

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, 2013.

ACCOUNTS & FINANCIAL MATTERS:

		For the year ended 31st March, 2013	For the year ended 31st March, 2012
		₹	₹
Total Revenue	:	8,42,455	4,33,242
Profit before Tax, Depreciation & Amortization	:	7,08,218	3,52,885
Depreciation and Amortization Expense	:	4,295	5,479
Profit before Tax	:	7,03,923	3,47,406
Tax Expense:			
Current Tax	:	1,85,794	1,11,688
Deferred Tax	:	(1,476)	(1,654)
Income Tax for earlier years	:	-	-
Profit for the year	:	5,19,605	2,37,372
Surplus as per last Financial Statement	:	30,23,109	27,85,737
Net Surplus	:	35,42,714	30,23,109

GENERAL:

During the year under review, the Company did not trade in raw jute. The Company had earned ₹ 8,42,455/- towards Interest Income.

DIVIDEND:

Your Directors do not recommend any Dividend during the year.

DIRECTORS:

Shri G. Jayaraman 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 2012-13 and of the profit for the year ended 31st March, 2013;
- 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

 K.P. Chokhani

 G. Sharma

} Directors

Date: 16th April, 2013.

O.P. Shah & Company

Chartered Accountants

7B, Everest House

46C, Jawaharlal Nehru Road

Kolkata – 700 071

Tel: 2248-0826/0813

e-mail: 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 2013.

We have audited the attached Balance Sheet of M/s Birla Jute Supply Company Limited, as at 31st March 2013, the Statement of Profit and Loss 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, the Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;

In our opinion, the Balance Sheet, the Statement of Profit and Loss 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 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;

In our opinion and to the best of our information and according to the explanations given to us, the said accounts, together with the 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 2013,



- b) In the case of the Statement of Profit & Loss 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.

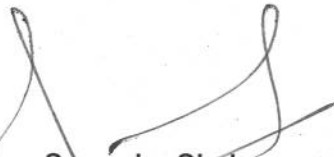
As required by the Companies (Auditor's Report) Order, 2003 (the Order) as amended by the Companies (Auditor's Report) order, 2004, issued by the Central Government of India in terms of Section 227 (4A) of the "Companies Act, 1956" of India (the "Act") and according to the information and explanations 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 has no inventory. Hence clause (ii)(a), (b) & (c) of 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 2013 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.
- 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: 16th day of April 2013


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 2013

(Amount in ₹)

	Note	As At March 31, 2013	As At March 31, 2012
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUND			
Share Capital	2.1	600,000	600,000
Reserves and Surplus	2.2	7,374,301	6,854,696
		7,974,301	7,454,696
NON-CURRENT LIABILITIES			
Deferred Tax Liabilities (Net)	2.3	57,377	58,853
		57,377	58,853
CURRENT LIABILITIES			
Other Current Liabilities	2.4	22,056	20,525
		22,056	20,525
TOTAL		8,053,734	7,534,074
ASSETS			
NON-CURRENT ASSETS			
Fixed Assets			
Tangible Assets	2.5	176,024	182,258
		176,024	182,258
Long-Term Loans and Advances	2.6	135,224	175,004
		135,224	175,004
CURRENT ASSETS			
Cash and Bank Balances	2.7	7,742,486	7,176,812
		7,742,486	7,176,812
TOTAL		8,053,734	7,534,074

Significant Accounting Policies

1

The accompanying 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 16th day of April, 2013

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BIRLA JUTE SUPPLY COMPANY LIMITED
STATEMENT OF PROFIT & LOSS for the year ended 31st March 2013

(Amount in ₹)

	Note	For the year ended 31st March, 2013	For the year ended 31st March, 2012
INCOME			
Other Income	2.8	842,455	433,242
Total Revenue		842,455	433,242
EXPENDITURE			
Other Expenses	2.9	134,237	80,357
Total		134,237	80,357
Profit before Tax, Depreciation & Amortisation		708,218	352,885
Depreciation and Amortization Expense	2.10	4,295	5,479
Profit before Tax		703,923	347,406
Tax Expense:			
Current Tax		185,794	111,688
Deferred Tax		(1,476)	(1,654)
Profit for the year		519,605	237,372
Earnings Per Share [nominal value ₹100 /-]			
Weighted Average Number of Ordinary Shares outstanding during the year		6,000	6,000
Basic and Diluted earning per share		86.60	39.56

Significant Accounting Policies

1

The accompanying Notes are an integral part of the Financial Statements.

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



S. Jayaramant

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Dated :- the 16th day of April, 2013

BIRLA JUTE SUPPLY COMPANY LIMITED
CASH FLOW STATEMENT for the year ended 31.03.2013

(Amount in ₹)

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
A Cash Flow from Operating Activities:		
Profit before Tax	703,923	347,406
Adjustments for :		
Depreciation & Amortisation	4,295	5,479
Under protest written off	38,288	-
Loss on Fixed Assets - Discarded	1,939	-
	748,445	352,885
Miscellaneous expenditure amortised	-	-
Operating Profit before Working Capital changes	748,445	352,885
Adjustments for :		
Increase in current Liabilities	1,531	821
Cash generated from operations	749,976	353,706
Direct Taxes Paid	(184,302)	(275,678)
Net Cash flow from Operating Activities	565,674	78,028
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	565,674	78,028
Cash and Cash Equivalents (Opening Balance)	7,176,812	7,098,784
Cash and Cash Equivalents (Closing Balance)	7,742,486	7,176,812

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



(Signature)

(Signature)

(Signature)

Dated- the 16th day of April, 2013

BIRLA JUTE SUPPLY COMPANY LIMITED

Notes to Financial Statements for the year ended 31st March 2013

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.

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 had 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,2013

(Amount in ₹)

		As at 31st March,2013	As at 31st March,2012
2.1 : SHARE CAPITAL			
	Authorised		
25,000	Ordinary Shares of ₹100/- each	2,500,000	2,500,000
		<u>2,500,000</u>	<u>2,500,000</u>
	Issued, Subscribed and Paid-up		
6,000	Ordinary Shares of ₹100/- each fully 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. ordinary shares having par value of ₹100 per share. Each holder of ordinary 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 ordinary 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.

2.2 : RESERVES & SURPLUS		As at 31st March,2013	As at 31st March,2012
i) Capital Reserves			
	As per last Financial Statements	82,040	82,040
		<u>82,040</u>	<u>82,040</u>
ii) General Reserve			
	As per last Financial Statements	3,749,547	3,749,547
		<u>3,749,547</u>	<u>3,749,547</u>
ii) Surplus			
	As per last Financial Statements	3,023,109	2,785,737
	Add: Profit for the year	519,605	237,372
	Net Surplus	<u>3,542,714</u>	<u>3,023,109</u>
		<u>7,374,301</u>	<u>6,854,696</u>



(Amount in ₹)

	As at 31st March,2013	As at 31st March,2012
3 : DEFERRED TAX LIABILITIES (NET)		
Deferred Tax Liabilities		
Arising on account of :		
Depreciation	57,377	58,853
Deferred Tax Liabilities	<u>57,377</u>	<u>58,853</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 ₹57,377/- as on date 31st March, 2013 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.

4 : OTHER CURRENT LIABILITIES

Others	22,056	20,525
	<u>22,056</u>	<u>20,525</u>

6 : LONG TERM LOANS & ADVANCES

Other Loans and Advances (Unsecured, Considered good)		
Advance Tax (including TDS) (Net of provisions)	135,224	136,716
Advance Under Protest	-	38,288
	<u>135,224</u>	<u>175,004</u>
Total	<u>135,224</u>	<u>175,004</u>



BIRLA JUTE SUPPLY COMPANY LIMITED

2.5 : FIXED ASSETS

Description	GROSS BLOCK				DEPRECIATION			NET BLOCK			
	Cost/Value as at 31st March, 2012	Addition During the Year Purchases	Other Adjustment	Deductions/ Adjustments during the year	Cost/Value as at 31st March, 2013	Upto 31st March, 2012	Provided during the year	Deductions/ Adjustments during the year	Upto 31st March, 2013	As at 31st March 2012	As at 31st March 2013
Land											
Freehold	41,340	-	-	-	41,340	-	-	-	-	41,340	41,340
Sub Total :	41,340	-	-	-	41,340	-	-	-	-	41,340	41,340
Buildings	263,502	-	-	-	263,502	124,523	4,295	-	128,818	134,684	138,979
Plant & Machinery	40,155	-	-	40,155	-	39,879	-	39,879	-	-	276
Office Equipment	8,384	-	-	8,384	-	6,721	-	6,721	-	-	1,663
Total :	353,381	-	-	48,539	304,842	171,123	4,295	46,600	128,818	176,024	182,258
Previous Year :	353,381	-	-	-	353,381	165,644	5,479	-	171,123	182,258	



(Amount in ₹)

	As At 31st March,2013	As At 31st March,2012
2.7: CASH AND BANK BALANCES		
Cash and Cash Equivalents		
Balances With Banks	601,683	197,314
Cash on hand (as certified)	10,948	2,352
	612,631	199,666
Other Bank Balances		
Fixed Deposit with Banks (Having maturity period for more than 12 months and including interest accrued of ₹349,855/-, Previous Year ₹203,116/-)	7,129,855	6,977,146
	7,129,855	6,977,146
	7,742,486	7,176,812
	For the year ended 31st March,2013	For the year ended 31st March,2012
2.8 : OTHER INCOME		
Interest Income		
From banks (Tax Deducted at Source ₹84,302/- , Previous Year ₹42,716/-)	842,455	427,726
Other Non Operating Income		
Excess Liabilities and Unclaimed Balances written back	-	5,516
	842,455	433,242
2.9 : OTHER EXPENSES		
Selling, Administration and Other Expenses		
Repairs to Building	13,400	-
Rent	2,697	2,648
Rates & Taxes	8,635	6,291
Other Expenses	87,341	51,193
Auditors' Remuneration - Statutory Auditors - Audit Fees	20,225	20,225
Loss on Fixed Assets -Discarded	1,939	-
	134,237	80,357
2.10 : DEPRECIATION & AMORTIZATION EXPENSES		
On Tangible Assets	4,295	5,479
	4,295	5,479



BIRLA JUTE SUPPLY COMPANY LIMITED

2.11 : 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.

2.12 : 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:

	(Amount in ₹)	
	For the year ended 31st March, 2013	For the year ended 31st March, 2012
i) <u>Particulars</u>		
Rent Paid	2,697	2,648
ii) <u>Particulars</u>	As at	As at
	31st March, 2013	31st March, 2012
Advance received	1,531	500
Advance paid	-	500
<u>Balance Outstanding</u>	As at	As at
	31st March, 2013	31st March, 2012
Advance received	1,531	-

2.13: The company is engaged in trading of raw jute in india which is 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.

Signatures to Notes 1 to 2.13

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
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Dated :- the 16th day of April, 2013

