

THE JUTE CORPORATION OF INDIA LIMITED

(A Government of India Enterprise)

15N, NELLIE SENGUPTA SARANI

KOLKATA 700 087

48TH ANNUAL REPORT

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THE JUTE CORPORATION OF INDIA LIMITED

(A GOVERNMENT OF INDIA ENTERPRISE)

15N, NELLIE SENGUPTA SARANI,

KOLKATA-700 087

BOARD OF DIRECTORS

1. SRI A.K. JOLLY : CHAIRMAN-CUM-MANAGING DIRECTOR (01.02.2019)
2. SRI SANJAY SHARAN : JOINT SECRETARY, MINISTRY OF TEXTILES,
NEW DELHI (14.02.2019)
3. MS. SHERRY LALTHANGZO : ECONOMIC ADVISOR, MINISTRY OF TEXTILES,
NEW DELHI (14.02.2019)
4. Dr. S.K. PANDA : NON-OFFICIAL DIRECTOR (09.08.2018)
5. DR. K.V.R. MURTHY : CHAIRMAN-CUM-MANAGING DIRECTOR
(02.07.2016 TO 31.01.2019)
6. SRI A.M. REDDY : JOINT SECRETARY, MINISTRY OF TEXTILES,
NEW DELHI (23.03.2015 TO 14.02.2019)
7. SMT. BABNI LAL : ECONOMIC ADVISOR, MINISTRY OF TEXTILES,
NEW DELHI (18.06.2014 TO 14.02.2019)
8. CA P. DASGUPTA : DIRECTOR(FINANCE) (03.11.2014 TO 05.07.2018)

AUDIT COMMITTEE

1. Dr. S.K. PANDA : NON-OFFICIAL DIRECTOR (09.08.2018), CHAIRMAN
2. SRI SANJAY SHARAN : JOINT SECRETARY, MINISTRY OF TEXTILES,
NEW DELHI (14.02.2019), MEMBER
3. MS. SHERRY LALTHANGZO : ECONOMIC ADVISOR, MINISTRY OF TEXTILES,
NEW DELHI (14.02.2019), MEMBER
4. SRI A.K. JOLLY : CHAIRMAN-CUM-MANAGING DIRECTOR (01.02.2019),
MEMBER

CSR COMMITTEE

1. Dr. S.K. PANDA : NON-OFFICIAL DIRECTOR (09.08.2018), CHAIRMAN
2. MS. SHERRY LALTHANGZO : ECONOMIC ADVISOR, MINISTRY OF TEXTILES,
NEW DELHI (14.02.2019), MEMBER
3. SRI A.K. JOLLY : CHAIRMAN-CUM-MANAGING DIRECTOR (01.02.2019),
MEMBER



*Sri A. K. Jolly
Chairman-cum-Managing Director*



*Sri S. Sharan
Joint Secretary,
Ministry of Textiles*



*Ms. Sherry Lalthangzo
Economic Advisor,
Ministry of Textiles*



*Dr. S. K. Panda
Non-Official Director*



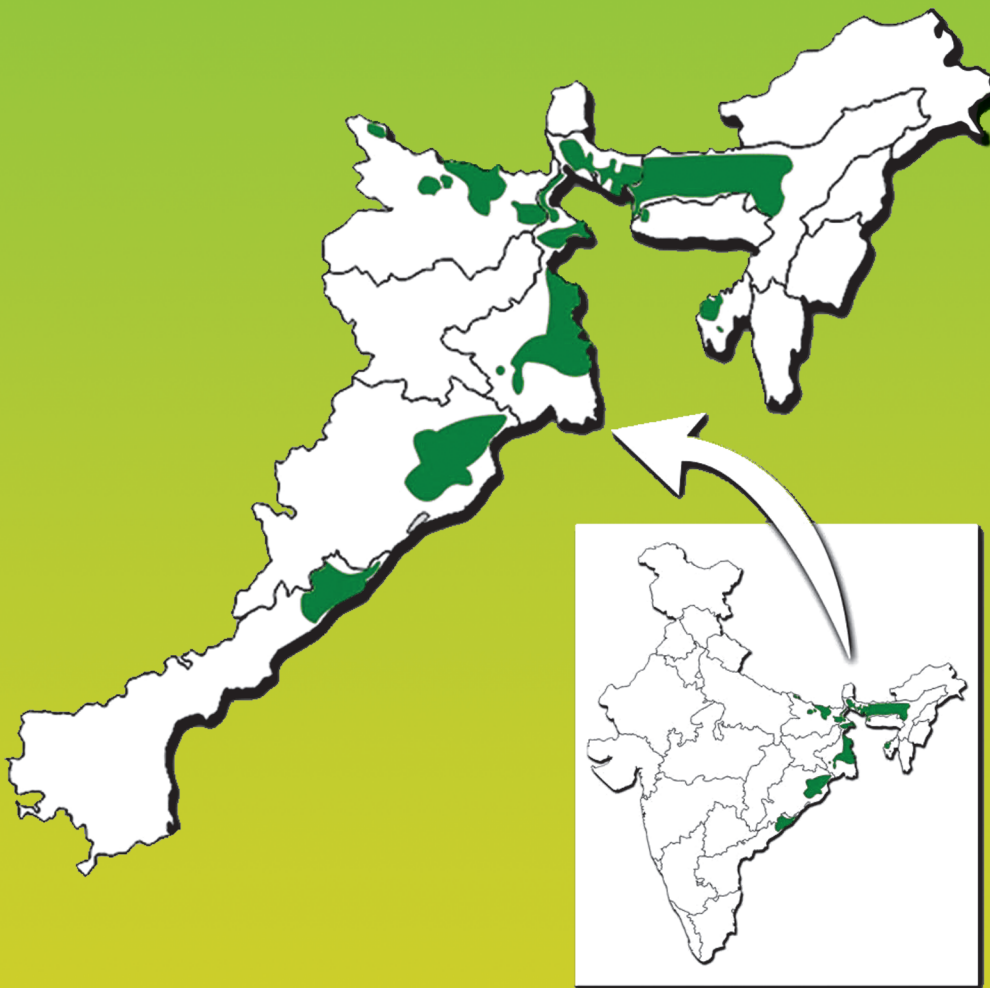
Sri A. K. Jolly, CMD, JCI handing over a Dividend Cheque to Smt. Smriti Zubin Irani, Hon'ble Minister of Textiles, Govt. of India, in presence of Sri Raghvendra Singh, Erstwhile Secretary, Textiles. Sri K.K. Mazumdar DGM (O/M), JCI is also present.



The Jute Corporation of India Limited
भारतीय पटसन निगम लिमिटेड



JCI's NETWORK



This map is for reference only, not to scale

THE JUTE CORPORATION OF INDIA LIMITED

(A GOVERNMENT OF INDIA ENTERPRISE)
15N, NELLIE SENGUPTA SARANI, KOLKATA-700 087

No. JCI/48th AGM/Sectt./2019-20

Dated: 17.12.2019

NOTICE OF THE 48TH ANNUAL GENERAL MEETING

Notice is hereby given that the Forty-Eighth Annual General Meeting of The Jute Corporation of India Limited will be held on Wednesday, the 18th December, 2019 at 10.00 a.m at Udyog Bhawan, Ministry of Textiles, Govt. of India, New Delhi - 110 011 to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the Financial Statements for the year ended 31st March, 2019 together with the Reports of Auditors and Directors thereon.
2. To note the appointment and to fix the remuneration of the Statutory Auditors.

To consider and, if thought fit, to pass, with or without modification the following Resolution as an Ordinary Resolution:

“RESOLVED

That pursuant to Section 139 of the Companies Act, 2013 (“The Act”) M/s. H.S. Bhattacharjee & Co. Chartered Accountants, has been appointed as the Statutory Auditors of the Corporation for the year 2019-20 by the Comptroller & Auditor General of India, Under Section 142 of the Act the Board of Directors of the Corporation be and are hereby authorized to fix the remuneration, out of pocket expenses, Statutory Taxes and other ancillary expenses of the auditors for the Financial Year 2019-20”.

3. To declare a dividend of Rs.69.60 per share for the year ended 31st March, 2019.

By Order of the Board of Directors

(Avik Saha)
Company Secretary

Registered Office : 15N, Nellie Sengupta Sarani, Kolkata-700 087.

Note : _____

A MEMBER ENTITLED TO ATTEND AND VOTE AT THE FORTY-EIGHTH ANNUAL GENERAL MEETING MAY APPOINT A PROXY TO ATTEND AND VOTE ON HIS BEHALF (SECTION 105). A PROXY NEED NOT BE A MEMBER OF THE CORPORATION. A BLANK FORM OF PROXY IS ENCLOSED WHICH, IF USED, SHOULD BE RETURNED TO THE CORPORATION DULY COMPLETED NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE ANNUAL GENERAL MEETING.



From the Chairman

Dear Members,

It is my privilege to welcome you all on behalf of the Board of Directors of The Jute Corporation of India Limited, on the occasion of the 48th Annual General Meeting of your Corporation.

I thank you all for attending this meeting despite your other pre-occupations.

Now, I am making a brief presentation on the performance of your Corporation during the Financial Year 2018-2019 touching upon the following points :

Financial Results

During the Financial Year 2018-19, your Corporation made a profit after tax of Rs. 1159.92 lakh. The dip in profit for the year under review is due to change in the product mix.

Market Outlook

The crop year 2018-19 began with a carryover of 22.40 lakh bales from 2017-18. The forecast for total production of raw jute was 72 lakh bales (180 kgs. each) based on the crop prospect as per the reports received from different Regions. The increase in the Minimum Support Price (MSP) was by ₹200/- (₹3700-₹3500), as declared by the Govt. of India. The actual production during the year was in accordance with the forecast referred above i.e. 72 lakh bales against the actual production of 76 lakh bales for the year 2017-18 and import from Bangladesh of 3.00 lakh bale. Out of this, the actual mill consumption was 69 lakh bales against estimated mill consumption 68 lakh bales and domestic consumption 10 lakh bales. So, there be a surplus of 18.40 lakh jute bales. The crop price ruled over MSP during most of the season which resulted in sluggish procurement under MSP. The crop prospect for the crop year 2019-20 appears to be at an even lesser scale when compared to previous year, owing to unfavourable weather conditions.

Minimum Support Price Operation

The Commission for Agricultural Costs and Prices (CACP), Department of Agriculture & Co-operation, Govt. of India, recommended the Minimum Support Price (MSP) for TDN-3 (in lieu of TD5) all India basis which was accepted by the Government of India to ₹3,700/- per quintal for the crop year 2018-19. This MSP was higher by ₹200/- per quintal than MSP of the crop year 2017-18. The Office of the Jute Commissioner, in turn, fixed the MSP of different varieties and grades of raw jute, based on the declared MSP.

Your Corporation purchased 108519 bales of raw jute under MSP operations in the F.Y 2018-19.

MoU for 2018-19

The evaluation report for MoU 2018-19 has been submitted to the Department of Public Enterprises through the Administrative Ministry and the rating for the same is still awaited and we are expecting a positive rating for MoU 2018-19. The performance of your Corporation in achieving the mandatory parameters has been particularly noteworthy.

Corporate Social Responsibility

Your Corporation being a profit making organization is obliged under Section 135 of the Companies Act, 2013 to carry out CSR activities. Additionally, your Corporation is also obliged to involve in CSR activities as per guidelines on Corporate Social Responsibility (CSR) for Central Public Sector Enterprises (CPSE) circulated by Ministry of Heavy Industries and Public Enterprises (Department of Public Enterprises) from time to time.

During the Financial Year 2018-19 your Corporation had carried out CSR activities in the areas of Cleanliness drive in schools, Health check-up camps, Innovation Processes for Clean Production, Improvement to Citizen Interface Areas Cleanliness Drive at 30 DPCs/ROs and Projects for Market Survey, Design Development and Advocacy for production of Jute Diversified Products (JDP) on a commercial scale in the states of Assam, Bihar, Odisha and West Bengal..

Corporate Governance

Your Corporation follows the existing corporate practice based on Companies Act, 1956/2013 as well as the revised Guidelines on Corporate Governance issued by the Central Government, being a mandatory one, keeping in view its basic requirement. In this year too, Your Corporation has also reported in detail in the Director's Report on the Corporate Governance followed.

Your Corporation, is consistently making efforts to improve the Corporate Governance practices for utmost transparency and accountability in its operations, specifically keeping in mind the requirements of the new Companies Act, under which the concept of Corporate Governance has been elevated to a different level of importance and significance altogether. As informed in the last year's Annual Report, an Independent Director has been appointed on the Board of the Corporation whose able guidance has help the Corporation in strengthening its Corporate Governance practices in a more professional and forward looking manner.

Human Resource Management

Your Corporation is continuing its efforts through training and job rotations to enhance competence of its manpower to make them more resourceful in their present job and also to prepare them for future roles.

Industrial relations remained harmonious during the year under review.

Looking Ahead

Your Corporation is constantly making endeavors to keep pace with changing times to make best use of the latest technological developments. Accordingly, an integrated network based on Information Technology having its main centre in Kolkata, connecting all the Regional Offices with the Head Office has been set up which is being looked after by a band of young and dedicated IT Personnels.

As informed earlier, your Corporation has now successfully established the system of Zonal Offices. This system has proved to be very helpful in efficient handling of procurement related activities, administrative issues, optimum manpower utilization and also maintenance of good liaison with concerned State Govt. officials.

Further, the mobile application of your Corporation J-MAP is now attained full maturity and is proving to be a very important tool for real time data dissemination and making online payments to farmers.

Your Corporation is also carrying out the work of distribution of certified Jute Seeds. Apart from this, your Corporation is playing an important role in furtherance of the ICARE (Jute : Improved Cultivation and Advanced Retting Exercise) project whereby certified jute seeds are distributed to the farmers for better quality and yield.



Last but not the least, your Corporation is continuously looking new avenues of alternate revenue to minimize its dependence on Govt. grant, in the field of JDP and Geo Textiles. In this direction, I take pride in informing that your Corporation has made major headway in the field of Marketing and Sales of Jute Diversified Products (JDP) on a commercial scale. It has substantially increased its clientele over the past one year. One major breakthrough has been setting up shops at Tirupati Thirumala Devasthanam (TTD) for sale of jute bags for distribution of Laddu Prasadam.

Another important project is also in the pipe line which concerns making of jute based low cost sanitary napkins for rural women. The progress in this regard will be reported in the subsequent reports.

Your Corporation is also exploring new markets for its JDP products and in this pursuit had participated in the Canton fair which was held at the Peoples' Republic of China between October, 31st – November, 4th, 2018.

Acknowledgements

I express my gratitude to the Ministry of Textiles, Office of the Jute Commissioner, National Jute Board and Officials of all other jute related bodies for their unstinted support and patronage for the activities of your Corporation.

I also take this opportunity to recognize the continued support received from the Staff Unions and Officers' Association to maintain the commitment of your Corporation towards the jute farmers as well as the jute sector as a whole.

(A. K. Jolly)

Chairman-cum-Managing Director

DIRECTORS' REPORT FOR THE YEAR 2018-19

Dear Shareholders,

I feel extremely privileged to have this opportunity to present before you on behalf of the Board of Directors, the 48th Annual Report on the performance of your Corporation together with the Auditors Report and Audited Accounts for the year 31st March, 2019, and the report of the Comptroller and Auditor General of India thereon.

The salient features of the workings of your Corporation during the aforementioned period are being enumerated below:

1. RAW JUTE DEMAND - SUPPLY SCENARIO

The crop year 2018-19 began with a carryover of 22.40 lakh bales from 2017-18. The forecast for total production of raw jute was 72 lakh bales (180 kgs. each) based on the crop prospect as per the reports received from different Regions. The increase in the Minimum Support Price (MSP) was by ₹200/- (₹3700-₹3500), as declared by the Govt. of India. The actual production during the year was in accordance with the forecast referred above i.e. 72 lakh bales against the actual production of 76 lakh bales for the year 2017-18 and import from Bangladesh of 3.00 lakh bale. Out of this, the actual mill consumption was 69 lakh bales against estimated mill consumption 68 lakh bales and domestic consumption 10 lakh bales. So, there be a surplus of 18.40 lakh jute bales. The crop price ruled over MSP during most of the season which resulted in sluggish procurement under MSP. The crop prospect for the crop year 2019-20 as predicted by Jute Advisory Board was very encouraging at the beginning of the year, so much so that the production for the subject year was estimated at around 79 lakh bales, however, as things stand now, it appears that the aforesaid estimation may not hold good, mainly owing to unfavourable weather conditions.

2. REVIEW OF OPERATION

2.1 Minimum Support Price Operation

The Commission for Agricultural Costs and Prices (CACP), Department of Agriculture & Co-operation, Govt. of India, recommended the Minimum Support Price (MSP) for TDN-3 (in lieu of TD5) all India basis which was accepted by the Government of India to ₹3,700/- per quintal for the crop year 2018-19. This MSP was higher by ₹200/- per quintal than MSP of the crop year 2017-18. The Office of the Jute Commissioner, in turn, fixed the MSP of different varieties and grades of raw jute, based on the declared MSP.

Your Corporation purchased 1,08,519 bales of raw jute under MSP operations in the F.Y 2018-19. A summary of the Financial Position of MSP Operation for the year 2018-19 as per Annual Accounts as on 31st March, 2019 is as under:

Purchase Quantity (180 kg. Bale)	Purchase Value (₹ in lakh)	Operational Cost (₹ in lakh)	Sales Quantity (Bales)	Sale Value (net) (₹ in lakh)
1,08,519	6678.86	270.81	2,14,813	15,544.36
Closing Stock			46,303	2,600.02
Overall Profit/(Loss) after tax				881.91

2.2 Commercial Operation :

A summary of the Financial Position of Commercial Operation for the year 2018-19 as per Annual Accounts as on 31st March, 2019 is as under :

Purchase Quantity (180 kg. Bale)	Purchase Value (₹ in lakh)	Operational Cost (₹ in lakh)	Sales Quantity (Bales)	Sale Value (net) (₹ in lakh)
	0.00	52.35	35,983	2515.90
Closing Stock			29,342	1,732.48
Overall Profit/(Loss) after tax				265.57

3. FINANCIAL REVIEW

- 3.1 During the year under review, your Corporation procured around 1,08,519 bales of raw jute under MSP Operation.
- 3.2 The total turnover of your Corporation during 2018-19 was ₹ 18,433.84 lakh. The Operating result shows a Net Profit after tax of ₹ 1159.92 lakh after charging all Overhead Cost, Rent, Insurance, Interest, Depreciation and Provision for leave encashment benefit of retired employees. After considering the proposed dividend and distribution tax thereon which comes to ₹ 419.53 lakh and transferring the Residual Profit to the Reserves & Surplus Account, the carried over amount as in the aforesaid account as shown in the Balance Sheet is ₹ 13,150.37 lakh at the end of the year.
- 3.3 The financial results for the year under review has been summarized in Annexure-‘A’
- 3.4 Profit after tax is ₹ 1159.92 lakh as compared to ₹ 1768.20 lakh of profit for the previous year.
- 3.5 The company’s earnings per share (Face Value ₹ 100/-) for 2018-19 is ₹ 232/- as compared to ₹ 354/- for the previous year.
- 3.6 Your Corporation has infrastructure and necessary working capital limit to achieve a reasonable raw jute turnover of nearly more than ₹ 110 crore every year.
- 3.7 Proposed dividend including tax thereon comes to ₹ 419.53 lakh as compared to 638.50 lakh for the previous year.

4. GRANT OF SUBSIDY TO MAINTAIN INFRASTRUCTURE FOR MINIMUM SUPPORT PRICE (MSP) OPERATION OF THE CORPORATION.

As you are aware, your Corporation is the Price Support Agency of the Govt. of India for raw jute. It was set up in April 1971 primarily to protect the interest of the Jute Growers through procurement of Raw Jute under the MSP fixed by the Govt. of India from time to time and also to stabilize the raw jute market price to the possible extent for the benefit of the jute farmers and the jute economy as a whole.

In order to maintain its infrastructure for conducting the MSP operations of raw jute for benefitting the marginal farmers an annual Grant is provided to JCI in order to meet its fixed overhead costs. Your Directors had informed on earlier occasions that the Govt. of India had approved the grant of ₹ 100 crore for the Financial Year 2018-19 and 2019-20. Out of the aforementioned approved grant your Corporation has already received around ₹ 7.5 crore in the Financial Year 2018-19 and ₹ 7.90 crore during the Financial Year 2019-20.

However, as per minutes of a recent meeting chaired by Secretary, Textiles, in the 1st batch of Supplementary Grant (RE) of the Ministry of Textiles, in September, 2019, there will be an allocation of

additional funds of ₹ 84.60 crore as per the approved budget for JCI which includes short allocation of ₹ 42.50 crore during F.Y 2018-19.

5. MEMORANDUM OF UNDERSTANDING (MoU) – 2018-19

Your Corporation received “Good” grading in the MoU for the year 2017-18, which is an improvement over last year’s grading. The turnover for the subject Financial Year (2017-18) was nearly three times of the last year’s turnover. Your Corporation’s performance was also reasonably good in achieving the non-financial parameters of the aforementioned MoU.

Under the Memorandum of Understanding (MoU) 2018-19, your Corporation, inter-alia, is under obligation to fulfill the following:

(a) Other Parameter

- (i) Reduction in operating time for making of bales from loose jute over the previous year – your Corporation is managed to reduce the operating time for making bales from loose jute to 25 days.
- (ii) Other sector specific result-oriented measurable parameters – ICARE project with number of registered farmers and linking with Aadhaar – In this parameter, your Corporation managed to successfully register 82,000 farmers satisfying the condition of linking the aforementioned registrations with respective Aadhaar numbers of the farmers.

(b) HRM Parameters

- (i) Assessment of level in line with People Capability Maturity Model (PCMM) or its equivalent in the CPSE & placing the matter before the Board for taking a decision whether to go for up-gradation in level and, if yes, getting the approval for the timelines from the Board. If not justifiable reason to be recorded in the Board Resolution.
 - An alternate PCMM model was placed before the Board in its 250th meeting held on 13.12.2018 when the Board gave an in-principle approval to the same.
- (ii) Online Human Resource Management System (HRMS) Implementation (consisting of online employee data administration, employee self-service, exit procedure, talent management, etc.) and its integration with finance.
 - It was informed to the Board in its 250th meeting held on 13.12.2018 that the process for implementation of the HRMS in line with the requirement of the target under MoU 2018-19 has been initiated and the payroll component of the subject HRM system has been already integrated with Finance by induction of Tally ERP, which was duly noted by the Board.

Apart from the above, the evaluation criteria for all the other MoU targets for the year 2018-19 are reflected in the Annual Accounts of the Corporation for the subject Financial Year.

Your Directors are hopeful that during the Financial Year 2019-20 the performance of your Corporation will be even better with an expectation of good MSP season and the drives given for JDP business and other businesses for generation of alternate sources of revenue.

6. DIVERSIFIED COMMERCIAL ACTIVITIES

As informed earlier, Sonali, the sales outlet of your Corporation for diversified jute products has successfully participated in various national and international trade fairs and has proved to be an important organ to boost the JDP sales of your Corporation.



Your Corporation, in its relentless pursuit of alternate sources of revenue, has commenced a project to sell aluminum coated eco-friendly jute bags for distribution of Prasad at Tirupati Thirumala Devasthanam. The initial response of the project has been very encouraging and your Corporation hopes this project to be a major source of revenue in future.

Some other projects like Jute Geo Textiles and setting up of a plant for manufacturing of low cost jute based Sanitary Napkins are also in the pipe line, details of which will be provided in the future editions of this report.

7. SOCIAL COST- BENEFIT ANALYSIS

In order to protect the interest of millions of jute growers in the country the Govt. of India has introduced the concept of Minimum Support Price (MSP) of raw jute. Under this scheme procurement of raw jute is done at the declared MSP when the ruling market price is at or below the aforesaid declared MSP. The Govt. has entrusted the responsibility of carrying out this MSP operation to your Corporation. Your Corporation is the Nodal Agency for MSP operations in raw jute in the country.

In addition to the above, your Corporation also undertakes various projects. Your Corporation has set up an outlet, Sonali, through which the jute based handiwork of under privileged women are showcased and sold. Your Corporation has also taken initiative in distribution of certified Jute Seeds. Apart from this your Corporation has also undertaken the ICARE (Jute : Improved Cultivation and Advanced Retting Exercise) project. The objective of this project is to reduce the cost of raw jute production while improving the productivity and fibre quality for better price realization and value addition. The improved agronomic practices included in the project are – line sowing using seed drill, wide management in jute by nail weeder instead of hand weeding for reducing the cost of weeding, distribution of quality certified jute seeds.

Under this project the following support is extended :

1. Providing 100% Certified Jute Seeds (with 50% subsidy)
2. Demonstration of scientific jute cultivation practice for future adoption at farmers' field with mechanical intervention using Seed drill, Nail Weeder/Cycle Weeder.
3. Demonstration/distribution of microbial retting using CRIJAF SONA, a microbial consortium (free of cost) to enhance the quality of fibre.

Activities under this project were being carried out in phases every year, since 2015.

8. MANAGEMENT DISCUSSION AND ANALYSIS

a) Industry structure and developments

At the beginning of the Crop Year 2018-19, the market price of raw jute was hovering around MSP and in some places, even, above MSP. As a result of the same, your Corporation could manage to procure only moderate quantity of raw jute under MSP Operations. Concurrently, your Corporation also made relentless efforts to dispose of, its stock of raw jute which bore results in the form of excellent turnover. Details of the same are given in para 2.1.

b) Opportunities and Threats/Risks & Concerns

• Opportunities

- With the declaration of the ban on single use plastic by the Hon'ble Prime Minister, on his Independence day speech, there is an immense opportunity for proliferation of jute carry bags.

- Tirupati Tirumala Devasthanam (TTD) : Your Corporation has set up two stalls for sale of jute carry bags for the Laddu Prasadam. The daily sale figures of the same are very encouraging and this initiative of your Corporation is expected to reduce the usage of plastic in the TTD premises, substantially.
- There is an emerging need for Geo Textiles and JCI has already supplied a substantial part of the total consignment requirement of 2 lakh sq. meters of jute.
- To scale up the traditional MSP operations, JCI is engaging cooperatives to procure on its behalf, thereby increasing both volume and turnover.

• **Risks & Concerns/Threats**

- While as per mandate JCI is obliged to procure all kinds of raw jute under MSP operations including lower grades, but while disposing the same, the mills are reluctant to take the lower grade jute on the pretext that the same cannot be used for making B.Twill bags as per specifications laid down by Govt. of India.
- There is a constant exodus of trained manpower on account of retirement.
- There is also the risk of not being able to capture the market at the opportune moment due to non-receipt of Govt. grant on time.
- The current godown rentals are mostly very low and the owners are demanding for higher rentals or asking to leave their premises. In such a situation its becoming difficult by the day to retain the godowns.

c) Outlook

Your Corporation has taken all steps to purchase and store all the raw jute to be offered at MSP by the farmers. Your Corporation will continue to make all out efforts to improve its overall performance in the years to come.

d) Internal control systems and their adequacy

Your Corporation has developed robust and comprehensive system of internal control towards achieving efficient resources, cost control, compliance with statutory requirements and ensuring reliability of financial reporting. The Audit Committee reviews the internal audit reports, financial performance of your Corporation and suggests improvements to strengthen internal control system.

e) Discussion on financial performance with respect to operational performance

The following are the significant areas of financial performance during the year under review :

- Procurement of raw jute under MSP was ₹ 6678.85 lakh during the year as compared to ₹ 17215.89 lakh during the previous year.
- Procurement of raw jute under Commercial Operations was Nil during the year as compared to ₹ 21.48 lakh during the previous year.
- Sale of raw jute procured under MSP was ₹ 15544.35 lakh during the year as compared to ₹ 17195.99 lakh during the previous year.
- Sale of raw jute procured under Commercial Operations was ₹ 2515.89 lakh during the year as compared to ₹ 210.27 lakh during the previous year.

- Operating profit (before tax) of your Corporation went down by ₹ 694.72 lakh during the year under review (from ₹ 2746.11 lakh in 2017-18 - ₹ 2051.38 lakh in 2018-19). This is mainly on account of change in product mix and increase in purchase price of raw jute vis-à-vis the turnover remaining at similar levels as last year.

f) Human Resource and Industrial Relations

Your Corporation is continuing its efforts through training and job rotations to enhance competence of its manpower to make them more resourceful in their present job and also to prepare them for future roles. In this regard your Corporation has imparted training to 11 numbers of its employees, in the areas of “Finance for Non-Finance”, Soft Skills, Pension and Retirement Benefits, Maintenance of SC/ST Register.

Industrial relations remained harmonious during the year under review.

g) Cautionary Statement

Statement made in this section of the report is based on assumptions and expectations of further events. Actual results could, however, differ materially from those expressed or implied. Important factors that could make a difference include change in financial support to your Corporation by the government, change in government regulations, industrial relations environment in the industry and other factors like litigation.

9. CORPORATE SOCIAL RESPONSIBILITY

Your Corporation being a profit making organization is obliged under Section 135 of the Companies Act, 2013 to carry out CSR activities. Additionally, your Corporation is also obliged to involve in CSR activities as per guidelines on Corporate Social Responsibility (CSR) for Central Public Sector Enterprises (CPSE) circulated by Ministry of Heavy Industries and Public Enterprises (Department of Public Enterprises) from time to time.

Your Corporation has constituted a CSR committee in compliance with the provisions of Section 135 of the Companies Act, 2013, consisting of Dr. S.K. Panda, Non-Official Director as the Chairman of the Committee and Ms. Sherry Lalthangzo, Economic Advisor, Ministry of Textiles and Sri Ajay Kumar Jolly, CMD, JCI as its members.

During the Financial Year 2018-19 your Corporation had to spend an amount of ₹ 40.00 lakh as per calculation in compliance with Section 135 of the Companies Act, 2013. Within this budget your Corporation earmarked to carry out the following activities :

Sl. No.	Activity	Budget (₹ in lakh)
1.	Swachhata Abhiyaan campaign at schools	5.00
2.	Retting of jute plant with modern eco friendly retting technology at DPCs	1.00
3.	Cleanliness Drive at DPCs/ROs.	10.00
4.	Organising Health Camps at different ROs/DPCs.	9.00
5.	Projects for Market Survey, Design Development and Advocacy for production of Jute Diversified Products (JDP) on a commercial scale in the states of Assam, Bihar, Odisha and West Bengal.	15.00
	TOTAL :	40.00

N.B : Some of the activities mentioned above have already been carried out while the others are in the process of being completed shortly.

A Statement on CSR activities for the Financial Year 2018-19 is given as Annexure-C.

10. CORPORATE GOVERNANCE

- A) In 1971, your Corporation was incorporated as a Private Limited Government Company under the Companies Act, 1956 (the Act). The main object was to provide a remunerative price to the growers in the form of Minimum Support Price (MSP) when the market price of the raw jute rules below or at the MSP. The fund provided by the Ministry of Textiles (MoT) is utilized for conducting MSP operation keeping in view its most efficient utilization. Your Corporation consistently sought to improve a better utilization of the Government exchequer with utmost transparency and accountability.
- B) Board of Directors as on 31.03.2019 – Pursuant to the Articles of Association of your Corporation all the Directors are appointed by the President of India.

Sl.No.	Name	Designation	Total No. of Board Meetings	No. of Board Meetings during the tenure of the Director	No. of Board Meetings attended	Whether last AGM Attended (28.09.2018)
1.	Sri Ajay Kumar Jolly (DIN: 08427305) (from 01.02.2019)	CMD	4	1	1	-
2.	Sri Sanjay Sharan (DIN: 08131112) (from 14.02.2019)	Govt. Director	4	1	1	-
3.	Ms. Sherry Lalthangzo (DIN: 08427300) (from 14.02.2019)	Govt. Director	4	1	1	-
4.	Dr. S.K. Panda (DIN: 02586135) (from 09.08.2018)	Non-Official Director	4	3	2	-
5	Dr. K.V.R. Murthy (DIN: 07628725) (upto 31.01.2019)	CMD	4	3	3	Yes
6	Sri A.M. Reddy (DIN: 06633791) (upto 14.02.2019)	Govt. Director	4	3	2	-
7	Smt. Babni Lal (DIN: 06952358) (upto 14.02.2019)	Govt. Director	4	3	-	-
8	CA P. Dasgupta (DIN: 07059472) (upto 05.07.2018)	Director (Finance)	4	1	1	-

Date of Board Meetings : 26.06.2018, 28.09.2018, 13.12.2018 & 14.03.2019

- C) Audit Committee as on 31.03.2019 - The Audit Committee of your Corporation was constituted in 2001 in accordance with Section 292A of the Act and regulations incidental/ancillary thereto to follow a good corporate practice keeping in view its basic requirement. The quorum of the Audit Committee is two members.

The present Committee is comprised of:

1. Dr. S.K. Panda, Non-Official Director - Chairman
2. Sri Sanjay Sharan, Govt. Director - Member
3. Ms. Sherry Lalthangzo, Govt. Director - Member
4. Sri Ajay Kumar Jolly, CMD - Member

The Company Secretary acts as a Secretary to the Committee.

A Brief description of terms of reference of the Committee is :

- a) Review of the Company's financial statements and other reports from time to time.
- b) Reviewing with the Management and the Auditors, the Annual Financial Statements and Reports before submission to the Board, focusing primarily on :
 - i) Any changes in Accounting Policies and Practices.
 - ii) Qualifications and significant adjustment arising out of Audit.
 - iii) The going concern assumption.
 - iv) Compliance with Accounting Standards.
 - v) Transactions of material nature involving Management or their relatives.
 - vi) To recommend to the Board for fixation of Audit fees.
 - vii) To approve the payment to Statutory Auditors for any other services rendered by them.
 - viii) To review with the Management and ensuring that the company's annual financial statements and audit are in compliance with applicable laws, regulations and company policies before submission to the Board for approval.
 - ix) To review with the Management the performance of Internal Auditors and adequacy of the Internal Control Systems.
 - x) To seek information from any employee of the Corporation.
 - xi) To secure help of outside legal or any other experts when necessary.
 - xii) To mitigate conflicts of interest by strengthening auditor independence.
 - xiii) To ensure the effectiveness of internal controls and risk management.
 - xiv) To protect employees and others who report infractions to the Internal Audit function or the external auditors (to protect whistle blowers).
 - xv) To review the management discussion and analysis of financial condition and results of operations.
 - xvi) Reviewing with the Management and Auditors, the adequacy of internal control systems, Internal Audit function, reporting structure coverage and frequency of Internal Audit.
 - xvii) Reviewing the Company's financial and other management policies.

To deal with such other matters as may be referred to it by the Board in writing or as it considers necessary in the interest of the Organisation.

Sl.No.	Name	Designation	Total No. of Audit Committee Meetings	No. of Audit Committee Meetings during the tenure of the Director	No. of Audit Committee Meetings Attended
1.	Dr. S.K. Panda (from 09.08.2018)	Non-Official Director	4	3	2
2.	Sri Sanjay Sharan (from 14.02.2019)	Govt. Director	4	1	1
3.	Ms. Sherry Lalthangzo (from 14.02.2019)	Govt. Director	4	1	1
4.	Sri Ajay Kumar Jolly (from 01.02.2019)	CMD	4	1	1
5	Dr. K.V.R. Murthy (upto 31.01.2019)	CMD	4	3	3
6	Sri A.M. Reddy (upto 14.02.2019)	Govt. Director	4	3	2
7	Smt. Babni Lal (upto 14.02.2019)	Govt. Director	4	3	-

Date of Audit Committee Meetings : 26.06.2018, 28.09.2018, 13.12.2018 & 14.03.2019

d) General Body Meetings :

		2015-16 (45th AGM)	2016-17 (46th AGM)	2017-18 (47th AGM)
1.	Date	29.09.2016	10.10.2017	28.09.2018
2.	Time	4.00 P.M	4.00 P.M	1.00 P.M
3.	Venue	Registered Office of the Corporation, Kolkata	Registered Office of the Corporation, Kolkata	Udyog Bhavan, Ministry of Textiles, New Delhi

e) Disclosure :

- Disclosure required under the Companies Act, 2013, Accounting Standard Practice and other applicable Acts/Rules.
- No penalties/stricture imposed on the Corporation during the last three years.
- Employees are free to report of violation of Rules/Regulations to their Supervisors/CVO/CMD.
- The requirement as specified in the Guidelines have been complied with as far as possible/applicable to it.
- Presidential Directives issued by the Central Government have been complied with.



- vi) No such expenditure which is not for the purpose of the business booked in the Books of Account.
- vii) No personal expenditure is incurred but the expenditure incurred as accommodation charges etc. for the Directors in connection with Meetings.
- viii) Other Information :
 - i) Board/Audit Committee Meetings and procedure -

The Minimum Number of Meetings of Board/Audit Committee as required under the Companies Act, 2013 are held every year. The information usually placed before the Board includes :

- a) Confirmation of the Minutes.
- b) Follow-up Action.
- c) Report on Marketing of Raw Jute.
- d) Distribution of Jute Seeds.
- e) Report on progress of Jute Technology Mission (MM III)
- f) Legal Matters.
- g) Report on Vigilance.
- h) Report on Statutory Compliance.
- i) Annual Accounts.
- j) Auditors.
- ii) Agenda for Board/Audit Committee Meetings - On fixation of dates of Board/Audit Committee Meetings, the Chairman-cum-Managing Director, makes a discussion with the Departmental Heads and directs about the Agenda papers which is submitted to the Company Secretary within a stipulated time. The Agenda papers are circulated to the Directors/Members. Similarly, Draft Minutes of the Meeting are circulated to the Directors/Members for their consideration.
- iii) Post Meeting Follow-up Mechanism - Follow-up Report on the Decisions recorded in the drafts Minutes of the previous meeting are discussed at the immediately succeeding meeting of the Board/Committee.
- iv) Recording of Minutes at Board/Committee Meetings - The Company Secretary records the Minutes of the proceedings of each Board/Committee Meeting. The Minutes after being approved by the Chairman is put to circulation to all the Directors/Members. The Minutes is subsequently confirmed in the following Meeting of the Board/Committee and entered in the Minutes Book accordingly.

g) Quarterly Report :

Your Corporation files quarterly report to the Ministry of Textiles in the prescribed format stipulated by the Department of Public Enterprise, Ministry of Heavy Industries and Public Enterprise as a part of Corporate Governance. A consolidated report is also sent to the DPE.

- h) Adoption of Code of Business Conduct and Ethics for Board Members and Senior Management, Risk Management - Fraud Prevention Policy and Whistle Blower Policy as a part of Corporate Governance:

Your Corporation has evolved a Code of Conduct, Risk Management-Fraud Prevention Policy and Whistle

Blower Policy based on the guidelines of the Corporate Governance of Central Public Sector Enterprises (CPSEs) which were adopted by the Board of Directors. A copy of each such policy has been placed on the web-site : www.jci.gov.in

11. DIVIDEND

As per directives of the Govt. of India, the directors consider recommending of payment of dividend for the year ended 31st March, 2019 @ ₹ 69.60 (P.Y. ₹ 106.10) per share to its shareholder i.e. Govt. of India. The Total outgo in the form of dividend, including Dividend distribution taxes will be ₹ 4,19,53,240/- (P.Y. ₹ 6,38,49,731/-). The payment of dividend is subject to approval of the member in the ensuring annual general meeting.

12. AN OVER - VIEW OF THE FINANCIAL PERFORMANCE IN 48 YEARS

A scanning of the financial performance of your Corporation during 48 years since inception to 2018-19 with reference to Profit & Loss and Subsidy Account is given in Annexure-B.

13. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 (5) of the Companies Act 2013, the Board of Directors of your Corporation confirm that;

- (i) In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departure, if any, as indicated separately in Notes on Accounting Policy;
- (ii) They have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March, 2019 and of the profit and loss of the company for that period;
- (iii) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) They had prepared the Annual Accounts on a going concern basis;
- (v) The Company being unlisted, sub clause (e) of Section 134 (3) of the Companies Act, 2013, pertaining to laying down internal financial controls is not applicable to it;
- (vi) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

14. AUDIT OBSERVATIONS AND COMMENTS ON ACCOUNTS

Observations of the Statutory Auditors under the Companies Act, 2013, as amended, on the Accounts of the Corporation for the year under review is being submitted.

15. HUMAN RESOURCE MANAGEMENT AND INDUSTRIAL RELATIONS

Your Corporation with a view to advance and upgrade the knowledge of its employees has made necessary arrangements for their training. During the year under review, 11 employees of your Corporation have undergone training on 'Finance for Non-Finance'. The Industrial Relation in your Corporation is cordial.



16. RIGHT TO INFORMATION ACT, 2005

The provisions of the Right to Information Act, 2005 are strictly complied with, in your Corporation. In line with the provisions of the RTI Act, 2005, a Central Public Information Officer (CPIO) and First Appellate Authority (FAA) have been designated. The information sought for is supplied within stipulated time.

17. MANPOWER

There were 210 number of regular and 116 number of casual employees in your Corporation as on 31.03.2019.

18. SC/ST/OBC STATUS

There were 30 No. of SCs, 14 No. of STs and 16 No. of OBCs as permanent employees in the Corporation as on 31.03.2019.

19. FAMILY WELFARE

The Corporation made every effort to comply with instructions issued by the Government of India from time to time on family welfare measures.

20. COMPLIANCE WITH GOVT. DIRECTIVE ON SEXUAL HARASSMENT

The Corporation has constituted a committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. There was no complaint referred to the Committee during the year under review.

21. A SUMMARY REGARDING ACTIVITIES UNDERTAKEN BY THE CORPORATION FOR THE WELFARE OF THE PERSONS WITH DISABILITY

Though, there is no budgetary allocation for the physical handicapped persons (as no such specific scheme is assigned to the Corporation), expenditure on conveyance allowance is being allowed for them which is double the amount of conveyance allowance paid in normal cases. As a result 13 (thirteen) number of physically handicapped employees of the Corporation as on 31.03.2019, are being benefited.

22. PROPAGATION OF OFFICIAL LANGUAGE

Your Corporation has been implementing the Official Language Policy according to the Annual Programme drawn up by the Department of Official Language, Ministry of Home Affairs. The employees at Head Office and Regional Offices are undergoing training in Hindi. Hindi Day was celebrated on 14.9.2018 and Hindi fortnight was also observed between 1st September, 2018 to 13th September, 2018 when competitions and programme in Hindi were organised in the H.O. and the ROs as well as prizes were given to the participants to encourage use of Hindi in Your Corporation. A programme on light music in Hindi was organised at the Head Office of your Corporation to mark the Hindi day, which was enjoyed by the employees and guests of the Corporation. Quarterly Review Meetings are being held on regular basis to review the progress of implementation of Hindi as an Official Language and the progress is being reported to the Board regularly in its Meeting. Another noteworthy achievement of your Corporation in the field of propagation of official language during the period under review has been to be honoured with the “Karayalay Jyoti Smriti Chihn” by the Rajbhasa Sansthan in April, 2019 at Solan, Himachal Pradesh.

23. PROGRAMME ON VIGILANCE AWARENESS

Vigilance Awareness Programme was observed from 29.10.2018 to 03.11.2018. During the said week, integrity pledge was taken by the Employees of the Corporation at the Head Office and Regional/Zonal offices. An e-pledge was also taken by the employees through the CVC website. Posters propagating the importance of Vigilance were pasted in an around of the offices of the Corporation. Banners were also displayed to create awareness about vigilance issues. On the final day of the Vigilance week Sri Sunil Kumar Sharma, DGM, Eastern Railway was invited as Guest of Honour to share his views on current issues related to vigilance and enlighten the employees of the Corporation about them.

24. BOARD OF DIRECTORS

Sri Ajay Kumar Jolly joined the Corporation as its Chairman-cum-Managing Director w.e.f 01.02.2019. Sri Sanjay Sharan, Joint Secretary(Fibre), Ministry of Textiles and Ms. Sherry Lalthangzo, Economic Advisor, Ministry of Textiles joined the Board of your Corporation as Govt. Nominee Directors w.e.f 14.02.2019. Further, Dr. K.V.R. Murthy, Ex-CMD of the Corporation relinquished his office on 31.01.2019 and Sri A.M. Reddy, Ex-Joint Secretary, Ministry of Textiles and Smt. Babni Lal, Ex-Economic Advisor, Ministry of Textiles, relinquished their offices on 14.02.2019. The Board placed on record its appreciation for the valuable services rendered by Dr. Murthy, Sri Reddy and Smt. Lal during their tenure as Directors of the Corporation.

**25. EXTRACT OF ANNUAL RETURN****Form No. MGT-9****EXTRACT OF ANNUAL RETURN****as on the financial year ended on 31.03.2019****[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]****I REGISTRATION AND OTHER DETAILS**

i) CIN	U17232WB1971GOI027958
ii) Registration Date	02/04/1971
iii) Name of the Company	The Jute Corporation of India Limited
iv) Category / Sub-Category of the Company	Company Limited by shares/Union Government Company
v) Address of the Registered office and contact details	15N-Nellie Sengupta Sarani, 7 th Floor, Kolkata-700 087 Telephone: 033 2252 7027/7028 Fax: 91 33 2252 1771 / 7390
vi) Whether listed company Yes / No	No
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	NA

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated :

Sl. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Trading and distribution of jute seeds, jute & its allied products.		100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of The Company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable Section
NA	NA	NA	NA	NA	NA

IV. SHARE HOLDING PATTERN**(Equity Share Capital Breakup as percentage of Total Equity)****i) Category-wise Share Holding:**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(1) Indian									
a) Individual/ HUF	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Central Govt.	Nil	500000	500000	100	Nil	500000	500000	100	Nil
c) State Govt. (s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Any Other....	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (A) (1):-	Nil	500000	500000	100	Nil	500000	500000	100	Nil
(2) Foreign	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
a) NRIs - Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Other – Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Any Other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (A) (2):-	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total shareholding of Promoter (A) = (A) (1)+(A) (2)	Nil	500000	500000	100	Nil	500000	500000	100	Nil
B. Public Shareholding									
1. Institutions	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
a) Mutual Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil



Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
g) FIIs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
h) Foreign Venture Capital Fund	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (B)(1):-	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
2. Non-Institutions	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
a) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Indian	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
ii) Overseas	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Individual share-holders holding nominal share capital upto ₹1 lakh	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
ii) Individual share-holders holding nominal share capital in excess of ₹1 lakh	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (B)(2):-	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total Public Shareholding (B) = (B)(1)+(B)(2)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
C. Shares held by Custodian for GDRs & ADRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Grand Total (A+B+C)	Nil	500000	500000	100	Nil	500000	500000	100	Nil

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1.	President of India	500000	100	Nil	500000	100	Nil	Nil
	Total	500000	100	Nil	500000	100	Nil	Nil

(iii) Change in Promoters' Shareholding
(please specify, if there is no change)

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

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

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	President of India				
	At the beginning of the year	500000	100	500000	100
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	NA	NA	NA	NA
	At the End of the year (or on the date of separation, if separated during the year)	NA	NA	NA	NA

(v) Shareholding of Directors and Key Managerial Personnel:

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

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	₹3658.98 Lac			₹3658.98 Lac
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i + ii + iii)	₹3658.98 Lac			₹3658.98 Lac
Change in Indebtedness during the financial year				
• Addition	₹3653.70 Lac	-	-	₹3653.70 Lac
• Reduction				
Net Change	₹3653.70 Lac			₹3653.70 Lac
Indebtedness at the end of the financial year:				
i) Principal Amount	₹5.27 Lac	-	-	₹5.27 Lac
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	₹5.27 Lac	-	-	₹5.27 Lac

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Your Corporation being a Central Public Sector Enterprise (Government Company), the appointment and performance evaluation of Directors both executive and non-executive are made by the Govt. of India. Remuneration to the functional directors are made as per terms of their appointment by Govt. of India.

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY:					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B. DIRECTORS:					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. OTHER OFFICERS IN DEFAULT:					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

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

Your Corporation has always been conscious of the positive effects of conservation of energy and in this regard it has always been receptive to various measures of energy conservation. In this direction, LCD lights (Bulbs/Tubes) have been replaced by LED lights in all its offices. Solar light system has been introduced in many of its Regional Offices/RLDs and DPCs. All electrical equipments in offices of your Corporation are compulsorily shut down after working hours. While choosing electrical equipments for office use, their energy efficiency is ensured. Your Corporation conducts awareness programme for reducing power consumption across all offices. Finally, as per advice of the Ministry of Textiles to adhere to the guidelines regarding “Energy Conservation in Building Space Cooling through recommended optimum temperature setting” issued by Bureau of Energy Efficiency (BEE), Ministry of Power, your Corporation strives to maintain the internal temperature of its offices at 24-25°C by adjusting the temperature of the AC machines at 24°C.

27. FOREIGN TOUR

Your Corporation has always strived for exploring new avenues of revenue generation and whenever any opportunity for tapping new markets for its products has presented itself, your Corporation has put its best foot forward to capitalize the same. In this direction, CMD, JCI along with senior officials of the Corporation represented JCI in the China Import and Export Fair, also known as Canton Fair, which is



one of the oldest fairs of the world, established in 1957. The fair is Co-hosted by the Ministry of Commerce of PRC and the People's Government of Guangdong Province and organized by China Foreign Trade Centre, and is held every spring and autumn in Guangzhou, China. Canton Fair is a comprehensive international trading event with the longest history, the largest scale, the most complete exhibit variety, the largest buyer attendance, the broadest distribution of buyers' source country and the greatest business turnover in China.

Up to the 123rd session, the accumulated export volume has amounted to about USD 1.3237 trillion and the total number of overseas buyers has reached 8.42 million. The exhibition area of one session totals 1.185 million m² and the number of exhibitors from home and abroad stands at nearly 25,000. In each session, about 2,00,000 buyers attend the Fair from more than 210 countries and regions all over the world.

JCI participated in the Canton Fair from October, 31st - November, 4th, 2018 and put up a stall to exhibit its various JDP products like Shopper Bags, Fruit Carry Bags, Ladies designer beach bags, Wine bottle bags, Files, Folders, Batuas, Jute Twine etc. JCI's stall was very popular and garnered foot-falls of over 100. Visitors from countries like Australia, New Zealand, Canada, USA, Middle East Asia and European Union showed interest in JDPs. This apart, response from buyers representing brands, sourcing offices, buying houses, trading agencies etc based out of South East Asian countries was also highly encouraging. Your Corporation looks forward to participating in the future editions of the fair in order to establish itself as a serious trader and attract the attention of genuine buyers translating into bulk orders.

28. STATUTORY AUDITORS

H.S. Bhattacharjee & Co., Chartered Accountants, Kolkata, has been appointed as the Statutory Auditors of your Corporation for the Year 2019-20 by the Comptroller & Auditor General of India Under Section 139 of the Companies Act, 2013, as amended.

Your Corporation is not required to maintain cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

29. ACKNOWLEDGEMENT

Your Directors are grateful to various Ministries of the Government of India particularly the Ministry of Textiles, the Ministry of Finance, the Department of Public Enterprises, the Office of the Jute commissioner and the National Jute Board for their support and guidance to your Corporation from time to time. They are also grateful for the co-operation received from the Commission for Agricultural Costs and Prices, State Governments, Agriculture and Co-operation Departments, State Apex Co-operative Organisations, the Directorate of Jute Development. The Directors thank to the Reserve Bank of India, the State Bank of India, the Central Bank of India, the Punjab National Bank, the United Commercial Bank, the Canara Bank, the Vijaya Bank and other Bankers for their association and necessary support. The Directors are also thankful to M/s. Sarkar, Gurumurthy & Associates, Internal Auditor, M/s. M.C. Jain & Co., Chartered Accountants, the Statutory Auditors, the Principal Director of Commercial Audit and the Office of the Registrar of Companies and the Ministry of Corporate Affairs for their support and guidance.

Finally, your Directors wish to place on record their appreciation for the co-operation shown by the Staff, Officers and other stakeholders of your Corporation.

For and on behalf of the Board of Directors

(A. K. Jolly)

Chairman-cum-Managing Director

Place : Kolkata

Dated : 17.12.2019

ANNEXURE - 'A'

FINANCIAL RESULTS 2018-19

(₹ in Lakh)

	Internal Raw Jute			Diversified	
	Price Support	Commercial	Jute Seed	Jute Products	Total
INCOME					
Sales	15,544.35	2,515.90	322.51	51.07	18,433.83
Interest	289.61	0	0	0.78	290.38
Subsidy from Government (MSP)	5,000.00	0	0	0	5,000.00
Other Credits	680.18	401.94	16.12	0.15	1,098.38
Transfer from Internal Raw Jute	547.86	0	0	0	547.86
Closing Stock	2,600.02	1,732.48	24.44	7.67	4,364.61
Prior period adjustment	18.66	0	0	0	18.66
Total	24,680.68	4,650.32	363.07	59.67	29,753.74
EXPENDITURE					
Opening Stock	10,425.28	3,471.95	87.53	4.11	13,988.87
Purchase	6,678.86	0	259.43	46.68	6,984.97
Trading Expenses	856.74	156.57	0.17	1.59	1,015.07
Godown Rent & Insurance	201.38	4.27	0	0	205.65
Transfer from Internal Raw Jute	0	547.86	0	0	547.86
Overhead	4831.86	0	0	1.22	4,833.08
Prior period adjustment	0	0	0	0	0
Total	22,994.12	4,180.65	347.13	53.60	27,575.50
Surplus (+)/Deficit (-) one year's					
Operation Before Interest and Depreciation	1,686.56	469.67	15.94	6.07	2,178.24
Interest	110.81	0	0	0	110.81
Depreciation and Amortization	16.05	0	0	0	16.05
Provision for Income Tax	677.79	204.10	6.93	2.64	891.46
Profit(+)/loss() for the year	881.91	265.57	9.01	3.43	1,159.92
Proposed Dividend	0	0	0	0	349.94
Dividend Distribution Tax on Proposed Dividend	0	0	0	0	69.59
Net Surplus for the year	0	0	0	0	740.36
Reserve & Surplus as on 31.03.2018	0	0	0	0	12,628.94
Reserve & Surplus as on 31.03.2019	0	0	0	0	13,150.37

ANNEXURE - 'B'

**SCANNING OF THE PROFIT & LOSS SINCE
INCEPTION - 48 YEARS (FROM 1971-72 TO 2018-19)**

		₹ in Crore
	Cumulative upto 2018-19	Percentage of various items to Total Expenditure of ₹5,035.91
I. Income		
Sales	3527.14	
Subsidy from Government (MSP)	675.10	
Subsidy from Government (Seeds)	14.93	
Special subsidy from West Bengal (MSP)	1.55	
Other Income	263.86	
Closing Stock	43.65	
	4526.23	90
II. Expenditure(Excluding Overhead & Interest)		
Purchase	2854.42	
Trading & Operational Expenses	322.66	
Warehousing	96.10	
Insurance	32.62	
Prior period & other adjustments	16.20	
	3322.00	66
III. Surplus before overhead & Interest (I-II)	1204.23	
IV. Less : Overhead	1128.43	22
V. Surplus/(Deficit) before interest (III-IV)	75.80	
VI. Add : Interest on borrowings	(585.51)	12
	(509.71)	
VII. Income Tax (1973-74, 1976-77, 2004-05, 2008-09, 2009-10, 2011-12, 2012-13, 2013-14, 2014-15, 2015-16, 2016-17, 2017-18 & 2018-19)	70.98	
Fringe Benefit Tax (2005-06 to 2008-09)	0.37	
Dividend to Govt. including distribution tax (1971-72, 1973-74, 2016-17, 2017-18 & 2018-19)	9.77	
Loss :	(590.83)	
VIII. Subsidy credited in Accounts (up to 2002-03)	555.20	
IX. Accumulated Loss up to 2002-03 written off as a result of Financial Restructuring	144.17	
X. Capital Profit as a result of Financial Restructuring	22.96	
XI. Profit (balancing figure) up to Financial Year 2018-19 carried over in the Balance Sheet (VIII+IX+X-VII)	131.50	

ANNEXURE - 'C'

ANNUAL REPORT ON CSR ACTIVITIES

<p>1 A brief outline of the company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes.</p>	<p>JCI being a profit making organization has to carry out CSR activities under Section 135 of the Companies Act, 2013. The CSR activities of the Corporation are carried out keeping in mind the CSR policy recommended by the CSR Committee and approved by the Board in its 252nd meeting held on 25.06.2019. Additionally, the Corporation is also obliged to involve in CSR activities as per guidelines on Corporate Social Responsibility (CSR) for Central Public Sector Enterprises (CPSE) circulated by Ministry of Heavy Industries and Public Enterprises (Department of Public Enterprises) from Time to Time.</p> <p>CSR Policy of the Corporation</p> <p>Jute Corporation of India Limited (JCI), a Central Public Sector Enterprise (CPSE), was set up by the Government of India with the main objective of safeguarding the interest of the jute growers by giving a reasonable value for the jute grown in general and avoiding any distress sale in particular. In addition to taking up the Minimum Support Price (MSP) operation, JCI also takes up commercial purchase and sale keeping in view the market conditions. Accordingly, welfare of the jute growers, who are largely small and marginal farmers with limited income, may be the focus and guiding factor of its CSR policy.</p> <p>The management shall endeavour to spend 2 (two) percent of the average net profit of the previous three years on CSR activities, listed in the schedule VII of the Companies Act 2013,</p> <p>The directives issued by the Department of Public Enterprises, Ministry of Corporate Affairs as well as the Ministry of Textiles (administrative ministry), if any, shall be kept in view while identifying and implementing CSR activities in a particular year. Empowering the jute growers/weavers with new skill and technology for improving their earnings and economic conditions as well as assistance for educational empowerment of the wards of the jute growers/weavers shall be given special attention. Efforts shall be made for supplementing the ongoing health care facility including drinking water, sanitation, and mother and child health care immunisation etc. for the jute growers/weavers. Amount, which may remain unspent at the end of the year, shall be carried over to the next financial year.</p> <p>Programmes planned and budgeted during F.Y 2018-19</p> <ol style="list-style-type: none"> 1. Outreach (Swachhata Abhiyaan campaign at schools). 2. Innovation Processes for Clean Production (Retting of jute plant with modern eco friendly retting technology at DPCs. 3. Improvement to Citizen Interface Areas Cleanliness Drive at DPCs/ROs.
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	4. Organising Health Camps at different ROs/DPCs. 5. Projects for Market Survey, Design Development and Advocacy for production of Jute Diversified Products (JDP) on a commercial scale in the states of Assam, Bihar, Odisha and West Bengal.
2 The composition of the CSR Committee	1) Dr.S. K. Panda, Non-Official Director-Chairman 2) Ms. Sherry Lalthangzo, Economic Advisor, MoT-Member 3) Sri A. K. Jolly, CMD-Member
3 Average net profit (before tax) of the company for last three financial years (2015-16, 2016-17 & 2017-18)	Rs. 19,55,00,000/-
4 Prescribed CSR Expenditure (two per cent of the amount as in term 3 above)	Rs. 39,10,000/-
5 Details of CSR spent during the financial year 1) Total amount to be spent for the financial year 2) Amount unspent, if any; 3) Manner in which the amount spent during the financial year	1) Rs. 39,10,000/- 2) 19.59 lakh – to be spent in F.Y 2019-20 in addition to CSR budget of 2019-20. 3) The manner in which the amount spent is detailed in Table below:

Table: Details of CSR amount spent for 2018-19

Sl.	CSR Project	Sector	Project State/ District	Amount (in ₹)
I	Outreach (Swachhta Abhiyaan campaign at schools).	Swachh Bharat/ Sanitation	West Bengal & Assam	5,00,000/-
II	Innovation Processes for Clean Production (Retting of jute plant with modern eco friendly retting technology at DPCs).	Swachh Bharat	West Bengal & Assam	50,187/-
III	Improvement to Citizen Interface Areas Cleanliness Drive at DPCs/ROs.	Swachh Bharat	All India	7,00,372/-
IV	Organising Health Camps at different ROs/DPCs.	Health	All India	7,00,000/-
V	Projects for Market Survey, Design Development and Advocacy for production of Jute Diversified Products (JDP) on a commercial scale in the states of Assam, Bihar, Odisha and West Bengal.	Education/ Training	Assam/Bihar/ Odisha/ West Bengal	-
TOTAL				19,50,559/-

6	Reason for not spending the amount earmarked	An amount of Rs.15 lakh allocated for Projects for Market Survey, Design Development and Advocacy for production of Jute Diversified Products (JDP) on a commercial scale could not be spent in 2018-19 as the process of inviting RFQs and selecting institutes for the subject purpose is still ongoing.
7	Statement from the CSR Committee	The CSR Committee confirms that the expenditure on CSR has been carried out in conformity with CSR activities outlined as briefed in Para-1.

As per audited accounts an amount of Rs.19.59 lakh is lying unspent, which is planned to be spent during the F.Y 2019-20.

Sd/-
Chairman-cum-Managing Director

**5 YEARS PERFORMANCE TREND**

₹ in Lakh

Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
A OPERATING STATISTICS					
Turnover	8945.39	2134.02	6330.17	18004.07	18433.84
Other Income	6322.53	6096.21	5948.53	5295.87	6388.77
Expenditure	13655.19	6395.47	11047.80	20547.37	22789.88
Prior Period Adjustment (Net)	3.51	5.90	(58.10)	6.46	(18.66)
Profit before Tax	1609.21	1828.84	1289.00	2746.11	2051.39
Tax	595.62	715.00	353.00	977.92	891.46
Deferred Tax Expenses	[41.46]	25.25	16.21	-	-
Profit After Tax	1055.05	1088.60	919.79	1768.20	1159.93
Dividend including Dividend Tax	-	-	332.19	638.50	-
Amount transfer to General Reserve	1055.05	1088.60	587.60	1129.70	1159.93
B FINANCIAL POSITION					
Capital Employed	9684.54	10773.13	11360.74	12490.44	13650.37
Non-Current Assets	292.03	249.62	240.71	238.99	252.31
Current Assets	16193.99	17235.87	19077.45	26399.78	21865.66
Equity & Liabilities :					
Share Capital	500.00	500.00	500.00	500.00	500.00
Reserve & Surplus	9184.54	10273.13	10860.74	11990.44	13150.37
Non-current Liabilities	4178.11	3722.76	3446.25	3318.82	3731.46
Current Liabilities	2623.37	2989.60	4511.17	10829.52	4736.14
C RATIOS					
PBT / Turnover	0.18	0.86	0.20	0.15	0.11
PAT / Turnover	0.12	0.51	0.15	0.10	0.06
PBT / Capital Employed	0.17	0.17	0.11	0.22	0.15
PAT / Net Worth	0.11	0.10	0.08	0.14	0.08
Turnover/Net Worth (Number of times)	0.92	0.20	0.56	1.44	1.35
Trade Receivable/Turnover (%)	7.88	8.16	0.93	26.05	10.78

CORPORATE GOVERNANCE CERTIFICATE

To
The Members,
The Jute Corporation of India Limited,
15N, Nellie Sengupta Sarani,
Kolkata-700 087

We have examined the compliance of the conditions of Corporate Governance by The Jute Corporation of India Limited (the “Company”) for the year ended 31st March, 2019 as stipulated in the Guidelines on Corporate Governance (the “guidelines”) for Central Public Sector Enterprises (CPSEs) issued by the Department of Public Enterprises, Govt. of India vide OM No.18(8)/2005-GM dated 14th May, 2010.

The compliance of the conditions of Corporate Governance is responsibility of the management of the Company. Our examination has been limited to review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance as stipulated in the guidelines. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the said guidelines except :-

- i. *Clause 3.1.4 of the guidelines:* that in case of non listed CPSE at least one third of the Board Member should be Independent Directors.
- ii. *Clause 4.1.1 of the guidelines:* that two-third of the member of Audit Committee shall be Independent Directors.
- iii. *Clause 4.1.2 of the guidelines:* that Chairman of the Audit Committee shall be an Independent Director.

We further state that such compliance is neither an assurance as to further viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For M. C. JAIN & CO.
CHARTERED ACCOUNTANTS
(ICAI Reg. No.304012E)

(M. K. PATAWARI)
PARTNER
M. No.056623
UDIN: 19056623AAAAGP9680

33, Brabourne Road, Kolkata-700 001.
The 6th Day of November, 2019

**FIELD OFFICES****As on 31.3.2019**

State	RO/RLD	No. of DPCs
West Bengal	1. Kolkata RLD	22
	2. Krishnagar	15
	3. Bethuadahari	11
	4. Berhampore	13
	5. Tulsihata RLD	10
	6. Siliguri	10
	7. Coochbehar	9
Bihar	Forbesganj RLD	17
Assam/Meghalaya	1. Juria RLD	10
	2. Gouripore RLD	5
	3. Guwahati	7
Tripura	Agartala	2
Odisha	Bhadrak	6
Andhra Pradesh	Parvatipuram	4
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INDEPENDENT AUDITOR'S REPORT

To the Members of

THE JUTE CORPORATION OF INDIA LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of THE JUTE CORPORATION OF INDIA LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2019, and the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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 31st March, 2019, and its profit and its cash flows for the year ended on that date.

Basis for Qualified Opinion

1. The company does not have any system to call for balance confirmations in respect of debit/credit balances of sundry debtors, sundry creditors, advance from customers, security and earnest money deposit, outstanding liabilities, other payables and other advances. Parties debit/credit balances in so far as these have not been subsequently realized or discharged are subject to confirmation/reconciliation. Consequential revenue impact if any is presently not ascertainable. (Refer Note 07, 08, 13 & 15)
2. The Company is not applying proper accounting treatment for recording entries for funds received from National Jute Board Authority and utilization thereof for Project I-Care, Project Decoricator Machine, Project Saturation, Project Enjyme Retting, Common Facilitation Centre, Pilot Project and Bhuwanjump Project in as much as income on account of Supervision Charges of CFC Project and I Care Project (Phase III) for the period upto 31.03.2018 amounting to ₹ 44,37,278 has been accounted for in FY 2018-19. Further, income of ₹ 25,71,292 on account of supervision charges of Project I Care (Phase I & II) being excess accounted for in earlier years has been written back during the year. The Debit/Credit balances held in the accounts in respect of these projects and NJBA are subject to confirmation and reconciliation. (Refer Note 08 & 15)
3. The Income Tax paid by the company for meeting its income tax liability is not set off/ adjusted with provisions created/ held for respective year and both the amounts are separately held in the accounts as Advance Income Tax and Provision for Income Tax. It is noticed from year wise break-up that as against Advance Tax paid aggregating to ₹ 1,48,62,773 for asst years upto 2008-09 corresponding provisions held in the books is ₹ 8,55,272 only depicting thereby that as per books differential amount of ₹ 1,40,07,501 is refundable. However as informed to us and as per records available refund of ₹ 79,49,948 only is due

to be received for the assessment year upto 2008-09 and therefore provisions held in the accounts is short to the extent of ₹ 60,57,553 which has affect of overstatement of assets by ₹ 60,57,553 and overstatement of profit after tax for the year by the equivalent amount. (Refer Note 9 & 15)

4. Following balance held in the accounts are subject to confirmation/reconciliation. Consequential revenue impact if any is presently not ascertainable. (Refer Note 8 & 15)
 - National Jute Board ₹ 35,38,700 (Dr.)
 - Jute Technology Mission ₹ 10,27,011 (Cr.)

Emphasis of Matters

Attention is drawn to the following matters in the notes to financial statements :

1. Note No.18 – Old liabilities outstanding in books no longer payable on account of Salary Payable aggregating to ₹ 1,93,39,872 has been written back during the year end and credited to Profit & loss A/c.
2. Note No.8 – Advance from Customers of ₹ 4,25,33,131 outstanding as on 31.03.2019 includes balances aggregating to Rs.50,05,510 which are outstanding for more than three years.
3. Note No.7 – Trade Payables of ₹ 3,78,84,476 outstanding as on 31.03.2019 includes balances aggregating to ₹ 20,31,418 which are outstanding for more than three years.
4. Note No.4 & 14 – Interest received aggregating to ₹ 12,012,358 on term deposit held for JTM, Retting Tank and Manual Development Ribboner Project & IJSG is credited to respective Projects and is not accounted for as income in the books of accounts. However same has been considered as income for computing income tax payable for the year and TDS on interest received has been claimed by the company.
5. Note No.14 – Balance held in following bank accounts as on 31.03.2019 are subject to confirmation:
 - a. AB-Bhubaneswar (Baling Centre) ₹ 551.80
 - b. CB-Ascroft (Baling Centre) ₹ 1,970.92
6. Note No.19 – Operational Expenses of ₹ 2,28,77,401 incurred are mostly in the nature of labour payments made to Contractor (Sardar) and therefore being contractual payments attracts TDS u/s 194C. However TDS has not been deducted on such payments.
7. Note No.15 – The Company during the FY 2017-18 has made excess payments to the tune of ₹ 1,44,56,518 to farmers/unknown persons against purchases made, as stated to be due to software error. An amount of ₹ 1,25,10,987 has since been recovered upto 31.03.2019 and balance amount of ₹ 19,45,531 recoverable as on 31.03.2019 is reflected under the head Advance to Other Parties under Short Term Loans and Advances. However no provision is held in the books against the same as entire amount of ₹ 19,45,531 is considered good by the management.
8. Note No.8 – Liability for Expenses & Other Payables includes an amount of ₹ 1,07,20,641 (Godown Rent Payable), ₹ 2,12,927 (Lorry Freight Payable) and ₹ 7,116,931 (Market Levy Payable) which are outstanding for more than three years.
9. Note No. 15 & 24- An amount of ₹ 4,98,762 being excess of amount paid on account of Purchase Tax, Sales Tax & VAT over and above the corresponding provision held in the books has been written off during the year without reconciling the same.

Our Opinion is not modified in respect of above matters.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Report of the Directors and Management Discussion & Analysis Report, but does not include the financial statements and our auditor's report thereon.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management's for Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to 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 principles generally accepted in India. 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. The Comptroller and Auditor General of India has issued directions indicating the areas to be examined in terms of sub-section (5) of Section 143 of the Act, the compliance of which is set out in "Annexure B".
3. As required by Section 143 (3) of the Act, we report that:
 - (i) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (ii) 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;
 - (iii) 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;
 - (iv) In our opinion the aforesaid financial statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- (v) In terms of Notification No. G.S.R. 463(E) dated 5th June, 2015 issued by Ministry of Corporate Affairs, the provisions of Section 164(2) of the Act regarding disqualification of directors, are not applicable to the company.
- (vi) With respect to adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure C” and
- (vii) 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:
 - a. The Company has disclosed the impact of pending litigations on its financial statement. Refer Note No 28 to the financial statements.
 - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For M.C. JAIN & Co
CHARTERED ACCOUNTANTS
(ICAI Reg No. 304012E)

(M.K. PATAWARI)
(PARTNER)
M. NO. 056623
UDIN: 19056623AAAAEG1021

33, Brabourne Road, Kolkata 700 001.
The 26th Day of September, 2019.

**ANNEXURE-A REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING
“REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS”
OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF THE
JUTE CORPORATION OF INDIA LIMITED**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Fixed Assets of the Company have been physically verified by the management at reasonable intervals. As informed to us, no material discrepancies have been noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of the examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The inventories have been physically verified during the year by the management at reasonable intervals. The discrepancies noticed on physical verification of inventories as compared to book records were not material and the same have been properly dealt with in the books of accounts.
- (iii) In our opinion and according to the information and explanations given to us , the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the company.
- (iv) According to the information and explanations given to us, the Company has not granted any loans or made any investments or given any guarantee and provided any security covered under Sections 185 and 186 of the Companies Act, 2013. Accordingly provisions of clause 3(iv) of the Order are not applicable to the company.
- (v) The company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act, and the Rules framed there under to the extent notified.
- (vi) The maintenance of cost records for the products of the Company has not been specified by the Central Government under sections 148(1) of the Companies Act, 2013. Accordingly provisions of clause 3(vi) of the Order is not applicable to the company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, amounts deducted/accrued in respect of undisputed statutory dues including provident fund, employee’s state insurance, income tax, service tax, custom duty, excise duty, value added tax, cess and any other material statutory dues have generally been regularly deposited with appropriate authorities. According to the information and explanations given to us, except Income Tax of Rs 4,890 for AY 2017-18, no undisputed amount in respect of aforesaid statutory dues were in arrears, as at 31st March, 2019 for a period of more than six months from the date they become payable.
- (b) According to the information and explanations given to us and as per the records of the company, the following statutory dues have not been deposited on account of dispute :

Statute	Nature of Dues	Forum where dispute is pending	Amount involved (₹ in Lacs)	Period to which related
Income Tax Act, 1961	Income Tax	As informed to us the company has initiated the process for taking remedial measure and application to vacate the demand will be filed with the Assessing Officer soon.	115.00	A.Y.2004-05
Income Tax Act, 1961	Income Tax	As informed to us the company has initiated the process for taking remedial measure and application to vacate the demand will be filed with the Assessing Officer soon.	0.15	A.Y.2007-08
Income Tax Act, 1961	Income Tax	As informed to us the company has initiated the process for taking remedial measure and application to vacate the demand will be filed with the Assessing Officer soon.	0.08	A.Y.2008-09
Income Tax Act, 1961	Income Tax	Income Tax Appellate Tribunal	896.76	A.Y.2009-10
Income Tax Act, 1961	Income Tax	Assessing Officer	195.45	A.Y.2013-14

- (viii) In our opinion and according to the explanations given to us and based on our audit procedures performed the company has not defaulted in repayment of dues to the bank. The Company did not have any outstanding dues in respect of financial institution or to government during the year and there were no outstanding debentures.
- (ix) In our opinion and as per the information and explanations given to us, the Company has not received any money by way of initial public offer/further public offer/ debt instrument and term loan. Accordingly provisions clause 3(ix) of the Order is not applicable to the Company.
- (x) Based on our audit procedures and as per information and explanations given to us, no fraud by the company or any fraud on the company, by any person including its officers/employees, has been noticed or reported during the year.
- (xi) As per Notification No. GSR 463(E) dated 5th June, 2015 issued by Ministry of Corporate Affairs, Government of India, Section 197 of the Companies Act, 2013 not applicable to the Company. Accordingly, provisions of clause 3(xi) of the Order is not applicable to the Company.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly provisions of clause 3(xii) of the Order are not applicable to the Company.
- (xiii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, transactions with related parties are in compliance with section 177 and 188 of the Companies Act, 2013, wherever applicable, and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.



- (xiv) Based on our audit procedures and as per the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly provisions of clause 3(xiv) of the Order are not applicable to the company.
- (xv) In our opinion and as per the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly provisions of clause 3(xv) of the Order are not applicable to the company.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For M. C. JAIN & CO
CHARTERED ACCOUNTANTS
(ICAI Reg. No. 304012E)

(M. K. PATAWARI)
PARTNER
M. No. 056623
UDIN: 19056623AAAAEG1021

33, Brabourne Road, Kolkata 700 001.
The 26th Day of September, 2019

**ANNEXURE-B REFERRED TO IN PARAGRAPH 2 UNDER THE HEADING
“REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS”
OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF
THE JUTE CORPORATION OF INDIA LIMITED.**

Sl. No.	Directions	Reply
1	Whether the Company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any may be stated.	No, the company is only doing financial accounting including Sales Accounting through IT system. The other process such as inventory accounting, Purchase Accounting etc. are maintained manually and due care is taken for integration of same with IT system.
2	Whether there is any restructuring of an existing loan or cases of waiver/ write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.	No
3	Whether funds received/ receivable for specific schemes from Central/ State agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.	Yes

For M. C. JAIN & CO.
CHARTERED ACCOUNTANTS
(ICAI Reg. No. 304012E)

(M. K. PATAWARI)
PARTNER
M. No. 056623
UDIN: 19056623AAAAEG1021

33, Brabourne Road, Kolkata 700 001.
The 26th Day of September, 2019

**ANNEXURE C REFERRED TO IN PARAGRAPH 3(VI)
UNDER THE HEADING “REPORT ON OTHER LEGAL AND
REGULATORY REQUIREMENTS”
OF OUR REPORT OF EVEN DATE**

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of THE JUTE CORPORATION OF INDIA LIMITED (“the Company”) as of 31 March 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For M. C. JAIN & CO.
CHARTERED ACCOUNTANTS
(ICAI Reg. No. 304012E)

(M K PATAWARI)
PARTNER
M. No. 056623
UDIN: 19056623AAAAEG1021

33, Brabourne Road, Kolkata 700 001.
The 26th Day of September, 2019.

**MANAGEMENT REPLY TO THE OBSERVATIONS MADE BY THE
STATUTORY AUDITORS ON THE ACCOUNTS OF THE
CORPORATION FOR THE YEAR 2018-19**

Sl.No.	AUDIT OBSERVATION	MANAGEMENT REPLY
	PART I : Basis for qualified opinion:	
1.	The company does not have any system to call for balance confirmations in respect of debit/credit balances of sundry debtors, sundry creditors, advance from customers, security and earnest money deposit, outstanding liabilities, other payables and other advances. Parties debit/credit balances in so far as these have not been subsequently realized or discharged are subject to confirmation/reconciliation. Consequential revenue impact if any is presently not ascertainable. (Refer Note 07, 08, 13&15)	A system of seeking confirmation of balances from debtors/creditors is already in place. Further letters were sent to debtors for confirmation of balances and some specimen confirmations already shown to auditors. Likewise the same was obtained from the creditors and specimens were shown to auditors. Further item wise and year wise details of sundry debtors, sundry creditors, and advance from customers, security and earnest money deposit, outstanding liabilities, other payables and other advances presented to auditors. Since, JCI basically procures jute from farmers against instant payment and sale to customers against advance payment/instant collection against letters of credit, it has very limited quantum of debtors/creditors in the current period and subsequently they are realised/paid and also they are totally under control. As regards very old debtors/creditors balances as through review is in progress and required provision is already in place against respective debtors, other advances on case to case basis.
2.	The Company is not applying proper accounting treatment for recording entries for funds received from National Jute Board Authority and utilization thereof for Project I-Care, Project Decorticator Machine, Project Saturation, Project Enjyme Retting, Common Facilitation Centre, Pilot Project and Bhuvanjump Project in as much as income on account of Supervision Charges of CFC Project and I Care Project (Phase III) for the period upto 31.03.2018 amounting to ₹44,37,278 has been accounted for in FY 2018-19. Further, income of ₹25,71,292 on account of supervision charges of Project I Care (Phase I&II) being excess accounted for in earlier years has been written back during the year. The Debit/Credit balances held in the accounts in respect of these projects and NJBA are subject to confirmation and reconciliation. (Refer Note 8&15)	<p>Project Common Facilitation Centre (CFC) has been since inception and Project I Care phase III duly reconciled with our accounts and duly audited. Necessary accounting effect has been given in Current Year Accounts post Audit.</p> <p>Initially income related to supervision charges for Project I Care Phase I and II has been recognised into the accounts on provisional basis. Post reconciliation and audit necessary accounting effect has been given in Current Year Accounts.</p> <p>Reconciliation process with NJB relating to other projects is in place and after due confirmation from NJB subsequent effects will be given in the books in F.Y.2019-20.</p>

Sl.No.	AUDIT OBSERVATION	MANAGEMENT REPLY
3.	<p>The Income Tax paid by the company for meeting its income tax liability is not set off/ adjusted with provisions created/ held for respective year and both the amounts are separately held in the accounts as Advance Income Tax and Provision for Income Tax. It is noticed from year wise break-up that as against Advance Tax paid aggregating to ₹1,48,62,773 for asst years upto 2008-09 corresponding provisions held in the books is ₹8,55,272 only depicting thereby that as per books differential amount of ₹1,40,07,501 is refundable. However as informed to us and as per records available refund of ₹79,49,948 is due to be received for the assessment year upto 2008-09 and therefore provisions held in the accounts is short to the extent of ₹60,57,553 which has effect of overstatement of assets by ₹60,57,553 and overstatement of profit after tax for the year by the equivalent amount. (Refer Note No.9&15)</p>	<p>In the Ledger, Advance Income Tax and Provision for Income Tax are shown separately for maintaining case in review of the matter and for better control in this regard. Difference in mode of presentation does not have any financial impact on books of account.</p> <p>The decision of appeals related to the assessment years referred by the auditor, are still pending with the appellate authority.</p>
4.	<p>Following balance held in the accounts are subject to confirmation/reconciliation. Consequential revenue impact if any is presently not ascertainable. (Refer Note 8 & 15)</p> <ul style="list-style-type: none"> National Jute Board ₹35,38,700 (Dr.)s Jute Technology Mission ₹10,27,011 (Cr.) 	<p>As regards balance in accounts of National Jute Board, the matter of confirmation has been taken up with them, as has been mentioned in reply to point no.3 under 'Basis for qualified opinion' head and we are awaiting confirmation from NJB, after necessary confirmation subsequent effect will be given in the books in F.Y. 2019-20.</p> <p>For Jute Technology Mission, JCI itself is the implementation agency and as such, the question of obtaining confirmation from the part does not arise.</p>
PART II: Emphasis of Matters		
1.	<p>Note No.18 – Old liabilities outstanding in books no longer payable on account of Salary Payable aggregating to ₹1,93,39,872 been written back during the year end and credited to Profit & loss A/c.</p>	<p>This has been disclosed in Note.18 to accounts along with other old balances and provision written back.</p>
2.	<p>Note No.8 – Advance from Customers of ₹4,25,33,131 outstanding as on 31.03.2019 includes balances aggregating to ₹50,05,510 which are outstanding for more than three years.</p>	<p>Matter noted for reviewing and after due reconciliation necessary corrective measures will be taken in FY 2019-20.</p>

Sl.No.	AUDIT OBSERVATION	MANAGEMENT REPLY
3.	Note No. 7- Trade Payables of ₹3,78,84,476 outstanding as on 31.03.2019 includes balances aggregating to ₹20,31,418 which are outstanding for more than three years.	Matter noted for reviewing and after due reconciliation necessary corrective measures will be taken in FY 2019-20.
4.	Note No. 4&14- Interest received aggregating to ₹12,012,358 on term deposit held for JTM, Retting Tank and Manual Development Ribboner Project & IJSG is credited to respective Projects and is not accounted for as income in the books of accounts. However same has been considered as income for computing income tax payable for the year and TDS on interest received has been claimed by the company.	JCI is only the implementation agency of these projects; hence JCI is not claiming the income generated from interest earned on such term deposits. However, as these term deposits are in the name of JCI and TDS being deducted by Banks against PAN of JCI, necessary income tax adjustment entries between accounts of JCI and accounts of related projects are being processed.
5.	Note No.14 – Balance held in following bank accounts as on 31.03.2019 are subject to confirmation: a. AB-Bhubaneswar (Baling Centre) ₹551.80 b. CB-Ascroft (Baling Centre) ₹1,970.92	Same balances of AB-Bhubaneswar (Bailing Centre) and CB-Ascroft (Baling Centre) are continuing since 09-10. In 2019-20 a review of non operating Bank Accounts will be taken up by the Management and decision in this regard will be taken.
6.	Note No.19 – Operational Expenses of ₹2,28,77,401 incurred are mostly in the nature of labour payments made to Contractor (Sardar) and therefore being contractual payments attracts TDS u/s 194C. However TDS has not been deducted on such payments.	Corporation hiring most of the labourers from regulated market yards and making individual payment to the labourers. Since the individual payment has been made on account of individual labourers did not exceed the threshold limit of TDS, deduction of TDS U/s 194C is not applicable in such instance.
7.	Note No.15 – The Company during the F.Y. 2017-18 has made excess payments to the tune of ₹1,44,56,518 to farmers/unknown persons against purchases made, as stated to be due to software error. An amount of ₹1,25,10,987 has since been recovered upto 31.03.2019 and balance amount of ₹19,45,531 recoverable as on 31.03.2019 is reflected under the head Advance to Other Parties under Short Term Loans and Advances. However no provision is held in the books against the same as entire amount of ₹19,45,531 is considered good by the management.	The Corporation had taken initiative to disburse payment to jute growers directly through online mode (DBT or Direct Benefit Transfer) against raw jute purchase under MSP. To execute this process, a system software was adopted and purchase input data were also processed for payment to jute growers. However, due to an unexpected error which occurred beyond the normal risks that could not be foreseen while computerization, an amount of Rs. 1.45 Crore was transferred to unknown beneficiaries during initial period of DBT execution. Management has promptly taken up the matter with our bankers and made sustainable efforts in realising the amounts that went to wrong beneficiaries. During the F.Y. 2017-18 ₹89 Lakh has been recovered and the opening balance as on F.Y. 2018-19 was

Sl.No.	AUDIT OBSERVATION	MANAGEMENT REPLY
		<p>₹55 Lakh. Further, we have realized an amount of Rs.35.74 lakh during the current year under audit and the closing balance being ₹19.45 Lakh as on 31.03.2019. Also, We are continuously following up this matter with the Banks & RBI for realising the balance amount and expecting to realise the outstanding amount. Further details have been provided in Note No.37 to accounts. To prevent any such errors in future the following steps are being taken:</p> <ol style="list-style-type: none"> 1) Multi Level Checking 2) Introduction of RTGS/NEFT mandate form 3) Check on sample basis by finance official 4) Software changes if any with CMD approval
8.	Note No.8 – Liability for Expenses & Other Payables includes an amount of ₹1,07,20,641 (Godown Rent Payable), ₹2,12,927 (Lorry Freight Payable) and ₹7,116,931 (Market Levy Payable) which are outstanding for more than three years.	Matter noted for reviewing and after due reconciliation necessary corrective measures will be taken in FY 2019-20.
9.	Note No.15&24 – An amount of ₹4,98,762 being excess of amount paid on account of Purchase Tax, Sales Tax & VAT over and above the corresponding provision held in the books has been written off during the year without reconciling the same.	Provision for Vat/ Sales Tax and corresponding Sales Tax/Vat paid are very old. After getting the recommendation of Internal Auditor for adjustment of provision of VAT/Sales Tax with VAT/Sales Tax paid, the same has been considered and subsequent effect has been given in the books of accounts.



**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA
UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE
FINANCIAL STATEMENTS OF THE JUTE CORPORATION OF INDIA LIMITED,
KOLKATA, FOR THE YEAR ENDED 31 MARCH 2019.**

The preparation of financial statements of The Jute Corporation of India Limited, Kolkata for the year ended 31 March 2019 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 26 September 2019.

I, on the behalf of the Comptroller and Auditor General of India, have conduct a supplementary audit of the financial statements of The Jute Corporation of India Limited for the year ended 31 March 2019 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

For and on behalf of the
Comptroller & Auditor General of India.

(SUPARNA DEV)
Director General of Commercial Audit
& Ex-officio Member, Audit Board-I,
Kolkata

Place: Kolkata
Date: 21 November, 2019

BALANCE SHEET AS AT MARCH 31, 2019

(Amounts in ₹)

Particulars	Note No.	As at 31/03/2019	As at 31/03/2018
I. EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	3(A)	5,00,00,000	5,00,00,000
Reserves and Surplus	3(B)	1,31,50,36,584	126,28,93,617
Non-Current Liabilities			
Other Long Term Liabilities	4	21,19,01,121	20,32,37,969
Long Term Provisions	5	16,12,45,320	12,86,43,559
Current Liabilities			
Short-Term Borrowings	6	5,27,513	36,58,97,664
Trade Payables	7	3,78,84,476	15,23,30,252
Other Current Liabilities	8	40,08,55,372	39,51,08,230
Short-Term Provisions	9	3,43,46,836	10,57,66,123
TOTAL		221,17,97,222	266,38,77,414
II. ASSETS			
Non-Current Assets			
Property, Plant & Equipments	10	2,48,55,460	2,32,14,432
Intangible Assets	10	3,48,565	1,39,569
Long Term Loans and Advances	11	27,245	5,45,313
Current Assets			
Inventories	12	43,64,61,164	139,88,86,795
Trade Receivables	13	19,87,24,382	46,90,05,489
Cash and Cash Equivalents	14	105,33,92,324	75,60,66,038
Short term Loans and Advances	15	3,19,71,522	1,41,35,992
Other Current Assets	16	46,60,16,560	18,83,786
TOTAL		221,17,97,222	266,38,77,414
General Information & Significant Accounting Policies	1&2		
Other Notes to Financial Statement	26-43		
The notes referred to above form integral part of these financial Statement.			

As Per our Report of even date

For M. C. JAIN & CO.

Chartered Accountants

Firm Registration Number: 304012E

(Mukesh Kumar Patawari)

Partner

(M. N. 056623)

Place: Kolkata

Date: 26.09.2019

(Avik Saha)

Company Secretary

For and on behalf of the Board

(Sherry Lalhangzo)

Director

DIN: 08427300

(Ajay Kumar Jolly)

Chairman and Managing Director

DIN: 08427305

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019**

(Amounts in ₹)

Particulars	Note No.	As at 31/03/2019	As at 31/03/2018
I. Revenue			
Revenue from Operations	17	234,33,83,566	226,82,07,147
Other Income	18	14,07,42,659	6,11,41,227
Total Revenue		248,41,26,225	232,93,48,374
II. Expenses			
Cost of Trading Goods & Direct Expences	19	73,55,24,285	187,05,42,448
Changes in Inventories of Trading Goods	20	96,24,25,631	(45,14,54,305)
Employee Benefits Expenses	21	42,98,40,968	49,93,96,691
Finance Cost	22	1,10,80,706	1,49,01,110
Depreciation & Amortisation Expense	23	16,04,707	9,77,131
Other Expenses	24	11,62,51,904	10,97,33,291
Miscellaneous Expenses	25	2,22,59,417	1,06,40,835
Total Expenses		227,89,87,618	205,47,37,201
Profit before exceptional and extraordinary expenses		20,51,38,607	27,46,11,173
Exceptional items		-	-
Extraordinary items		-	-
Profit before Tax		20,51,38,607	27,46,11,173
Tax Expense:			
Current Tax		(7,73,77,000)	(9,77,91,500)
Earlier Year		(11,768,909)	
Deferred Tax		-	-
Profit After Tax		11,59,92,698	17,68,19,673
Average No. of Equity Share (Face value of Rs.100 each)		5,00,000	5,00,000
Basic Earnings Per Share		232	354
Diluted Earnings Per Share		232	354

General Information & Significant Accounting Policies 1&2**Other Notes to Financial Statement** 26-43**The notes referred to above form integral part of these financial Statement.**

As Per our Report of even date

For M. C. JAIN & CO.

Chartered Accountants

Firm Registration Number: 304012E

(Mukesh Kumar Patawari)

Partner

(M. N. 056623)

Place: Kolkata

Date: 26.09.2019

(Avik Saha)

Company Secretary

For and on behalf of the Board

(Sherry Lalthangzo)

Director

DIN: 08427300

(Ajay Kumar Jolly)

Chairman and Managing Director

DIN: 08427305

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH, 2019**

Particulars	2018-2019 (in ₹)	2017-2018 (in ₹)
A. Cash Flow from Operating Activities :		
Profit/(Loss) before tax and prior period Adjustment	20,51,38,607	27,46,11,173
Adjustment for:		
Depreciation & Amortisation Expense	16,04,707	9,77,131
Interest Income	(2,90,38,360)	(3,10,15,301)
Finance Cost	1,10,80,706	1,49,01,110
Operating profit before working capital change	18,87,85,659	25,94,74,112
(Increase)/Decrease in Inventory	96,24,25,631	(45,14,54,305)
(Increase)/Decrease in Sundry Debtors	27,02,81,107	(46,31,22,955)
(Increase)/Decrease in Loans and Advances	(45,95,79,508)	5,90,73,612
Increase/(Decrease) in Liabilities & Provisions	(15,62,52,304)	11,78,89,801
	80,56,60,586	(47,81,39,735)
Less: Income Tax Paid	(16,61,30,224)	(2,67,66,370)
Net Cash Flow From Operating Activities	63,95,30,362	(50,49,06,105)
B Cash Flow From Investing Activities		
Purchase of Property, Plant & Equipments/Intangible Assets	(35,09,404)	(8,05,563)
Sale/Realisation of Property, Plant & Equipments/Intangible Assets	54,673	5,024
Interest Received	2,90,38,360	3,10,15,301
Net Cash Flow From Investing Activities	2,55,83,629	3,02,14,762
C Cash Flow From Financing Activities		
Short Term Loan Taken/(Repaid)	(36,53,70,151)	36,12,49,389
Finance Cost	(1,10,80,706)	(1,49,01,110)
Net Cash Flow From Financing Activities	(37,64,50,857)	34,63,48,279
Net Increase/Decrease in Cash & Cash Equivelant	28,86,63,134	(12,83,43,064)
Cash & Cash Equivelant at the beginning of the year	55,28,28,069	68,11,71,134
Cash & Cash Equivelant at the End of the year	84,14,91,203	55,28,28,069

As Per our Report of even date

For M. C. JAIN & CO.

Chartered Accountants

Firm Registration Number: 304012E

(Mukesh Kumar Patawari)

Partner

(M. N. 056623)

(Avik Saha)

Company Secretary

For and on behalf of the Board

(Sherry Lalthangzo)

Director

DIN: 08427300

(Ajay Kumar Jolly)

Chairman and Managing Director

DIN: 08427305

Place: Kolkata

Date: 26.09.2019



**NOTES TO CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH 2019**

		(Amounts in ₹)
Particulars	2018-2019	2017-2018
1 CASH & CASH EQUIVALENT		
As per Balance Sheet - Cash & Cash Equivalents	105,33,92,324	75,60,66,038
Less: Cash, Bank & Term Deposits:		
Retting Tank (Govt. of India)	69,39,084	66,92,698
Bio-Technological Retting Technology	1,17,305	1,17,305
IJSG	14,15,122	13,97,784
Development of Ribboner from GOI	1,14,11,091	1,09,53,410
Jute Technology Mission	19,20,18,519	18,40,76,772
Total Cash & Cash Equivalent	84,14,91,203	55,28,28,069

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

NOTE-1

1. GENERAL INFORMATION

The Jute Corporation of India Limited (JCI), a Central Public Sector Enterprise, under the Ministry of Textile (MOT), was set up in 1971 to act as a nodal agency for MSP operation of Raw Jute in India. Initially JCI has started its operation as a small trading agency but then slowly it expanded its network across the Jute growing areas of India and now has spread over successfully in 6 states (West Bengal, Bihar, Assam, Tripura, Orissa, and Andhra Pradesh) of India. JCI operates through its 141 Departmental Purchase Centres and 14 Regional Offices/Regional Lead DPC's with Head Office at Kolkata.

JCI is responsible for executing the Minimum Support Price (MSP) operations for jute procurement and serves as a stabilizing agency in the raw jute market. JCI's price-support operations involve procuring raw jute from farmers, usually small and marginal farmers, at MSP without any quantitative limit, as and when the prevailing market price of jute is at the MSP. These operations help to create a notional buffer in the market by siphoning off excess supply, in order to arrest inter-seasonal volatility in raw jute prices. It also denotes the floor price at which a jute farmer can sell his produce.

Besides Minimum Support Price Operation (MSP), JCI also undertake Commercial operation of Raw Jute, trading in Jute Diversified Products and Distribution of Certified Jute Seeds.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of accounting and preparation of financial statements

The accounts are prepared to comply in all material aspects with applicable accounting principles in India, the applicable Accounting Standards notified under Section 133 of the Companies Act, 2013 and the relevant provisions thereof. All assets and liabilities have been classified as current or non-current as per the Corporation's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013.

The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those of previous year.

2.2 Property Plant & Equipments & Depreciation

- i) Property Plant & Equipment (PPE) are stated at cost of acquisition less depreciation.
- ii) Cost of Leasehold Premises is amortized over the period of lease.
- iii) Depreciation on Property Plant & Equipment (PPE), other than Leasehold Premises, is provided on straight-line basis at the rate and in the manner prescribed in Schedule – II of the Companies Act, 2013.
- iv) Premises on Leasehold Land are depreciated either over a period at the rate and in the manner prescribed in Schedule – II of the Companies Act, 2013 or over the period of land lease, whichever is earlier.

2.3 Intangible assets and amortization

- i) Intangible Assets like Computer Software etc. as defined in Accounting Standard (AS 26) issued by the Institute of Chartered Accountants of India (ICAI) are stated at cost of acquisition less amortization.



- ii) Intangible Assets are amortized Straight-line basis over a period of five years considering in useful life in conformity with the AS-26 issued by the Institute of Chartered Accountants of India (ICAI).

2.4 Inventories

- i) Raw Jute stock procured under price support operation is valued at cost or net realizable value, whichever is lower.
- ii) Raw Jute stock procured under commercial operation is valued at weighted average cost or net realizable value, whichever is lower.
- iii) Jute goods are valued at cost or net realizable value, whichever is lower.
- iv) Jute seed are valued at average cost or net realizable value, whichever is lower.
- v) Raw Jute stock quantities as stated in the Accounts are bales of 180 Kg each.

2.5 Cash & Cash equivalents

Cash comprises cash-in-hand, balances with banks that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.6 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit before exceptional and extraordinary items and tax is adjusted for the effects of transaction of known cash nature. Cash flows from operation, investing and financing activities of the corporation are segregated based on the available information and complied with Accounting Standard 3.

2.7 Employees Benefit

i) Gratuity.

a) Regular Employees

The corporation makes regular contribution to Group Gratuity Fund administered by the Life Insurance Corporation of India and discharges Gratuity liability to the Regular Employees is made from such Fund.

b) Casual Employees

The Corporation provides the liability for Gratuity of casual employees in the financial statement on the basis of actuarial valuation and discharge of Gratuity liabilities to the casual employees are made on retirement by the corporation on its own.

Gratuity is payable to all employees subject to a maximum limit of ₹ 20 lacs. Retirement age of Employees is taken at 58 years. Progression of future salary is taken into account while calculating the liability. Increase in Dearness Allowances (DA) has also been considered appropriately in Actuarial Valuation. The assumption and methodology used in actuarial valuations are consistent with the requirements of Accounting Standard 15 (revised in 2005)

ii) Leave Encashment Benefit (Non-Funded)

The Corporation provides the liability for leave encashment benefit for regular employees on retirement in the financial statement on the basis of actuarial valuation for existing employees on the closing date.

The assumption and methodology used in actuarial valuations are consistent with the requirements of Accounting Standard 15 (revised in 2005).

iii) Provident Fund and Family Pension Fund to employees

Contribution to Provident Fund and Pension Fund is recognized during the period in which the employees are under service. Contributions for Provident Fund are deposited with Contributory

Provident Fund Trust of The Jute Corporation of India. Contributions to Pension Fund are deposited to Regional Provident Fund Commissioner, as per provisions of the Employees' Provident Fund and Miscellaneous Provisions Act 1952.

iv) Leave Travel Concession

Leave Travel Concession is accounted for as and when the same is claimed by the employee.

2.8 Revenue Recognition

In preparation of financial statement, income/expenditure is recognized in the year in which realization/ payment thereof is reasonably ascertained and/or settled. For following cases recognition of income / expenditure are made on actual realization,

- (a) Interest income on book debts, if any.
- (b) Interest on advances to employees, if any.
- (c) Provisional claims lodged with insurers and other agencies, if any.
- (d) Carrying cost, if any
- (e) Subsidy from Government for MSP Operation is accounted for in the year for which it is approved by Government, if such approval is obtained before finalization of accounts of that year. In case, Government approval of subsidy is obtained after finalization of accounts of the year for which it is approved then, it is accounted for in the year in which the approval is obtained with a suitable note to accounts.
- (f) Market Levy is accounted for as and when demand for the same is raised by the regulatory market committee in the concerned regional office.

2.9 Liability for Revision of Pay Scales

Liability for revision/increase in employees' pay and allowances is recognized in the year in which the Government approves the same and/or notifies to the Corporation.

2.10 Prior Period Adjustment

Individual transaction exceeding ₹ 10,000/- relating to earlier years are accounted for under Prior Period Adjustment account.

2.11 Provision for Current and Deferred tax

Provision for current tax is made after taking into consideration benefits admissible under the provision of the Income Tax Act, 1961

Deferred Tax is recognized on timing differences being the difference between taxable income and accounting income for the year and is likely to reversed in one or more subsequent periods (in conformity with AS22)

2.12 Impairment of Assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged into Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable value.

2.13 Provisions, Contingent Liabilities and Contingent Assets

Provision involving substantial degree of estimation in measurement is recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.



Notes to the Financial Statement for the year ended March 31, 2019

NOTE 3(A) : SHARE CAPITAL

(Amounts in ₹)

Particulars	As at 31/03/2019	As at 31/03/2018
Authorised		
5,00,000 Equity Shares of ₹100/- each	5,00,00,000	5,00,00,000
	5,00,00,000	5,00,00,000
Issued, Subscribed and Paid-up		
5,00,000 Equity Shares of ₹100/- each fully paid up.	5,00,00,000	5,00,00,000
	5,00,00,000	5,00,00,000

(a) Reconciliation of Equity shares outstanding at the end of the year

	No. of Shares	Amount	No. of Shares	Amount
Shares outstanding at the beginning of the Year	5,00,000	5,00,00,000	5,00,000	5,00,00,000
Shares issued during the year	-	-	-	-
Less Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the Year	5,00,000	5,00,00,000	5,00,000	5,00,00,000

(b) Terms and rights attached to equity shares

The Company has only one class of equity shares with voting right proportionate to the share holding of the share holders

	Name of the Share Holder	As on 31st March, 2019		As on 31st March, 2018	
		No. of Share	% of the Holding	No. of Share	% of the Holding
(c) Details of shareholders holding more than 5% of the shares in the company.	President of India	499998	99.99%	499998	99.99%

Notes to the Financial Statement for the year ended March 31, 2019

NOTE 3(B) : RESERVES AND SURPLUS

(Amounts in ₹)

Particulars	As at 31/03/2019	As at 31/03/2018
Surplus		
As per last Balance Sheet	126,28,93,617	111,92,92,642
Add: Profit / (Loss) for the year	11,59,92,698	17,68,19,673
	137,88,86,315	129,61,12,315
Less: Dividend Paid	5,30,50,000	2,76,00,000
Less: Dividend Distribution Tax on Proposed Dividend Paid	1,07,99,731	56,18,698
	131,50,36,584	126,28,93,617
Net Surplus	131,50,36,584	126,28,93,617

NOTE 4 : OTHER LONG TERM LIABILITIES

Particulars	As at 31/03/2019	As at 31/03/2018
Balance in Project Funds		
Retting Tank (Govt. of India)	69,39,084	66,92,698
Bio-Technological Retting Technology	1,17,305	1,17,305
IJSG	14,15,122	13,97,784
Development of Ribboner from GOI	1,14,11,091	1,09,53,410
Jute Technology Mission	19,20,18,519	18,40,76,772
Total	21,19,01,121	20,32,37,969

NOTE 5 : LONG TERM PROVISIONS

Particulars	As at 31/03/2019	As at 31/03/2018
Provision for Employee Benefit		
Gratuity (Casual Employee)	6,20,50,556	3,84,92,722
Leave Salary (Regular Employee)	9,91,94,764	9,01,50,837
Total	16,12,45,320	12,86,43,559

NOTE 6 : SHORT-TERM BORROWINGS

Other Long Term Liabilities	As at 31/03/2019	As at 31/03/2018
Cash Credit from Central Bank of India	75,259	36,58,97,664
Cash Credit from Punjab National Bank	4,52,254	-
	5,27,513	36,58,97,664

*Notes to the Financial Statement for the year ended March 31, 2019***NOTE 7 : TRADE PAYABLES**

(Amounts in ₹)

Particulars	As at 31/03/2019	As at 31/03/2018
Sundry Creditors	3,78,84,476	15,23,30,252
	3,78,84,476	15,23,30,252

NOTE 8 : OTHER CURRENT LIABILITIES

Particulars	As at 31/03/2019	As at 31/03/2018
Earnest Money Deposit	6,60,38,252	26,43,092
Security Deposit	5,30,000	5,80,000
Retention Money	90,74,289	1,43,99,201
Provident Fund Payable	59,38,058	59,48,203
Liability for Expenses and Other Payables	25,78,39,442	26,21,93,737
Balance in Project Funds		
Project I-Care	3,30,224	6,43,19,929
Pilot Project A/C	47,748	47,748
Project Decoricator Machine	10,88,417	10,88,417
Project Saturation	48,38,462	48,38,462
Common Facilitation Center	29,59,105	32,91,241
Advance From Customers	4,25,33,131	2,85,91,726
Claims Payable	86,11,233	61,39,463
Advance from JTM	10,27,011	10,27,011
	40,08,55,372	39,51,08,230

NOTE 9 : SHORT-TERM PROVISIONS

Particulars	As at 31/03/2019	As at 31/03/2018
Provision for Employee Benefits:		
Bonus	11,59,000	14,65,917
Leave Salary (Regular Employee)	2,69,83,410	3,65,07,998
Gratuity(Casual Employee)	62,04,426	1,61,76,619
	3,43,46,836	5,41,50,534
Provision for Income Tax		
Balance as per Last Account	-	51,03,72,403
Addition during the year	-	10,14,95,536
		61,18,67,939
Less Advance Tax Paid	-	(56,02,52,350)
	3,43,46,836	10,57,66,123

Notes to the Financial Statement for the year ended March 31, 2019

NOTE 10 : PROPERTY, PLANT & EQUIPMENTS

(Amounts in ₹)

Tangible Asset	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As at 31/03/2018	Additions	Deletion/ Adjust- ments	As at 31/03/2018	For the Year	Deletion/ Adjust- ments	As at 31/03/2019	As at 31/03/2018
LEASEHOLD PREMISES	2,59,98,440	-	-	50,03,577	3,18,553	-	2,06,76,310	2,09,94,863
FURNITURE & FIXTURE	45,89,952	-	-	42,73,005	36,516	-	2,80,431	3,16,947
OFFICE EQUIPMENT	14,60,625	1,25,920	-	12,81,838	54,866	-	2,49,841	1,78,787
DPC EQUIPMENT	10,97,557	6,24,750	-	8,12,345	35,763	-	8,74,199	2,85,212
COMPUTER	53,74,678	25,03,854	1,88,459.00	40,99,080	10,77,830	1,33,786	26,46,949	12,75,598
ELECTRICAL INSTALLATION	4,95,688	-	-	4,56,891	9,988	-	28,809	38,797
AIR-CONDITIONER	6,00,045	-	-	4,75,817	25,307	-	98,921	1,24,228
CYCLES	1,32,357	-	-	1,32,357	-	-	-	-
Total (A)	3,97,49,342	32,54,524	1,88,459	165,34,910	15,58,823	1,33,786	2,48,55,460	2,32,14,432
Intangible Asset								
COMPUTER SOFTWARE (B)	2,42,278	2,54,880	-	1,02,709	45,884	-	3,48,565	1,39,569
Current Year (A+B)	3,99,91,620	35,09,404	1,88,459	1,66,37,619	16,04,707	1,33,786	2,52,04,025	2,33,54,001
Previous Year	3,91,93,665	8,05,563	7,608	1,56,63,072	9,77,131	2,584	2,33,54,001	

*Notes to the Financial Statement for the year ended March 31, 2019***NOTE 11 : LONG TERM LOANS AND ADVANCES**

(Amounts in ₹)

Particulars	As at 31/03/2019	As at 31/03/2018
Security Deposits	27,245	5,45,313
	<u>27,245</u>	<u>5,45,313</u>

NOTE 12 : INVENTORY

Particulars	As at 31/03/2019	As at 31/03/2018
Raw Jute - Price support	26,00,01,715	104,25,27,694
Raw Jute - Commercial	17,32,48,126	34,71,94,645
Jute Seed	24,43,834	87,53,471
Jute Diversified Products	7,67,489	4,10,985
	<u>43,64,61,164</u>	<u>139,88,86,795</u>

NOTE 13 : TRADE RECEIVABLES

Particulars	As at 31/03/2019	As at 31/03/2018
(Unsecured, considered good)		
Outstanding for more than Six Month	1,30,09,004	8,38,975
Others	18,57,15,378	46,81,66,514
	<u>19,87,24,382</u>	<u>46,90,05,489</u>
(Unsecured considered doubtful)	6,65,668	6,65,668
Provision for Doubtful Debt	(6,65,668)	(6,65,668)
	<u>19,87,24,382</u>	<u>46,90,05,489</u>

NOTE 14 : CASH AND CASH EQUIVALENTS

Particulars	As at 31/03/2019	As at 31/03/2018
Cash & Cash Equivalents		
Balances with Banks:		
In Current Accounts	7,55,00,659	5,30,05,298
In Saving Accounts	1,05,48,376	3,94,17,033
In Term Deposit Accounts	96,66,80,212	66,21,12,213
Cash in Hand	6,63,078	15,31,495
	<u>105,33,92,324</u>	<u>75,60,66,038</u>

Notes to the Financial Statement for the year ended March 31, 2019

NOTE 15 : SHORT TERM LOANS AND ADVANCES

(Amounts in ₹)

Particulars	As at 31/03/2019		As at 31/03/2018	
Advances Recoverable in cash or in kind or for value to be received				
Advance to Staff	7,33,359	7,33,359	511,350	5,11,350
Advance to Other Parties				
Unsecured and Considered Good	68,34,520		1,17,91,628	
Unsecured and Considered Doubtful	6,94,312		8,46,522	
Less: Provision Held	(6,94,312)	68,34,520	(8,46,522)	1,17,91,628
Prepaid Expenses		25,32,916		15,40,667
Advance to Revenue Authorities				
Advance Sales Tax & Vat	-		3,15,31,231	
Less: Provision	-	-	(3,12,96,831)	2,34,399
Advance Income Tax	72,63,82,574			
Less: Provision for Income Tax				
Balance as per Last Account	(61,18,67,939)			
Addition during the year	(9,26,43,907)			
	(70,45,11,846)	2,18,70,728		
Advance for Projects				
Bhuban Jump Project		-		57,947
		3,19,71,522		1,41,35,992

NOTE 16 : OTHER CURRENT ASSETS

Particulars	As at 31/03/2019	As at 31/03/2018
Interest accrued but not due	8,22,643	18,83,786
Subsidy Receivable from GOI	42,50,00,000	-
Insurance Claim Receivable	4,01,93,917	-
	46,60,16,560	18,83,786

NOTE 17 : REVENUE FROM OPERATIONS

Particulars	As at 31/03/2019	As at 31/03/2018
Sales - Price Support	156,09,64,652	172,73,08,475
Sales - Commercial	25,26,46,616	2,11,21,113
Sales - Jute Diversified Products	51,07,289	17,01,475
Sales - Jute Seeds	3,22,50,722	5,80,79,183
Less : claim paid	(75,85,713)	(78,03,099)
Total	184,33,83,566	180,04,07,147
17.1 Other operating Revenues		
Subsidy from GOI. (MSP)	50,00,00,000	46,78,00,000
Total	234,33,83,566	226,82,07,147

*Notes to the Financial Statement for the year ended March 31, 2019***NOTE 18 : OTHER INCOME**

(Amounts in ₹)

Particulars	As at 31/03/2019	As at 31/03/2018
Interest Income	2,90,38,360	3,10,15,301
Carrying Cost (Price Support)	4,34,80,303	1,65,82,190
Liability no Longer Required Writtenback	1,96,09,135	1,37,02,524
Insurance Claim	4,12,19,582	-
Misc. Income	5,79,205	4,87,404
Supervision Charges (Projects)	49,50,088	
Prior Period Adjustment (Refer Note - 18.1)	18,65,986	(6,46,192)
Total	14,07,42,659	6,11,41,227

NOTE 18.1 : PRIOR PERIOD ADJUSTMENTS

Particulars	As at 31/03/2019	As at 31/03/2018
Travelling & Conveyance	-	(16,807)
Car Expenses	-	(50,070)
Miscellaneous Expenses	-	(36,065)
Legal Expenses	-	(5,43,250)
Supervision Charges (Projects)	18,65,986	
Net Debit (-)/Credit	18,65,986	(6,46,192)

NOTE 19 : COST OF TRADING GOODS & DIRECT EXPENCES

Particulars	As at 31/03/2019	As at 31/03/2018
PURCHASE		
Raw Jute - Price Support	66,78,85,653	172,15,89,400
Raw Jute - Commercial	-	21,48,294
Jute Diversified Products	46,67,925	13,39,836
Jute Seeds	2,59,43,060	5,96,09,695
Sub-total (a)	69,84,96,638	178,46,87,225
DIRECT EXPENSES		
Operational Expenses	3,24,23,565	6,73,33,464
Taxes & Levy	46,04,082	1,85,21,759
Sub-total (b)	3,70,27,647	8,58,55,223
Total	73,55,24,285	187,05,42,448

Notes to the Financial Statement for the year ended March 31, 2019

NOTE 20 : CHANGES IN INVENTORIES OF TRADING GOODS

(Amounts in ₹)

Particulars	As at 31/03/2019	As at 31/03/2018
Opening Stock	-	
Raw Jute - Price Support	104,25,27,694	29,97,49,370
Raw Jute - Commercial	34,71,94,645	64,71,72,442
Jute Seed	87,53,471	
Jute Diversified Products	4,10,985	5,10,678
Total	139,88,86,795	94,74,32,490
Closing Stock		-
Raw Jute - Price Support	26,00,01,715	104,25,27,694
Raw Jute - Commercial	17,32,48,126	34,71,94,645
Jute Seed	24,43,834	87,53,471
Jute Diversified Products	7,67,489	4,10,985
Total	43,64,61,164	139,88,86,795
Net (Increase) / Decrease	96,24,25,631	(45,14,54,305)

NOTE 21 : EMPLOYEE BENEFITS EXPENSES

Particulars	As at 31/03/2019	As at 31/03/2018
Salaries & Allowances	21,19,63,036	32,62,62,756
Wages	6,94,09,395	5,26,09,327
Directors Remuneration	37,40,055	47,55,003
Bonus	12,34,782	17,02,527
Rent Residential	-	6,60,000
Corporation's Contribution to Pension Funds	59,48,513	78,93,980
Corporation's Contribution to Gratuity Funds	5,56,99,165	76,45,758
Compensation To Retired Casuals	-	5,21,000
Corporation's Contribution to Provident Funds	1,64,40,110	3,23,85,295
Staff Welfare Expenses	57,70,116	72,86,924
Leave Encashment Benefit on Retirement	5,08,88,804	3,97,19,077
Medical Expenses Re-imbursement	77,48,882	1,74,69,099
Administrative Charges of CPF	3,37,867	4,85,945
Leave Travel Expenses	6,60,243	-
Total	42,98,40,968	49,93,96,691

NOTE 22 : FINANCE COST

Particulars	As at 31/03/2019	As at 31/03/2018
Interest on Cash Credit	1,10,80,706	1,49,01,110
Total	1,10,80,706	1,49,01,110

*Notes to the Financial Statement for the year ended March 31, 2019***NOTE 23 : DEPRECIATION & AMORTISATION EXPENSE**

(Amounts in ₹)

Particulars	As at 31/03/2019	As at 31/03/2018
Depreciation	16,04,707	9,77,131
Total	16,04,707	9,77,131

NOTE 24 : OTHER EXPENSES

Particulars	As at 31/03/2019	As at 31/03/2018
Printing & Stationery	12,76,526	12,46,933
Electricity Charges	18,28,034	21,10,676
Rent	20,72,666	14,57,450
Godown Rent & Storage	1,75,01,299	1,65,50,571
Repairs & Renewals	18,31,683	74,38,847
Office Maintenance Expenses	2,16,403	3,47,971
Rates and Taxes	58,695	2,28,321
Insurance	30,63,221	20,70,054
Travelling and Conveyance	72,64,410	60,40,237
Legal & Professional Fees	16,29,732	31,46,277
Freight	6,44,78,504	5,28,27,920
GST & Service Tax	2,08,598	6,09,005
Statutory Audit Fees	2,71,400	2,71,400
Other Audit Fees	2,95,031	1,41,600
Telephone Charges	8,37,585	13,06,987
Postage & Telegram	1,01,439	1,27,471
Books & Periodicals	1,60,561	1,83,126
Entertainment	3,90,568	3,13,325
Conference and Meeting Expenses	10,63,611	7,91,681
Corporate Social Responsibility Expenses	34,96,011	26,94,542
Advertisement & Publicity	18,39,520	21,26,008
Car Expenses	50,00,005	57,03,923
Bad and Doubtful Debts Written Off	-	40,730
Bank Charges	1,65,065	2,04,360
Fair & Exhibition	7,02,574	17,53,876
Debit balance of Vat & Sales Tax written off	4,98,763	-
Total	11,62,51,904	10,97,33,291

NOTE 25 : MISCELLANEOUS EXPENSES

Particulars	As at 31/03/2019	As at 31/03/2018
Honorarium and Other Fees	3,93,680	3,99,500
RO Expenses & HO Expenses	1,36,77,891	1,02,41,335
Security Guard Expenses	81,87,846	-
Total	2,22,59,417	1,06,40,835

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2019

26. Disclosure with respect to, Retirement Benefit to Employees

i. Gratuity (Regular)

During the year, the corporation has accounted for its gratuity liability ₹5,60,191/- (previous year ₹4,05,125/-) for regular employees as per demand raised by LIC

ii. Gratuity (Casual)

During the year, the corporation has provided for its gratuity liability of ₹6,82,54,982/- (previous year ₹5,46,69,341/-) for casual employees based on actuarial valuation. Basis of actuarial assumptions are as follows.

Basis of valuation:

	31.03.2019	31.03.2018
Discount Rate Per Annum (Compounded)	6.70%	6.60%
Rate of Increase in salaries	14.00%	10.00%
Expected Average remaining Working	2.61 yr	3.10 yr

iii. Leave Encashment Benefit

During the year corporation has provided for its Leave encashment liability ₹12,61,78,174/- (previous year ₹12,66,58,835/-) for regular employees based on actuarial valuation.

iv. Wages

Wages paid to casual employees of ₹4,27,05,777/- includes provision of ₹85,33,218/- (P. Y. Nil) made for arrear salary for the period from F.Y 01.04.2018 to 30.11.2018 in terms of order no.-490 11/31/2008-Estt (c) dated 23.01.2012 of Ministry.

27. Contingent Liabilities

Contingent Liabilities (excluding consequential liabilities, if any thereon) not provided for in the accounts:

SL. No.		31.03.2019 (₹)	31.03.2018 (₹)
1.	Claims against the Corporation not acknowledged as Debts	15,56,40,716/-	16,86,05,378/-
2.	Other money for which the Corporation is contingently Liable.	12,07,44,491/-	14,00,48,257/-

Other money for which the Corporation is contingently liable shows income tax demand disputed by the company aggregating to ₹1207.44 lakhs (P.Y- 1400.48 Lakhs). The matter is under rectification/appeal before Assessing Officer/CIT(A)/Income Tax Appellate Tribunal and company is hopeful of same being adjudicated in their favour.

28. CSR Expenses

The Company has expended ₹34,96,011/- (P.Y. ₹26,94,542/-) during the year towards Corporate Social Responsibility (C.S.R) Expenses in line with C.S.R Policy of the Company as detailed below:

CSR Expenses for FY-2018-19 - ₹19,50,559 /-

CSR Expenses for FY-2017-18 - ₹15,45,452 /-

For FY 2018-19, out of total CSR Budget of ₹39.10 Lakh (P.Y. 31.51 Lakh) unspent amount of ₹19.59 Lakh (F.Y 2017-18, ₹15.45 Lakh) is planned to be spent in FY 2019-20.

29. Micro, Small and Medium Enterprise Development Act., 2006

Under the Micro, Small and Medium Enterprise Development Act, 2006, certain disclosures are required to be made relating to Micro, Small and Medium Enterprise. However, in view of the procurement of Jute being made from farmers/growers where payments are settled in cash on instant basis, no separate disclosures have been made in the accounts.

30. Disclosure in respect of projects

A. For grant received from GOI for up-gradation of Jute Technology:

GRANT NAME		(Upto 31st March, 2019)		
	Amount Received	Interest Earned	Disbursement	Balance Outstanding
(a) Jute quality Improvement (Retting Technology)	40,00,000	53,16,986	23,77,902	69,39,084
	(40,00,000)	(48,60,441)	(21,67,743)	(66,92,698)
(b) Development of Manual/Power Driven Ribboner Machine	34,00,000	90,12,727	10,01,636	1,14,11,091
	(34,00,000)	(82,59,718)	(7,06,308)	(1,09,53,410)
(c) Bio Technological Retting	9,00,000	-	7,82,695	1,17,305
	(9,00,000)	-	(7,82,695)	(1,17,305)
(d) Jute Technology Mission (JTM)	60,05,00,000	15,87,56,775	56,72,38,256	19,20,18,519
	(60,05,00,000)	(14,79,78,431)	(56,44,01,659)	(18,40,76,772)

Interest Earned on Short Term Deposits relating to above projects have been credited to respective project fund.

31. Stale Cheques

₹8,27,036 /- (PY: ₹7,28,482/-) is being kept under heads of stale cheque due to pending dispute with the beneficiaries.

32. Directors' Remuneration comprises of the following, which has been debited to respective head of accounts

	31.03.2019 (₹)	31.03.2018 (₹)
a. Salaries	36,80,055/-	49,35,003/-
b. Leave Encashment	27,43,903/-	NIL
c. Contribution to Provident Fund, Pension & Gratuity	3,48,193/-	5,00,199/-
d. Rent Residential	-	6,60,000/-
e. Others	9,86,142/-	6,23,214/-
f. Club Expenses & Misc	38,959/-	68,539/-
h. Sitting Fees	60,000/-	
Total	78,56,446/-	67,86,955/-

33. Earnings per share of the Corporation has been computed in the following manner

	31.03.2019 (₹)	31.03.2018 (₹)
(Loss)/Profit for the year	11,59,92,698	17,68,19,673
Weighted Average of No. of equity share	5,00,000	5,00,000
Earnings Per Share (Basic and Diluted)	232	354

34. Deferred Tax

Deferred Tax Asset (DTA) – Review of DTA carried forward from previous year as well as recognition of DTA in the current year.

Accounting Standard-22(AS22) specifies the requirement of the carrying amount of DTA at each Balance Sheet date. It also specifies that the DTA to be recognized and carried forward only if there be a reasonable certainty of sufficient future taxable income against which such DTA can be realized.

The major objective of the Corporation to conduct the Minimum Support Price (MSP) operation of Raw jute and the same depends on the volatility of market price of raw jute. Also even if there is MSP operation it is not certain that the Corporation will be able to recover the cost involved in MSP with a positive margin, as the same is totally dependent on Government decision/policy as applicable from time to time. Though Govt. of India normally provides to the Corporation a prefixed annual monetary support to meet some cost of MSP but the same is not sufficient for meeting both infrastructure cost as well as cost pertaining to Jute procurement and allied activities. Moreover such annual monetary support in future years, i.e. from F.Y. 2020-21 onwards is yet to be approved by GOI. In such a situation it can may well be said that there is no reasonable certainty of having sufficient taxable income in future to realize any carried forward and freshly recognized DTA.

35. As per Accounting Standard 18, issued by the institute of Chartered Accountants of India, the disclosures of transaction with related parties are as follows:



Particulars	Name of Related Party.
Key Managerial Personnel	<ol style="list-style-type: none"> 1. Dr. K.V.R. Murthy, Chairman and Managing Director (Upto 31.01.2019) 2. CA. P. Dasgupta, Director Finance (Upto 05.07.2018) 3. Shri Ajay Kumar Jolly, Chairman and Managing Director (from 01.02.2019) 4. Avik Saha, Company Secretary

Transaction during the year with related parties (Key Managerial Personnel):

Nature of Transaction	Relationship	Amount in ₹.	
		2018-19	2017-18
1. Remuneration (incl. house rent)			
Dr. K.V.R. Murthy	C.M.D (Upto 31.01.2019)	26,96,193	27,19,672
CA.P. Dasgupta	D(F) (Upto 05.07.2018)	6,97,785	27,15,530
Shri Ajoy Kumar Jolly	C.M.D (From 01.02.2019)	6,34,270	-
Avik Saha	C.S	11,06,351	8,52,874

36. Information in respect of goods traded

PARTICULARS	2018-2019			2017-2018		
	Bales	Qntls.	Amount (in ₹)	Bales	Qntls.	Amount (in ₹)
(a) Purchase						
Raw Jute	108519		66,78,85,653	315260		172,37,37,694
Jute Seeds		4989.05	2,59,43,060		7,557.01	5,96,09,695
Diversified jute products			46,67,925			13,39,836
	108519	4989.05	69,84,96,638	315260	7,557.01	178,46,87,225
(b) Sales						
Raw Jute	257005		180,60,25,555	248562		174,84,29,588
Jute Seeds		5714.88	3,22,50,722		6447.29	5,80,79,183
Diversified jute products			51,07,289			17,01,475
	257005	5714.88	184,33,83,566	248562	6447.29	180,82,10,246
(c) Opening Stock						
Raw Jute	224131		138,97,22,339	157433		94,69,21,812
Jute Seeds		1109.72	87,53,471		NIL	NIL
Diversified jute products			4,10,985			5,10,678
	224131	1109.72	139,88,86,795	157433	NIL	94,74,32,490
(d) Closing Stock						
Raw Jute	75645		43,32,49,841	224131		138,97,22,339
Jute Seeds		383.89	24,43,834		1109.72	87,53,471
Diversified jute products			7,67,489			4,10,985
	75645	383.89	43,64,61,164	224131	1109.72	139,88,86,795
(e) Claims Received						
Jute Seeds	0	0	0	0	0	0
(f) (Loss)/Gain in Weight of Raw Jute	1657	0	0	4673	0	0

Stock quantities are stated in the accounts in Bales of 180 Kg each.

37. Advance to other parties includes an amount of ₹19,45,531/- receivable from Parties to whom excess/erroneous payment was made during the F.Y.17-18 due to software error. An amount of ₹1,68,904/-has since been realized and outstanding as on 31.07.2019 is ₹17,76,627/-.
38. Corporation Contribution to gratuity funds of ₹5,56,99,165/- as debited to statement of profit & loss account (Note-21) includes an amount of ₹1,99,81,031/-, being liabilities for arrear gratuity payable to casual employees retired during the period from 01.01.2006 to 30.11.2018 on account of pay revision in terms of 6th & 7th CPC.
- 39. Dividends not recognized at the end of reporting period:**
- As per directives of the Govt. of India, the directors consider recommending of payment of dividend for the year ended 31st March, 2019 @ ₹69.60 (P.Y. Rs 106.10) per share to its shareholder i.e. Govt. of India. The Total outgo in the form of dividend, including Dividend distribution taxes will be ₹ 4,19,53,240/- (P.Y. ₹6,38,49,731/-). The payment of dividend is subject to approval of the member in the ensuing annual general meeting.
40. Compensation receivable from Government for loss on sale of Bimli jute under MSP Operation will be accounted for in the books in the year in which entire stock of Bimli jute will be disposed off and claim filed with the government.
41. During the year a fire occurred at Goalpara DPC at Assam, destroying stock of commercial raw jute of ₹4,01,93,917/-. The entire damaged stock was covered under Insurance Policy. Accordingly claim for the entire loss has been duly lodged with the Insurance Company and duly accounted for in books. Settlement of claim is pending as on date.
42. Figures for the previous year have been regrouped and rearranged wherever necessary. Figures in brackets represent previous year's figures.
43. Other information required to be given as per the requirement of Schedule III of the Companies Act.2013 may be read as nil.

For M. C. JAIN & CO.

Chartered Accountants

Firm Registration Number: 304012E

(Mukesh Kumar Patawari)

Partner

(M. N. 056623)

Place: Kolkata

Date: 26.09.2019

For and on behalf of the Board

(Avik Saha)

Company Secretary

(Sherry Lalthangzo)

Director

DIN: 08427300

(Ajay Kumar Jolly)

Chairman and Managing Director

DIN: 08427305

**INTERNAL RAW JUTE - PRICE SUPPORT**

	2018-2019		2017-2018	
	Bales	₹	Bales	₹
INCOME				
Sales	2,14,813	155,44,35,673	2,45,612	171,95,99,793
Carrying Cost		4,34,80,303		1,65,82,190
Transfer to Internal Raw Jute Commercial	8,464	5,47,86,413		-
Liability No longer Required Written Back		1,96,09,135		1,37,02,524
Interest Income		2,89,60,795		3,09,45,531
Insurance Claim		10,25,665		-
Misc Income		5,64,766		4,87,404
Supervision charges (Projects)		33,37,552		-
Subsidy from the Government		50,00,00,000		46,78,00,000
Prior Period adjustment		18,65,986		
Net Adj. Dr./Cr. Balances written off/back				
Loss in Packed Weight				
Closing Stock	46,303	26,00,01,715	1,61,061	104,25,27,694
Net Loss				
	2,69,580	246,80,68,003	4,06,673	329,16,45,136
EXPENDITURE				
Opening Stock	1,61,061	104,25,27,694	55,236	29,97,49,370
Purchases	1,06,862	66,78,85,653	3,10,587	172,15,89,400
Transfer from Internal Raw Jute-Commercial	-	-	36,177	22,95,06,888
Tax and Levy		46,04,082		1,37,72,359
Freight		5,39,88,343		5,21,37,166
Operational Expenses		2,70,81,341		6,72,82,644
Payment to and Provision for Employees		42,98,40,968		49,93,96,691
Other Administrative Expenses		5,31,38,089		4,73,84,335
Interest and other financial charges		1,10,80,706		1,49,01,110
Godown Rent and Storage		1,75,01,299		1,18,93,275
Insurance		26,36,495		15,52,892
Depreciation		16,04,707		9,77,131
ServiceTax & GST		2,08,598		6,09,005
Service Charges		-		-
Prior Period adjustment		-		6,46,192
Rate & Taxes				2,28,321
Gain in Packed Weight	1,657	-	4,673	-
Provision for Income Tax		6,77,79,000		9,53,31,704
Net Profit		8,81,91,028		23,46,86,653
	2,69,580	246,80,68,003	4,06,673	329,16,45,136

INTERNAL RAW JUTE - COMMERCIAL

	2018-2019		2017-2018	
	Bales	₹	Bales	₹
INCOME				
Sales	35,983	25,15,89,882	2,950	2,10,26,696
Claims Received - Stock	6,209	4,01,93,917	-	-
Transfer to Internal Raw Jute Price Support	-	-	36,177	22,95,06,888
Interest Received	-	-	-	-
Service Charges	-	-	-	-
Loss in Packed weight	-	-	-	-
Closing Stock	29,342	17,32,48,126	63,070	34,71,94,645
Net Loss				6,21,42,575
	71,534	46,50,31,925	1,02,197	65,98,70,804
EXPENDITURE				
Opening Stock	63,070	34,71,94,645	1,02,197	64,71,72,442
Purchase	-	-	-	21,48,294
Transfer from Internal Raw Jute Price Support	8,464	5,47,86,413	-	-
Tax and Levy		-		47,49,400
Freight		1,04,21,515		6,26,210
Operational Expenses		52,35,295		-
Interest -		-		-
Godown Rent and Storage		-		46,57,296
Insurance		4,26,726		5,17,162
Extraordinary items		-		-
Gain in Packed weight		-	-	-
Provision for Income Tax		2,04,10,325		-
Net Profit		2,65,57,007	-	-
	71,534	46,50,31,925	1,02,197	65,98,70,804

**JUTE SEED**

	2018-2019		2017-2018	
	Qtls.	₹	Qtls.	₹
INCOME				
Sales	5,714.88	3,22,50,722	6,447.29	5,80,79,183
Subsidy from NJB				
Service Charge		16,12,536		
Closing Stock	383.89	24,43,834	1,109.72	87,53,471
Damage				
Net Loss	6,098.77	3,63,07,092	7,557.01	6,68,32,654
EXPENDITURE				
Opening Stock	1,109.72	87,53,471	-	
Purchase	4,989.05	2,59,43,060	7,557.01	5,96,09,695
Freight		2,000		64,544
Stock Revalidation Chg		-		-
Insurance		-		-
Overhead Expenses		-		-
Handling of Jute Seeds		14,648		50,820
Provision for Income Tax		6,92,658		24,59,796
Net Profit		9,01,255		46,47,799
	6,098.77	3,63,07,092	7,557.01	6,68,32,654

DIVERSIFIED JUTE PRODUCTS

INCOME		
Sales	51,07,289	17,01,475
Misc. Receipts	14,439	-
Interest	77,565	69,770
Closing Stock	7,67,489	4,10,985
Net Loss	-	3,72,203
	59,66,782	25,54,433
EXPENDITURE		
Purchases	46,67,925	13,39,836
Opening Stock	4,10,985	5,10,678
Insurance	-	-
Freight	66,646	
Other Expenses	1,11,462	5,25,397
Bank Chrges	8,366	6,758
Printing & Stationery	2,922	12,543
Telephone Chrges	-	10,662
Travelling & Conveyance	408	39,890
Rent and Maintanance	90,734	1,08,669
Provision for Income Tax	2,63,926	
Net Profit	343,408	
	59,66,782	25,54,433