

**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** ("the Company"), which comprise the Balance Sheet as at 31st March 2015, Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, of the state of affairs of the Company as at 31 March 2015 and its profit and its 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, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) On the basis of the written representations received from the directors as on 31 March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and
 - f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Place : Kolkata
Dated: 23rd day of April 2015.


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



Annexure to the Independent Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31st March 2015, we report that:

- (i) a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
b. The Company has a regular programme of physical verification of its fixed assets at reasonable intervals; no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (ii) The Company has no inventories. Thus, paragraph 3(ii) of the Order is not applicable.
- (iii) The Company has not granted loans, secured or unsecured to companies, firm and other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act') and therefore paragraph 3 (iii) of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services.
- (v) The Company has not accepted any deposits from the public. Thus, paragraph 3 (v) of the Order is not applicable.
- (vi) Maintenance of cost records of the Company has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act.
- (vii) a. The company is regular in depositing undisputed statutory dues and there are no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.
b. According to the information and explanations given to us, there are no material dues of outstanding statutory dues, which have not been deposited with the appropriate authorities on account of any dispute.
c. According to the information and explanations given to us there are no amounts which were required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules there.
- (viii) The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- (ix) The company has not defaulted in repayment of dues to a financial institution or bank or debenture holders.
- (x) In our opinion and according to the information and the explanations given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xi) The Company did not have any term loans outstanding during the year.
- (xii) According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

Place : Kolkata

Dated: 23rd day of April 2015.




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 2015

(Amount in ₹)

	Note	As At March 31, 2015	As At March 31, 2014
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUND			
Share Capital	2.1	600,000	600,000
Reserves and Surplus	2.2	8,102,672	7,748,411
		<u>8,702,672</u>	<u>8,348,411</u>
NON-CURRENT LIABILITIES			
Deferred Tax Liabilities (Net)	2.3	4,170	55,781
		<u>4,170</u>	<u>55,781</u>
CURRENT LIABILITIES			
Other Current Liabilities	2.4	20,525	20,525
		<u>20,525</u>	<u>20,525</u>
TOTAL		<u><u>8,727,367</u></u>	<u><u>8,424,717</u></u>
ASSETS			
NON-CURRENT ASSETS			
Fixed Assets			
Tangible Assets	2.5	54,515	171,729
		<u>54,515</u>	<u>171,729</u>
Long-Term Loans and Advances	2.6	137,923	136,882
		<u>137,923</u>	<u>136,882</u>
CURRENT ASSETS			
Cash and Bank Balances	2.7	8,534,929	8,116,106
		<u>8,534,929</u>	<u>8,116,106</u>
TOTAL		<u><u>8,727,367</u></u>	<u><u>8,424,717</u></u>

Significant Accounting Policies

I

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



Handwritten signature

Handwritten signature

Handwritten signature

Dated- the 23rd day of April, 2015

BIRLA JUTE SUPPLY COMPANY LIMITED
STATEMENT OF PROFIT & LOSS for the year ended 31st March 2015

(Amount in ₹)			
	Note	For the year ended 31st March, 2015	For the year ended 31st March, 2014
INCOME			
Other Income	2.8	708,665	661,662
Total Revenue		708,665	661,662
EXPENDITURE			
Other Expenses	2.9	100,975	113,645
Total		100,975	113,645
Profit before Tax, Depreciation & Amortisation		607,690	548,017
Depreciation and Amortization Expense	2.10	-	4,295
Profit before Tax		607,690	543,722
Tax Expense:			
Current Tax		187,826	171,208
Deferred Tax		(13,680)	(1,596)
Profit for the year		433,544	374,110
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		72.26	62.35

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 23rd day of April, 2015



G. Jayaraman

Umasree

B. Suresh

BIRLA JUTE SUPPLY COMPANY LIMITED
CASH FLOW STATEMENT for the year ended 31.03.2015

(Amount in ₹)

	For the year ended 31st March, 2015	For the year ended 31st March, 2014
A. Cash Flow from Operating Activities:		
Profit before Tax	607,690	543,722
Adjustments for :		
Depreciation & Amortisation	-	4,295
	607,690	548,017
Miscellaneous expenditure amortised	-	-
Operating Profit before Working Capital changes	607,690	548,017
Adjustments for :		
Increase in current Liabilities	-	(1,531)
Cash generated from operations	607,690	546,486
Direct Taxes Paid	(188,867)	(172,866)
Net Cash flow from Operating Activities	418,823	373,620
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	418,823	373,620
Cash and Cash Equivalents (Opening Balance)	8,116,106	7,742,486
Cash and Cash Equivalents (Closing Balance)	8,534,929	8,116,106

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
 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



Handwritten signature

Handwritten signature

Handwritten signature

Dated- the 23rd day of April, 2015

BIRLA JUTE SUPPLY COMPANY LIMITED

Notes to Financial Statements for the year ended 31st March 2015

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, 2013.

The financial statements had been prepared and presented as per the requirement of Schedule III as notified under Companies Act 2013.

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 is provided by systematic allocation of the depreciable amount of an assets over the remaining useful life or useful life, as the case may be, as prescribed in Part C of the Schedule II of Companies Act , 2013.

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,2015

(Amount in ₹)

		As at 31st March,2015	As at 31st March,2014
2.1 : SHARE CAPITAL			
	Authorised		
25,000	Ordinary Shares of ₹100/- each	2,500,000	2,500,000
		2,500,000	2,500,000
	Issued, Subscribed and Paid-up		
6,000	Ordinary Shares of ₹100/- each fully paid up	600,000	600,000
		600,000	600,000

- 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,2015	As at 31st March,2014
i) Capital Reserves			
As per last Financial Statements		82,040	82,040
		82,040	82,040
ii) General Reserve			
As per last Financial Statements		3,749,547	3,749,547
Less: Transfer to Retained earning due to applicability of Schedule II of the Companies Act, 2013 (Net of Deferred Tax assets/Liability - ₹ 37,931/-)		79,283	-
		3,670,264	3,749,547
iii) Surplus			
As per last Financial Statements		3,916,824	3,542,714
Add: Profit for the year		433,544	374,110
Net Surplus		4,350,368	3,916,824
		8,102,672	7,748,411



(Amount in ₹)

	As at 31st March,2015	As at 31st March,2014
2.3 : DEFERRED TAX LIABILITIES (NET)		
Deferred Tax Liabilities		
Arising on account of :		
Depreciation	4,170	55,781
Deferred Tax Liabilities	<u>4,170</u>	<u>55,781</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 ₹4,170/- as on date 31st March, 2015 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	20,525
	<u>20,525</u>	<u>20,525</u>

2.6 : LONG TERM LOANS & ADVANCES

Other Loans and Advances (Unsecured, Considered good)		
Advance Tax (including TDS) (Net of provisions)	137,923	136,882
	<u>137,923</u>	<u>136,882</u>
Total	<u>137,923</u>	<u>136,882</u>



2.5 : FIXED ASSETS

(Amount in ₹)

Description	GROSS BLOCK					DEPRECIATION					NET BLOCK			
	Cost/Value as at 31st March, 2014	Addition during the year	Deductions during the year	Adjustments due to change in class of assets in view of applicability of Sch II of Companies Act, 2013	Cost/Value as at 31st March, 2015	Upto 31st March, 2014	Transfer from (+) or (-) other units	Provided during the year	Deductions/ Adjustments during the year	Adjustments due to change in class of assets in view of applicability of Sch II of Companies Act, 2013	Depreciation adjusted against Retained Earnings	Upto 31st March, 2015	As at 31st March, 2015	As at 31st March, 2014
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	133,113	-	-	-	-	117,214	250,327	13,175	130,389
Total	304,842	-	-	-	304,842	133,113	-	-	-	-	117,214	250,327	54,515	171,729
Previous Year	304,842	-	-	-	304,842	128,818	-	4,295	-	-	-	133,113	-	171,729

Effective April 1, 2014, the Company has charged depreciation based on the remaining useful life of the assets as per requirement of Schedule II of the Companies Act, 2013. Due to above, depreciation charged for the year ended March 31, 2015, is lower by ₹ 4295/-. Further, based on transitional provision provided in Note 7(b) of Schedule II, an amount of ₹ 79283/- (net of Deferred Tax of ₹ 37931/-) has been adjusted with retained earnings.



(Amount in ₹)

	As At 31st March,2015	As At 31st March,2014
2.7: CASH AND BANK BALANCES		
Cash and Cash Equivalents		
Balances With Banks	115,795	406,688
Cash on hand (as certified)	5,596	7,559
	121,391	414,247
Other Bank Balances		
Fixed Deposit with Banks (Having maturity period for more than 12 months and including interest accrued of ₹213,538/-, Previous Year ₹201,859/-)	8,413,538	7,701,859
	8,413,538	7,701,859
	8,534,929	8,116,106

For the year ended 31st March,2015	For the year ended 31st March,2014
---------------------------------------	---------------------------------------

2.8 : OTHER INCOME**Interest Income**

From banks (Tax Deducted at Source ₹70,867/-, Previous Year ₹66,166/-)	708,665	661,662
	708,665	661,662

2.9 : OTHER EXPENSES**Marketing, Administration and Other Expenses**

Rent	2,697	2,697
Rates & Taxes	14,071	32,200
Other Expenses	63,982	58,520
Auditors' Remuneration - Statutory Auditors - Audit Fees	20,225	20,225
	100,975	113,642

2.10 : DEPRECIATION & AMORTIZATION EXPENSES**On Tangible Assets**

As At 31st March,2015	As At 31st March,2014
-	4,290
-	4,290



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, 2015	For the year ended 31st March, 2014
i) Particulars		
Rent Paid	2,697	2,697
ii) Particulars	As at 31st March, 2015	As at 31st March, 2014
Advance received	3,579	1,020
Advance paid	3,579	2,551

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.300750003
 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 23rd day of April, 2015





(Amount in ₹)

a. **Equity Share Capital**

Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
600000	-	600000

b. **Other Equity**

	Balance at the beginning of the reporting period	Changes in accounting policy / prior period errors	Restated balance at the beginning of the reporting period	Total Comprehensive Income for the year	Dividends	Transfer to retained earnings	Any other change (to be specified)	Balance at the end of the reporting period
(i) Equity component of other financial Instruments	-	-	-	-	-	-	-	-
(ii) Retained Earnings	3,916,824	-	-	433,544	-	-	-	4,350,368
(iii) Reserves	-	-	-	-	-	-	-	-
1.1 Reserves representing unrealised gains/losses	-	-	-	-	-	-	-	-
Debt instruments through Other Comprehensive Income	-	-	-	-	-	-	-	-
Equity Instruments through other Comprehensive Income	-	-	-	-	-	-	-	-
Effective portion of Cash Flow Hedges	-	-	-	-	-	-	-	-
Re-valuation Surplus	-	-	-	-	-	-	-	-
Remeasurements of the net defined benefit Plans	-	-	-	-	-	-	-	-
Exchange differences on translating the financial statements of a foreign operation	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-
1.2 Other Reserves :	3,749,547	-	-	-	-	79,283	-	3,670,264
General Reserve	-	-	-	-	-	-	-	-
1.2 Other Reserves :	82,040	-	-	-	-	-	-	82,040
Capital Reserve	-	-	-	-	-	79,283	-	3,752,304
(iii) Total Reserves	3,831,587	-	-	-	-	-	-	-
(iv) Money received against share warrants	-	-	-	-	-	-	-	-
(v) Others	-	-	-	-	-	-	-	-



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. Jayaraman
Ushant
ACR