provided during the year | Deductions/ Adjustments during the year | Upto 31st March, 2011 | Upto 31st March, 2012 | NET BLOCK |
| Land | | | | | | | | | |
| Freehold | 41340 | - | - | 41340 | - | - | - | - | 41340 |
| Sub Total : | 41340 | - | - | 41340 | - | - | - | - | 41340 |
| Buildings | 263502 | - | - | 263502 | 4295 | - | 124523 | - | 138979 |
| Plant & Machinery | 40155 | - | - | 40155 | 1144 | - | 39879 | - | 276 |
| Office Equipment | 8384 | - | - | 8384 | 40 | - | 6721 | - | 1663 |
| Total : | 353381 | - | - | 353381 | 5479 | - | 171123 | - | 182258 |
| Previous Year : | 353381 | - | - | 353381 | 5479 | - | 165644 | - | 187737 |



NOTE 2.8: CASH AND BANK BALANCES

| | As At 31st March,2012 | Amount in Rs. As At 31st March,2011 |
|---|--------------------------|---|
| Cash and Cash Equivalents | | |
| Balances With Banks | 197,314 | 71,415 |
| Cheques/drafts on hand and Remittances in transit | - | - |
| Cash on hand (as certified) | 2,352 | 7,213 |
| Unpaid Dividend Accounts | - | - |
| Fixed Deposit with Banks (with original maturity of less than 3 months) | - | - |
| | 199,666 | 78,628 |
| Other Bank Balances | | |
| Fixed Deposit with Banks (Having maturity period for more than 12 months and including interest accrued of Rs 203116/- Previous Year Rs.360156) | 6,977,146 | 7,020,156 |
| | 6,977,146 | 7,020,156 |
| | 7,176,812 | 7,098,784 |

NOTE 2.9 : REVENUE FROM OPERATIONS

| | As At 31st March,2012 | As At 31st March,2011 |
|------------------|--------------------------|--------------------------|
| Sale of Products | - | 632,047 |
| | - | 632,047 |
| | - | 632,047 |

NOTE 2.10 : OTHER INCOME

| | As At 31st March,2012 | As At 31st March,2011 |
|--|--------------------------|--------------------------|
| Interest Income | | |
| From banks (Tax Deducted at Source Rs.42716 , Previous Year Rs.46080) | 427,726 | 431,872 |
| Other Non Operating Income | | |
| Excess Liabilities and Unclaimed Balances written back | 5,516 | - |
| | 433,242 | 431,872 |
| | 433,242 | 431,872 |

NOTE 2.11 : OTHER EXPENSES

| | As At 31st March,2012 | As At 31st March,2011 |
|--|--------------------------|--------------------------|
| SELLING & ADMINISTRATION EXPENSES | | |
| Rent | 2,648 | 2,647 |
| Rates & Taxes | 6,291 | 6,981 |
| Other Expenses | 51,193 | 45,614 |
| Auditors' Remuneration - Statutory Auditors - Audit Fees | 20,225 | 13,788 |
| Tax Audit Fees | - | 5,516 |
| | 80,357 | 74,546 |
| | 80,357 | 74,546 |



NOTE 2.12 : DEPRECIATION & AMORTIZATION EXPENSES

On Tangible Assets

| | Amount in Rs. |
|--------------------------|--------------------------|
| As At 31st March,2012 | As At 31st March,2011 |
| 5,479 | 5,479 |
| <u>5,479</u> | <u>5,479</u> |



BIRLA JUTE SUPPLY COMPANY LIMITED

Notes annexed to and forming part of Balance Sheet as at 31st March, 2012 and Profit & Loss Account for the year ended on that date.

2.13 There are no Micro, Small and Medium Enterprises (MSMEs) as defined in the Micro, Small, Medium Enterprises Development Act, 2006, within the appointed date during the year and no MSMEs to whom the Company owes dues on account of principal amount together with interest at the Balance Sheet date, hence no additional disclosure have been made.

2.14 Related Party Disclosure

- a) As defined in Accounting Standard - 18, the Company has a related party relationship in the nature of control by its holding company Birla Corporation Limited
- b) During the year, the Company entered into the following related party transactions with Birla Corporation Limited, the Holding Company:

| | <u>For the year ended</u> <u>31st March 2012</u> | <u>For the year ended</u> <u>31st March 2011</u> |
|----------------------------|---|---|
| i) Particulars | Rs. | Rs. |
| Sale of goods/services | - | 632047 |
| Sale of Fixed Assets | - | - |
| Rent Paid | 2648 | 2647 |
| ii) Particulars | As at 31st March 2012 | As at 31st March 2011 |
| Advance received | 500.00 | - |
| Advance paid | 500.00 | - |
| Balance Outstanding | As at 31st March 2012 | As at 31st March 2011 |
| Advance received | NIL | NIL |

2.15 The company is engaged in trading of raw jute in india which in the context of Accounting Standard -17 on segment reporting issued by the institute of Chartered Accountant of India is considered the only business segment

2.16 Deatail of Raw Jute Purchases and Sold

| <u>Goods Sold</u> | <u>2011-2012</u> | <u>2010-2011</u> |
|----------------------------------|------------------|------------------|
| | <u>Amount</u> | <u>Amount</u> |
| Jute | Rs. - | Rs. 632047 |
| <u>Purchase of Trading Goods</u> | | |
| Jute | - | 594776 |

As per our report annexed

Surendra Shah
Partner
Membership No.300/50003
For and on behalf of
O.P.Shah & Company
Chartered Accountants
Firm Regn No- 304118 E
7B, Everest House
46C, Chowringhee Road
Kolkata 700071



Dated :- the 19th day of April, 2012

S. Surendra Shah
Chartered Accountant
W. K. S. N. S. N.