

BIRLA JUTE SUPPLY COMPANY LIMITED

**ANNUAL REPORT AND ACCOUNTS
2013 – 14**

BIRLA JUTE SUPPLY CO. LTD.

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

CIN – U01113WB1950PLC093522

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, 2014.

ACCOUNTS & FINANCIAL MATTERS:

		For the year ended 31st March, 2014	For the year ended 31st March, 2013
		₹	₹
Total Revenue	:	6,61,662	8,42,455
Profit before Tax, Depreciation & Amortization	:	5,48,017	7,08,218
Depreciation and Amortization Expense	:	4,295	4,295
Profit before Tax	:	5,43,722	7,03,923
Tax Expense:			
Current Tax	:	1,71,208	1,85,794
Deferred Tax	:	(1,596)	(1,476)
Profit for the year	:	3,74,110	5,19,605
Surplus as per last Financial Statement	:	35,42,714	30,23,109
Net Surplus	:	39,16,824	35,42,714

GENERAL:

During the year under review, the Company did not trade in raw jute. The Company had earned ₹ 6,61,662/- towards Interest Income.

DIVIDEND:

Your Directors do not recommend any Dividend during the year.

DIRECTORS:




Shri G. Sharma retires from the Board by rotation and being eligible, offers himself for re-appointment.

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: 18th April, 2014.

INDEPENDENT AUDITOR'S REPORT

To The Members of **BIRLA JUTE SUPPLY COMPANY LIMITED,**

Report on the Financial Statements

We have audited the accompanying financial statements of **BIRLA JUTE SUPPLY COMPANY LIMITED**, which comprise the Balance Sheet as at 31st March, 2014 and the Statement of Profit & Loss and Cash Flow Statement for the year ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs) and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and 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 March 31, 2014;
- (b) in the case of the Statement of Profit and Loss, of the Profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.



Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order 2003 ("the Order"), issued by the Central Government of India in terms of sub-section (4A) of Section 227) of the Act, 1956 we give in the Annexure a statement on the matters specified in paragraph 4 and 5 of the Order, to the extent applicable to the Company.
2. As required by section 227(3) of the Act, we report that:
 - 2.1. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - 2.2. 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.
 - 2.3. The Balance Sheet, the Statement of Profit & Loss and Cash Flow Statement dealt with by this report are in agreement with the books of the account.
 - 2.4. In our opinion, the Balance Sheet, the Statement of Profit & Loss and Cash Flow Statement comply with the Accounting Standards notified under the Act (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs).
 - 2.5. On the basis of written representations received from the directors, as on 31st March, 2014 and taken on record by the Board of Directors, none of the director is disqualified as on 31st March, 2014 from being appointed as Director in terms of clause (g) of sub-section (1) of section 274 of the Act.

Kolkata

Dated: 18th day of April 2014

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



AUDITORS REPORT

ANNEXURE TO THE AUDITORS REPORT

(Referred to in paragraph 1 of our report of even date)

- 1) (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.
- 2) The Company has no inventories, and therefore reporting on provisions of clause 4(ii) relating to inventories are not applicable to the Company.
- 3) During the period, the Company has neither taken nor granted any loans, secured or unsecured from/to companies, firm and other parties covered in the register maintained under section 301 of the Act and therefore provisions on clauses 4(iii) of the Order are not applicable to the Company.
- 4) 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
- 5) (a) According to the information and explanations given to us and audit in accordance with generally accepted auditing practices, in our opinion, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.

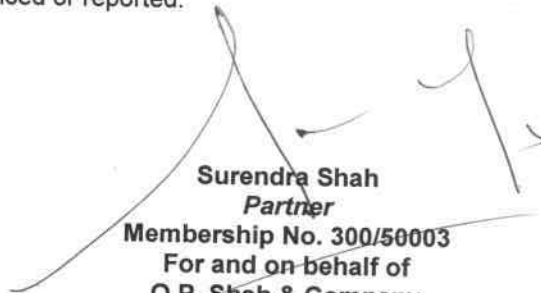
(b) There is no transactions, with parties as stated in para 5(a) above, exceeding value Rs.500,000/- have been entered into during the financial year.
- 6) During the year, the Company has not accepted any deposits from the public as defined under sections 58A and 58AA or any other relevant provisions of the Act and the rules framed there under.
- 7) The Company does not have any formal internal audit system.
- 8) There is no requirement for maintenance of cost records under section 209(1)(d) of the Companies Act, 1956.
- 9) (a) According to the records of the Company, the Company has not any undisputed statutory dues which were outstanding as at 31st March, 2014 for a period of more than six months from the date they became payable.

(b) According to the records of the Company and according to information and explanations given to us, the Company does not have any outstanding disputed statutory dues as on 31st March, 2014.
- 10) The Company has no accumulated losses and has not incurred cash losses in the current financial year and in the immediately preceding financial year
- 11) The Company has not borrowed any amount from any financial institutions or banks or by way of issue of debentures, therefore provisions of clause 4(xi) of the order are not applicable to the Company.
- 12) According to the information and explanations given to us and based on the documents and records produced before us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.



- 13) In our opinion and according to information and explanations given to us, the Company is not a chit fund or nidhi/ mutual benefit fund or society. Therefore clause 4(xiii) of the order are not applicable to the Company.
- 14) According to the information and explanations given to us and audit in accordance with generally accepted auditing practices, the Company has not entered any transactions in respect of dealing in shares, securities, debentures and other investments and therefore clause 4(xiv) of the order is not applicable to the Company.
- 15) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions and as such provisions of clause 4(xv) of the Order are not applicable to the Company.
- 16) During the year, the Company has not taken any term loan and as such provisions of clause 4(xvi) of the Order are not applicable to the Company.
- 17) Based on the overall examination of the Balance Sheet of the Company no funds raised on short term basis have been used for long term purposes by the Company.
- 18) During the year, the Company has not made any preferential allotment of shares to parties covered in the register maintained under section 301 of the Act and therefore provisions of clause 4(xviii) of the Order are not applicable to the Company.
- 19) During the year, the Company has neither issued any debentures nor it has any outstanding debentures and therefore provisions of clause 4(xix) of the Order are not applicable to the Company.
- 20) During the year, the Company has not raised money through public issue and therefore provisions of clause 4(xx) of the Order are not applicable to the Company.
- 21) In our opinion and according to information and explanations given to us, during the year, no fraud on or by the Company has been noticed or reported.

Kolkata
Dated: 18th day of April 2014


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 2014

(Amount in ₹)

	Note	As At March 31, 2014	As At March 31, 2013
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUND			
Share Capital	2.1	600,000	600,000
Reserves and Surplus	2.2	7,748,411	7,374,301
		<u>8,348,411</u>	<u>7,974,301</u>
NON-CURRENT LIABILITIES			
Deferred Tax Liabilities (Net)	2.3	55,781	57,377
		<u>55,781</u>	<u>57,377</u>
CURRENT LIABILITIES			
Other Current Liabilities	2.4	20,525	22,056
		<u>20,525</u>	<u>22,056</u>
TOTAL		<u><u>8,424,717</u></u>	<u><u>8,053,734</u></u>
ASSETS			
NON-CURRENT ASSETS			
Fixed Assets			
Tangible Assets	2.5	171,729	176,024
		<u>171,729</u>	<u>176,024</u>
Long-Term Loans and Advances	2.6	136,882	135,224
		<u>136,882</u>	<u>135,224</u>
CURRENT ASSETS			
Cash and Bank Balances	2.7	8,116,106	7,742,486
		<u>8,116,106</u>	<u>7,742,486</u>
TOTAL		<u><u>8,424,717</u></u>	<u><u>8,053,734</u></u>

Significant Accounting Policies


1

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

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



Dated- the 18th day of April, 2014


BIRLA JUTE SUPPLY COMPANY LIMITED
STATEMENT OF PROFIT & LOSS for the year ended 31st March 2014

(Amount in ₹)

	Note	For the year ended 31st March,2014	For the year ended 31st March,2013
INCOME			
Other Income	2.8	661,662	842,455
Total Revenue		661,662	842,455
EXPENDITURE			
Other Expenses	2.9	113,645	134,237
Total		113,645	134,237
Profit before Tax, Depreciation & Amortisation		548,017	708,218
Depreciation and Amortization Expense	2.10	4,295	4,295
Profit before Tax		543,722	703,923
Tax Expense:			
Current Tax		171,208	185,794
Deferred Tax		(1,596)	(1,476)
Profit for the year		374,110	519,605
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		62.35	86.60

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

S. Vajaram
[Signature]
[Signature]



Dated :- the 18th day of April, 2014

BIRLA JUTE SUPPLY COMPANY LIMITED
CASH FLOW STATEMENT for the year ended 31.03.2014

(Amount in ₹)

	For the year ended 31st March, 2014	For the year ended 31st March, 2013
A Cash Flow from Operating Activities:		
Profit before Tax	543,722	703,923
Adjustments for :		
Depreciation & Amortisation	4,295	4,295
Under protest written off	-	38,288
Loss on Fixed Assets - Discarded	-	1,939
	<u>548,017</u>	<u>748,445</u>
Miscellaneous expenditure amortised	-	-
Operating Profit before Working Capital changes	548,017	748,445
Adjustments for :		
Increase in current Liabilities	(1,531)	1,531
Cash generated from operations	546,486	749,976
Direct Taxes Paid	<u>(172,866)</u>	<u>(184,302)</u>
Net Cash flow from Operating Activities	373,620	565,674
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	<u>373,620</u>	<u>565,674</u>
Cash and Cash Equivalents (Opening Balance)	<u>7,742,486</u>	<u>7,176,812</u>
Cash and Cash Equivalents (Closing Balance)	<u>8,116,106</u>	<u>7,742,486</u>

Notes:

- Above statement has been prepared in indirect method.
- Cash and Cash Equivalents consist of Cash balance in hand and balances with Scheduled Banks.
- 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

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Dated- the 18th day of April, 2014

BIRLA JUTE SUPPLY COMPANY LIMITED

Notes to Financial Statements for the year ended 31st March 2014

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, read with general circular No 15/2013 dated 13th September 2013, issued by the Ministry of Corporate Affairs, in respect of Section 133 of the Companies Act, 2013.

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,2014

(Amount in ₹)

		As at 31st March,2014	As at 31st March,2013
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,2014	As at 31st March,2013
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>
iii) Surplus			
	As per last Financial Statements	3,542,714	3,023,109
	Add: Profit for the year	374,110	519,605
	Net Surplus	<u>3,916,824</u>	<u>3,542,714</u>
		<u>7,748,411</u>	<u>7,374,301</u>



(Amount in ₹)

	As at 31st March,2014	As at 31st March,2013
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2.3 : DEFERRED TAX LIABILITIES (NET)

Deferred Tax Liabilities		
Arising on account of :		
Depreciation	55,781	57,377
Deferred Tax Liabilities	<u>55,781</u>	<u>57,377</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 ₹55,781/- as on date 31st March, 2014 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.

2.4 : OTHER CURRENT LIABILITIES

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

2.6 : LONG TERM LOANS & ADVANCES

Other Loans and Advances (Unsecured, Considered good)		
Advance Tax (including TDS) (Net of provisions)	136,882	135,224
	<u>136,882</u>	<u>135,224</u>
Total	<u>136,882</u>	<u>135,224</u>



BIRLA JUTE SUPPLY COMPANY LIMITED

2.5 : FIXED ASSETS	GROSS BLOCK					DEPRECIATION			NET BLOCK	
	Cost/Value as at 31st March, 2013	Addition During the Year	Deductions/ Adjustments during the year	Cost/Value as at 31st March, 2014	Upto 31st March, 2013	Provided during the year	Deductions/ Adjustments during the year	Upto 31st March, 2014	As at 31st March 2014	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	128,818	4,295	-	133,113	130,389	134,684
Total :	304,842	-	-	304,842	128,818	4,295	-	133,113	171,729	176,024
Previous Year :	353,381	-	48,539	304,842	171,123	4,295	46,600	128,818	176,024	



(Amount in ₹)

	As At 31st March,2014	As At 31st March,2013
2.7: CASH AND BANK BALANCES		
Cash and Cash Equivalents		
Balances With Banks	406,688	601,683
Cash on hand (as certified)	7,559	10,948
	<u>414,247</u>	<u>612,631</u>
Other Bank Balances		
Fixed Deposit with Banks (Having maturity period for more than 12 months and including interest accrued of ₹201,859/-, Previous Year ₹349,855/-)	7,701,859	7,129,855
	<u>7,701,859</u>	<u>7,129,855</u>
	<u><u>8,116,106</u></u>	<u><u>7,742,486</u></u>
	For the year ended 31st March,2014	For the year ended 31st March,2013
2.8 : OTHER INCOME		
Interest Income - Gross		
From banks (Tax Deducted at Source ₹66,166/- , Previous Year ₹84302/-)	661,662	842,455
	<u>661,662</u>	<u>842,455</u>
2.9 : OTHER EXPENSES		
Selling, Administration and Other Expenses		
Repairs to Building	-	13,400
Rent	2,697	2,697
Rates & Taxes	32,202	8,635
Other Expenses	58,521	87,341
Auditors' Remuneration - Statutory Auditors - Audit Fees	20,225	20,225
Loss on Fixed Assets -Discarded	-	1,939
	<u>113,645</u>	<u>134,237</u>
2.10 : DEPRECIATION & AMORTIZATION EXPENSES		
On Tangible Assets	4,295	4,295
	<u>4,295</u>	<u>4,295</u>



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, 2014	For the year ended 31st March, 2013
i) Particulars		
Rent Paid	2,697	2,697
ii) Particulars	As at	As at
	31st March, 2014	31st March, 2013
Advance received	1,020	1,531
Advance paid	2,551	-
	As at	As at
	31st March, 2014	31st March, 2013
Balance Outstanding		
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
Kolkata 700071

Dated :- the 18th day of April, 2014



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