

# **THE JUTE CORPORATION OF INDIA LIMITED**

**(A GOVERNMENT OF INDIA ENTERPRISE)**

**15N, NELLIE SENGUPTA SARANI,  
KOLKATA – 700 087.**

## **49<sup>TH</sup> ANNUAL GENERAL MEETING**

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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 INDEPENDENT DIRECTOR (09.08.2018)
5. SMT. PUJA VIDHANI : NON-OFFICIAL INDEPENDENT DIRECTOR (19.02.2020)

## **AUDIT COMMITTEE**

1. Dr. S.K. PANDA : NON-OFFICIAL INDEPENDENT DIRECTOR (09.08.2018), CHAIRMAN
2. SMT. PUJA VIDHANI : NON-OFFICIAL INDEPENDENT DIRECTOR (19.02.2020)
3. SRI SANJAY SHARAN : JOINT SECRETARY, MINISTRY OF TEXTILES, NEW DELHI (14.02.2019), MEMBER
4. MS. SHERRY LALTHANGZO : ECONOMIC ADVISOR, MINISTRY OF TEXTILES, NEW DELHI (14.02.2019), MEMBER
5. SRI A.K. JOLLY : CHAIRMAN-CUM-MANAGING DIRECTOR (01.02.2019), MEMBER

## **CSR COMMITTEE**

1. Dr. S.K. PANDA : NON-OFFICIAL INDEPENDENT DIRECTOR (09.08.2018), CHAIRMAN
  2. SMT. PUJA VIDHANI : NON-OFFICIAL INDEPENDENT DIRECTOR (19.02.2020)
  - 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
  4. SRI A. SAHA : COMPANY SECRETARY (03.08.2016)
- AUDITORS : M/S. H.S. BHATTACHARJEE & CO, CHARTERED ACCOUNTANTS , KAMALALAYA CENTRE , ROOM NO.316, 3<sup>RD</sup> FLOOR, 156A, LENIN SARANI, KOLKATA-700013, WEST BENGAL

REGISTERED OFFICE : 15N, NELLIE SENGUPTA SARANI,  
KOLKATA – 700 087.  
Website : [www.jutecorp.in](http://www.jutecorp.in), E.mail : [jci@jcimail.in](mailto:jci@jcimail.in)

# THE JUTE CORPORATION OF INDIA LIMITED

(A GOVERNMENT OF INDIA ENTERPRISE)

15N, NELLIE SENGUPTA SARANI, KOLKATA – 700 087.

No. JCI/49<sup>th</sup> AGM/Sectt./2020-21

Dated: 14.12.2020

## NOTICE OF THE 49<sup>TH</sup> ANNUAL GENERAL MEETING

Notice is hereby given that the Forty-Ninth Annual General Meeting of The Jute Corporation of India Limited will be held on Tuesday, the 15<sup>th</sup> December, 2020 at 11.00 a.m at the Registered Office of the Corporation, 15N, Nellie Sengupta Sarani, Kolkata – 700 087, through Video Conferencing, to transact the following business:

### ORDINARY BUSINESS :

1. To consider and adopt the Financial Statements for the year ended 31<sup>st</sup> March, 2020 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. S.K. Mallick & Co. Chartered Accountants, has been appointed as the Statutory Auditors of the Corporation for the year 2020-21 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 2020-21”.

3. To declare a dividend of Rs.92.40 per share for the year ended 31<sup>st</sup> March, 2020.

By Order of the Board of Directors

(Avik Saha)

Company Secretary

*Registered Office :*

15N, Nellie Sengupta Sarani, Kolkata – 700 087.

Note :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE FORTY-NINETH 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 indeed a moment of pride for me to be able to welcome you all on behalf of the Board of Directors of The Jute Corporation of India Limited, on the occasion of the 49<sup>th</sup> Annual General Meeting of your Corporation.

I express my heartfelt gratitude for making time to attend the 49<sup>th</sup> AGM of your Corporation, in these trying times, in spite of your busy schedules.

I present to you a brief illustration of the salient features of the performance of your Corporation during the Financial Year 2019-2020:

### **Financial Results :**

During the Financial Year 2019-20, your Corporation made a profit after tax of Rs. 1539.55lakh. This is an increase over the last year's profit after tax. The main reason behind this increase is disposal of previous year's inventory and change in product mix.

### **Market Outlook**

The crop year 2019-20 for the jute industry began with a carryover of 18.40 lakh bales from 2018-19. The forecast for total production of raw jute was 79 lakh bales (180 kgs. each) based on the crop estimates by the Jute Advisory Board (JAB). The increase in the Minimum Support Price(MSP) was by Rs.250/- (Rs.3700 – Rs.3950), as declared by the Govt. of India. However, the actual production fell short of the forecast and stood at 68 lakh bales as against the actual production of 72 lakh bales for the year 2018-19. Import from Bangladesh was about 4.00 lakh bale. Out of this, the actual mill consumption was 54 lakh bales against estimated mill consumption 69 lakh bales and domestic consumption 10lakh bales. Therefore, estimated surplus was of 26.40 lakh jute bales. The crop price ruled over MSP during most of the season which resulted in sporadic procurement under MSP. JAB has predicted the crop prospect for the Crop Year 2020-21 at around 72 lakh bales. Though, it remains to be seen whether such production levels are actually achieved or not in view of some unfortunate turn of events like the devastating storm, “Amphan” in West Bengal and excessive rains leading to flood situation in the states of Assam, Bihar as well as West Bengal. Above all, the

spread of COVID-19 pandemic has had a telling effect on the overall jute economy and is apprehended to have its aftereffects in the raw jute demand supply scenario, as well.

### **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 which was accepted by the Government of India to Rs.3,950/- per quintal for the crop year 2019-20. This MSP was higher by Rs.250/- per quintal than MSP of the crop year 2018-19. 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 1,49,523qntls.of raw jute under MSP operations in the F.Y 2019-20.

### **MoU for 2019-20**

While the rating of the Corporation for the MoU for the F.Y 2018-19 is still awaited, a self-evaluation report for MoU 2019-20 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 “Very Good” rating for MoU 2019-20. The performance of your Corporation in the MoU for the F.Y 2019-20 has been noteworthy.

### **Corporate Social Responsibility :**

As your Corporation has been steadily making profit for the past so many years, it has to compulsorily carry out CSR activities in compliance with the provisions of the Section 135 of the Companies Act 2013. While identifying the activities to be undertaken under its CSR initiatives, the extant CSR policy is kept in mind. Further, preference is also given to the guidelines on Corporate Social Responsibility (CSR) for Central Public Sector Enterprises(CPSE) issued by Ministry of Heavy Industries and Public Enterprises (Department of Public Enterprises) from time to time.

During the Financial Year 2019-20, your Corporation has spent funds under CSR activities for Implementation of projects for Health Care related activities in 5 Aspirational Districts identified by the CSR Committee, pursuant to DPE guideline in this regard as also for projects for Skill Development in production of Jute Diversified Products (JDP). The details of the same are given in the succeeding para. Additionally your Corporation also donated to a few government and non-government organizations including a Cancer Hospital from its CSR budget for the Financial Year 2019-20. It is also a matter of great pride for me to inform you that during the Financial Year 2019-20 we have also contributed to the ‘PM CARES Fund’ to strengthen the hands of the Govt. of India to fight the COVID 19 pandemic. The total outlay of the CSR expenditure during the Financial Year 2019-20 has been Rs.53.18 lakh.



During the subject financial year, the Corporation took up a very innovative project for the benefit of Women Self Help Groups (WSG) for Skill Development along with support in production of Jute Diversified Products (JDP) on a commercial scale on turnkey basis. Two such projects were taken up at a Budget of Rs.5 lakh each, selecting two organizations viz. ROSA & NARI in the states of Odisha and Andhra Pradesh, respectively. The two organisations are training about 56 women to learn the skill of making of JDPs which will help them earn their livelihood and in turn enhance their social respect.

The Corporation, in compliance with the DPE Guidelines for CSR activities has implemented CSR projects for Health Care related activities towards Mother and Child Health Care in government hospitals in 5 Aspirational Districts identified by the CSR Committee. A budget of Rs. 5 lakh for each five hospitals were allocated for the subject purpose. A brief description of the district-wise utilization of the aforementioned amount is given in the following table:

State	District	Hospital	Purpose
Assam	Dhubri	Dhubri Civil Hospital	Bilirubin Metre – Drager Jaundic Metre (1 No.) and A.C(1.5 Ton) 3 star inverter for Labour room and Gynae O.T+Stabilizer+Fitting (3 Nos.)
	Barpeta	Dist. Hospital	Repair and renovation Dist. Vaccine Store for storage of vaccine for Pregnant Women and Children
West Bengal	Malda	Dist. Health and Family Welfare Samiti	Fetal Dopplers
	Murshidabad	Anupnagar BPHC	Repair and Renovation for Mother and Child Healthcare Facility
Bihar	Araria	Dist. Health Society	Hydraulic Labour Beds with all accessories (5 Nos.).

### Corporate Governance

Your Corporation follows the existing Corporate Governance practices based on Companies Act, 2013 as well as the latest Guidelines on Corporate Governance issued by the Department of Public Enterprises, which are mandatory in nature, as your Corporation is a CPSE. A detailed report on Corporation Governance is given in the Director’s Report.

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 new level of importance and significance altogether. The President of India has appointed two Independent Directors on the Board of the Corporation whose able guidance has helped the Corporation in strengthening its Corporate Governance practices in a more professional and forward looking manner and lent more objectivity in its decision making.

### **Human Resource Management**

Your Corporation is relentlessly making efforts to hone the skills and competencies of its employees through training and job rotations. As the Human Resource is the most important resource of the Corporation, no stones are left unturned to nurture them and help them to perform to their potential and even rise above it. During the year under review, your Corporation has conducted training for its employees in various fields like Emotional Intelligence, Supply Chain Management, Development of Soft & Communication skills and so on. Your Corporation has also achieved the target for training of its executives under the MoU for the Financial Year 2019-20.

Industrial relations remained harmonious during the year under review.

### **Looking Ahead**

As change is the only constant in a company's life, your Corporation makes endeavors to diversify its activities to keep pace with the changing needs of the changing times. In this ceaseless pursuit for alternate sources of revenue generation, as informed earlier your Corporation commenced a project to sell aluminum coated eco-friendly jute bags for distribution of Prasadham at Tirupati Tirumala Devasthanam (TTD). The initial response of the project has been encouraging and the Corporation hopes this project to be a regular source of revenue, in future.

Besides, other channels are also being explored for marketing of JDPs including e-commerce, appointing franchisees on a PAN India basis while using Digital Marketing to the optimum. To facilitate the same, the JDP cell has been augmented with fresh blood to create a design pool.

The Corporation has also made forays into the field of geo-textiles and agro-textiles. The Indian Roads Congress has accepted Jute geo-textiles for rural road construction as per their specification document - IRC: SP126-2019. The Corporation has already executed some jute Geo-textiles orders. Year on year the rise in JDP revenues has been in excess of 350%.

Further, your Corporation is continuing with its responsibilities of implementing the Jute ICARE Project of NJB for the holistic benefit of the jute farmers in particular and jute economy in general. At



the time of writing of this piece, your Corporation has already signed an MoU with the National Seed Corporation for commercial distribution of certified jute seeds.

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.

It is hoped that all these positive steps will help your Corporation to become self-sufficient and continue to serve the interest of the jute growers for many more years to come.

**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.

**(A.K. Jolly)**

**Chairman-cum-Managing Director**





## **DIRECTORS' REPORT** **FOR THE YEAR 2019-20**

**Dear Shareholders,**

This is a matter of great pride and privilege for me to present, on behalf of the Board of Directors, the 49<sup>th</sup> Annual Report on the performance of your Corporation, together with the Auditors Report and Audited Accounts for the year 31<sup>st</sup> March, 2020, and the report of the Comptroller and Auditor General of India thereon.

The significant features of the workings of your Corporation during the aforementioned period are being illustrated below:

### **1. RAW JUTE DEMAND - SUPPLY SCENARIO**

The crop year 2019-20 for the jute industry began with a carryover of 18.40 lakh bales from 2018-19. The forecast for total production of raw jute was 79 lakh bales (180 kgs. each) based on the crop estimates by the Jute Advisory Board (JAB). The increase in the Minimum Support Price(MSP) was by ₹.250/- (₹.3700 – Rs.3950), as declared by the Govt. of India. However, the actual production fell short of the forecast and stood at 68 lakh bales as against the actual production of 72 lakh bales for the year 2018-19. Import from Bangladesh was about 4.00 lakh bale. Out of this, the actual mill consumption was 54 lakh bales against estimated mill consumption 69 lakh bales and domestic consumption 10lakh bales. Therefore, estimated surplus was of 26.40 lakh jute bales. The crop price ruled over MSP during most of the season which resulted in sporadic procurement under MSP. JAB has predicted the crop prospect for the Crop Year 2020-21 at around 72 lakh bales. Though, it remains to be seen whether such production levels are actually achieved or not in view of some unfortunate turn of events like the devastating storm, “Amphan” in West Bengal and excessive rains leading to flood situation in the states of Assam, Bihar as well as West Bengal. Above all, the spread of COVID-19 pandemic has had a telling effect on the overall jute economy and is apprehended to have its aftereffects in the raw jute demand supply scenario, as well.

### **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 ₹3,950/- per quintal for the crop year 2019-20. This MSP was higher by ₹250/- per quintal than MSP of the crop year 2018-19. The Office of the Jute Commissioner, in turn, fixed the MSP of different varieties and grades of raw jute, based on the declared MSP.

A summary of the Financial Position of MSP Operation for the year 2019-20 as per Annual Accounts as on 31st March, 2020 is as under:-

Purchase Quantity (In Qtls)	Purchase Value (₹ in lakh)
1,49,523	5624



## 2.2 Commercial Operation:

A summary of the Financial Position of Commercial Operation for the year 2019-20 as per Annual Accounts as on 31st March, 2020 is as under:-

Purchase Quantity (In Qtls)	Purchase Value (₹ in lakh)
31,119	1363

## 3. FINANCIAL REVIEW

- 3.1 During the year under review, your Corporation procured around 1,49,523.06 qtls of raw jute under MSP Operation.
- 3.2 The total turnover of your Corporation during 2019-20 was ₹12,786.83 lakh. The Operating result shows a Net Profit after tax of ₹1539.55 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 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 ₹14,270.39 lakh at the end of the year.
- 3.3 Profit after tax is ₹1539.55 lakh as compared to ₹1159.93 lakh of profit for the previous year.
- 3.4 The company's earnings per share (Face Value ₹100/-) for 2019-20 is ₹308/- as compared to ₹232/- for the previous year.
- 3.5 Your Corporation has infrastructure and necessary working capital limit to achieve a reasonable raw jute turnover of nearly more than ₹100 crore every year.
- 3.6 Proposed dividend comes to ₹462.00 lakh as compared to 348.00 lakh for the previous year.
- 3.7 The financial results for the year under review has been summarized in Annexure-'A'.

## 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 ₹7.50 crore in the Financial Year 2018-19 and ₹37.90 crore during the Financial Year 2019-20.

An amount of ₹46.00 Crore is still receivable on account of Grant of Subsidy from the Ministry of Textiles, GoI pertaining to the FY 2018-20 which has already been spent by the Corporation.

## 5. MEMORANDUM OF UNDERSTANDING (MoU) – 2019-20

Your Corporation's grading for MoU 2018-19 is still awaited.

Under the Memorandum of Understanding (MoU) 2019-20, your Corporation, inter-alia, is under obligation to fulfill the following:

### (a) Other Parameter

- (i) Reduction in operating time for making of bulk bales from loose jute over the previous year in terms of number of days; The Operating time for making of bulk bales from loose jute has been reduced by 3 days ( last year time taken for the same was 25 days whereas during the year under review it took 22 days to accomplish the job)

### (b) HRM Parameters

Achievement of number of HR parameters of continuous nature from the list provided by the DPE, MoU Division.

- (i) Updation of succession plan and its approval by Board of Directors. - **Achieved**
- (ii) Continuation of Talent Management & career progression by imparting at least 1 week training of at least 10% Executives (E0 & above) in Centre of Excellence within India e.g. IITs, IIMs, NITs, ICAI etc. – **11 nos. of executives** representing 10 % of total nos. of executives of the Corporation were imparted such trainings.
- (iii) Review & its implementation of employee performance on the lines of FR (56) (J) and submitting a compliance report to Board of Directors at the end of year.- **Achieved.**
- (iv) Capability Development Programmes for executives to build their technical & managerial competencies for higher positions with special focus on Web learning programmes – in terms of number of programmes conducted. - A total of **7 such programmes** were attended by the executives of the Corporation.

### Other sector specific result oriented measurable parameters:

- i. Payment to farmers within 3 working days in terms of percentage to total payment - Achieved
- ii. Support to start-ups in the year (No. of Start-ups) – 2 such start-ups were supported by the Corporation during the year under review.
- iii. Revenue from Jute diversified product as a percentage of revenue from operations (%) – The Percentage of Revenue earned from JDP was 1.35 % of the total revenue from operations.

Apart from the above, the evaluation criteria for all the other MoU targets for the year 2019-20 are reflected in the Annual Accounts of the Corporation for the subject Financial Year.

Your Directors are hopeful that during the Financial Year 2020-21, the performance of your Corporation will be better on account of the drives given for JDP business and other businesses for generation of alternate sources of revenue.



## **6. COMMERCIAL ACTIVITIES FOR MARKETING OF JUTE DIVERSIFIED PRODUCTS (JDPS).**

As informed in the last Annual Report, your Corporation, in its ceaseless pursuits for alternate sources of revenue, has commenced a project to sell aluminum coated eco-friendly jute bags for distribution of Prasadam at Tirupati Tirumala Devasthanam (TTD). 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.

Besides, other channels of marketing are also being explored for marketing of JDPS including e-commerce, appointing franchisees on a PAN India basis and using Digital Marketing to the optimum. To facilitate the same, a new JDP cell has been formed and fresh blood inducted to create a design pool.

The Corporation has also made forays into the field of geo-textiles and agro-textiles. The Indian Roads Congress has accepted Jute geo-textiles in November, 2019 as per IRC Guidelines for Road Construction with Jute GT, IRC: SP126-2019. The Corporation has already executed some Jute GT orders. Year on year the rise in JDP revenues has been at about 350%.

## **7. SOCIAL COST- BENEFIT ANALYSIS**

The concept of Minimum Support Price (MSP) of raw jute has been in vogue for decades, to protect the interests of millions of jute farmers, mostly small and marginal, in terms of land-holding, of the country. Under this scheme procurement of raw jute is carried out by your Corporation 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 only Nodal Agency for MSP operations of 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, self help groups and rural artisans who otherwise have no means of showcasing their products are promoted and sold. Your Corporation has also taken initiative in distribution of certified Jute Seeds. Apart from this your Corporation has also undertaken the implementation part of Jute ICARE (Jute : Improved Cultivation and Advanced Retting Exercise) project which is executed under the aegis of NJB. 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, weed management in jute crop by a mechanical nail-weeder & Cycle weeder instead of hand weeding for reducing labour costs involved in the same and distribution of quality certified jute seeds.

Under this project the following support is extended to the registered jute growers:

- i. Providing 100% Certified Jute Seeds having a very high germination rate and productivity.
- ii. Demonstration of scientific jute cultivation practice for future adoption at farmers' field with mechanical intervention using seed drill, nail weeder/cycle weeder.
- iii. 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

Provision of MSP rates administered by JCI is Key Stone of Raw Jute market and Jute Industry. JCI takes proactive action in providing the MSP support to the farmers on the slightest indication of fall in prices. In the crop year 2019-20, the market price of raw jute was ruling above MSP for most of the year. As a result of which your Corporation could procure only about 1.50 lakh quintals of raw jute under MSP operations. Simultaneously, your Corporation also made endeavors to successfully dispose off the leftover stock of Bimli albeit incurring some losses. Commercial purchase was also done in small quantities. The process of selling of raw jute is still going on.

### 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 stall 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.
- JDP distribution and Commercial operations of raw jute have emerged as viable business propositions for the Corporation

#### ● 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. Recruitments at the field level, despite all efforts, have not yet materialized. Manning the DPCs is a major issue.
- The current go-down rentals are mostly very low and the owners are demanding for higher rentals or asking to leave their premises. In such a situation it is becoming increasingly difficult by the day to retain the go-downs as the owners are asking for ruling market rates for rent.



**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.

The Corporation would also explore ways and means of expanding its business for sel-sufficiency.

**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 worth ₹5624.09 lakh during the year as compared to worth ₹6678.85 lakh during the previous year.
- Procurement of raw jute under Commercial Operations was ₹1363.89 lakh during the year as compared to Nil during the previous year.
- Sale of raw jute procured under MSP was worth ₹8548.20 lakh during the year as compared to ₹15609.65 lakh during the previous year.
- Sale of raw jute procured under Commercial Operations was worth ₹3624.85 lakh during the year as compared to ₹2526.47 lakh during the previous year.
- Profit (before tax) of your Corporation went up by ₹77.65 lakh during the year under review (from ₹2051.39 lakh in 2018-19 to ₹2129.03 lakh in 2019-20). This is mainly on account of disposal of previous year inventory and change in product mix.

**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 14 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 Independent Director as the Chairman of the Committee and Smt. Puja Vidhani, Non-Official Independent Director, Ms. Sherry Lalthangzo, Economic Advisor, Ministry of Textiles and Sri Ajay Kumar Jolly, CMD, JCI as its members.

During the Financial Year 2019-20 your Corporation had to spend an amount of Rs.40.59 lakh as per calculation in compliance with Section 135 of the Companies Act, 2013. In addition to the same there was also an amount of Rs.19.59 lakh, carried over from earlier year's unspent CSR budget. Within this budget (Rs.40.59 lakh + Rs. 19.59 lakh) your Corporation has carried out the following activities :

Sl. No.	Activity	Amount (₹ in lakh)
1.	Implementation of CSR projects for Health Care related activities in 05 Aspirational Districts identified by the CSR Committee, pursuant to DPE guideline in this regard (5 districts @ Rs.5 lakh each)	25.00
2.	projects for Skill Development in production of Jute Diversified Products (JDP) (2 organisations @ Rs. 5 lakh each)	3.00*
3.	Contribution to Armed Forces Flag Day Fund	2.00
4.	Contribution to "Saidan Youth Club", Manipur for construction of Library Building and Peripherals .	2.00
5.	Contribution to "Saroj Gupta Cancer Centre & Research Institute (SGCC&RI)", Thakurpukur, Kolkata for "Bipap and Syringe Pumps", required for treating cancer patients.	2.50
6.	Contribution to PM CARES FUND	18.68
	<b>T O T A L :</b>	<b>53.18</b>

\*Two organizations by the names of ROSA and NARI have been selected for the subject project and amount of Rs. 1.5 lakh each has been released to the two organizations towards 1<sup>st</sup> installment for implementing the project, during the Financial Year 2019-20. Balance amounts of Rs.3.5 lakh each will be released to the two above named organizations on completion of the subsequent milestones.

During the subject financial year, the Corporation took up a very innovative project for the benefit of Women Self Help Groups (WSG) for Skill Development along with support in production of Jute Diversified Products (JDP) on a commercial scale on turnkey basis. Two such projects were taken up at a Budget of



Rs.5 lakh each, selecting two organizations viz. ROSA & NARI in the states of Odisha and Andhra Pradesh, respectively. The two organisations are training about 56 women to learn the skill of making of JDPs which will help them earn their livelihood and in turn enhance their social respect.

The Corporation, in compliance with the DPE Guidelines for CSR activities has implemented CSR projects for Health Care related activities towards Mother and Child Health Care in government hospitals in 5 Aspirational Districts identified by the CSR Committee. A budget of Rs. 5 lakh for each five hospitals were allocated for the subject purpose. A brief description of the district-wise utilization of the aforementioned amount is given in the following table:

State	District	Hospital	Purpose
Assam	Dhubri	Dhubri Civil Hospital	Bilirubin Metre – Drager Jaundic Metre (1 No.) and A.C(1.5 Ton) 3 star inverter for Labour room and Gynae O.T + Stabilizer + Fitting (3 Nos.)
	Barpeta	Dist. Hospital	Repair and renovation Dist. Vaccine Store for storage of vaccine for Pregnant Women and Children
West Bengal	Malda	Dist. Health and Family Welfare Samiti	Fetal Dopplers
	Murshidabad	Anupnagar BPHC	Repair and Renovation for Mother and Child Healthcare Facility
Bihar	Araria	Dist. Health Society	Hydraulic Labour Beds with all accessories (5 Nos.).

A Statement on CSR activities for the Financial Year 2019-20 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 maintenance of infrastructure for MSP operation keeping in view its most efficient utilization. Your Corporation consistently sought to improve a better utilization of the Government grant with utmost transparency and accountability.
- B) Board of Directors as on 31.03.2020 – 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	No. of Board Meetings attended	Whether last AGM Attended (18.12.2019)
1.	Sri Ajay Kumar Jolly (DIN: 08427305) (from 01.02.2019)	CMD	4	4	4	Yes
2.	Sri Sanjay Sharan (DIN: 08131112) (from 14.02.2019)	Govt. Director	4	4	4	Yes
3.	Ms. Sherry Lalthangzo (DIN: 08427300) (from 14.02.2019)	Govt. Director	4	4	4	–
4.	Dr. S.K. Panda (DIN: 02586135) (from 09.08.2018)	Non-Official Independent Director	4	4	4	–
5.	Smt. Puja Vidhani (DIN: 08863071) (from 19.02.2020)	Non-Official Independent Director	4	1	1	–

Date of Board Meetings : 25.06.2019, 09.09.2019, 17.12.2019 & 24.03.2020

C) Audit Committee as on 31.03.2020 – 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 Governance Practice, keeping in view its basic requirements. The quorum of the Audit Committee is two members.

The present Committee is comprised of:

1. Dr. S.K. Panda, Non-Official Independent Director – Chairman
2. Smt Puja Vidhani, Non-Official Independent Director -Member
3. Sri Sanjay Sharan, Govt. Director – Member
4. Ms. Sherry Lalthangzo, Govt. Director – Member
5. 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 Independent Director	3	3	3
2.	Smt. Puja Vidhani (from 19.02.2020)	Non-Official Independent Director	3	1	Attended as invitee*
3.	Sri Sanjay Sharan (from 14.02.2019)	Govt. Director	3	3	3
4.	Ms. Sherry Lalthangzo (from 14.02.2019)	Govt. Director	3	3	3
5.	Sri Ajay Kumar Jolly (from 01.02.2019)	CMD	3	3	3

Date of Audit Committee Meetings : 25.06.2019, 17.12.2019 & 24.03.2020

\* Smt. Puja Vidhani had attended the 73<sup>rd</sup> Audit Committee Meeting held on 24.03.2020 as an invitee, since she was inducted to the Audit Committee in the 255<sup>th</sup> Board Meeting held immediately after the aforementioned Audit Committee Meeting.

**d) General Body Meetings :**

		2016-17 (46 <sup>th</sup> AGM)	2017-18 (47 <sup>th</sup> AGM)	2018-19 (48 <sup>th</sup> AGM)
1.	Date	10.10.2017	28.09.2018	18.12.2019
2.	Time	4.00 P.M	1.00 P.M	10.00 A.M
3.	Venue	Registered Office of the Corporation, Kolkata	Udyog Bhavan, Ministry of Textiles, New Delhi	Udyog Bhavan, Ministry of Textiles, New Delhi

**e) Disclosure :**

- i) Disclosure required under the Companies Act, 2013, Accounting Standard Practice and other applicable Acts/Rules.
- ii) No penalties/stricture imposed on the Corporation during the last three years.



- iii) Employees are free to report of violation of Rules/Regulations to their Supervisors/ CVO/ CMD.
- iv) The requirement as specified in the Guidelines have been complied with as far as possible/ applicable to it.
- v) 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) Legal Matters.
- f) Report on Vigilance.
- g) Report on Statutory Compliance.
- h) Annual Accounts.
- i) 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.



f) **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.

g) **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.jutecorp.in](http://www.jutecorp.in)

## 11. **DIVIDEND**

As per directives of the Govt. of India, the directors consider recommending of payment of dividend for the year ended 31<sup>st</sup> March, 2020 @ ₹92.40 (P.Y. ₹69.60) per share to its shareholder i.e. Govt. of India. The outgo in the form of dividend, will be ₹4,62,00,000/- (Previous Year ₹3,48,00,000/- ). The payment of dividend is subject to approval of the member in the ensuing annual general meeting.

## 12. **AN OVER – VIEW OF THE FINANCIAL PERFORMANCE IN 49 YEARS**

A scanning of the financial performance of your Corporation during 49 years since inception to 2019-20 with reference to Profit & Loss and Subsidy Account is given in **Annexure-B**.

## 13. **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134 (3)(c) 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 31<sup>st</sup> 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**

Arranging of training programmes on various subjects to update and upgrade the knowledge of its employees is a priority of your Corporation. During the year under review, 69 employees of your Corporation were imparted trainings on diverse topics like : Prevention of Sexual Harassment of women at workplace, implementation of policy for Reservation for ST/SC/OBC/PWD, Emotional Intelligence, Rajbhasha, SAP-FICO, System Audit.

During the year, the Industrial Relations in your Corporation remained 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 169 regular and 86 casual employees in your Corporation as on 31.03.2020.

#### **18. SC/ST/OBC STATUS**

There were 24 SCs, 13 STs and 18 OBCs as permanent employees in the Corporation as on 31.03.2020.

#### **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**

Your Corporation had a duly constituted Internal Committee in compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The same has been re-constituted as most of the members erstwhile committee were no longer associated with the Corporation on account of retirement, transfer, and other reasons. The new committee is comprised of four senior employees of the Head Office of the Corporation, two of which are women. The Chairperson of the Committee is a GM level woman officer from MSTC Ltd, a CPSE. 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 10 (Ten) number of physically handicapped employees of the Corporation as on 31.03.2020, 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 trainings in Hindi on a continuous basis. Hindi Day was celebrated on 16.9.2019 and Hindi fortnight was also observed between 1<sup>st</sup> September, 2019 to 13<sup>th</sup> September, 2019 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 28.10.2019 to 02.11.2019. The Central Vigilance Commission (CVC) had adopted, “Integrity – A way of life” as the theme for the Vigilance Awareness Week for the year 2019-20. During the 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 Santanu Kar, SP, Anti Corruption Bureau, CBI, 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. A brief skit on the theme of the subject year was staged by the employees of Head Office on the final day of the Vigilance Awareness Week.

## **24. BOARD OF DIRECTORS**

During the year Smt. Puja Vidhani has appointed as a Non-Official Independent Director on the Board of your Corporation by the President of India, w.e.f. 19.02.2020.

**25. EXTRACT OF ANNUAL RETURN****Form No. MGT-9****EXTRACT OF ANNUAL RETURN****as on the financial year ended on 31.03.2020****[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 <sup>th</sup> 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	
<b>A. Promoters</b>	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
<b>Sub-total (A) (1):-</b>	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
<b>Sub-total (A) (2):-</b>	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Total shareholding of Promoter (A) = (A) (1)+(A) (2)</b>	Nil	500000	500000	100	Nil	500000	500000	100	Nil
<b>B. Public Shareholding</b>									
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
<b>Sub-total (B) (1):-</b>									
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 shareholders holding nominal share capital upto Rs. 1 lakh	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Sub-total (B)(2):-</b>	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Total Public Shareholding (B)=(B) (1)+ (B)(2)</b>	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
<b>Grand Total(A+B+C)</b>	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
	<b>Total</b>	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.	President of India	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	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 Indebtedness	Total
Indebtedness at the beginning 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				
<b>Total ( i + ii + iii)</b>	₹ 5.27 Lac	–	–	₹ 5.27 Lac
Change in Indebtedness during the financial year				
● Addition				
● Reduction	₹ 5.27 Lac	–	–	₹ 5.27 Lac
<b>Net Change</b>	₹ 5.27 Lac	–	–	₹ 5.27 Lac
Indebtedness at the end of the financial year:				
i) Principal Amount	₹ 0.27 Lac	–	–	₹ 0.27 Lac
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total ( i + ii + iii)</b>	₹ 0.27 Lac	–	–	₹ 0.27 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)
<b>A. COMPANY:</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
<b>B. DIRECTORS:</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
<b>C. OTHER OFFICERS IN DEFAULT:</b>					
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.

As informed in earlier reports, 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. Presently, it uses LED lights in all its offices. Solar light system is also being used 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 equipment for office use, their energy efficiency is ensured. Your Corporation conducts awareness programs for reducing power consumption across all offices. Your Corporation religiously adheres 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.



## **27. STATUTORY AUDITORS**

S.K. Mallick & Co., Kolkata, has been appointed as the Statutory Auditors of your Corporation for the Year 2020-21 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.

## **28. 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 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. Sen & Co., Chartered Accountants, Internal Auditor, M/s. H.S. Bhattacharjee & 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**

**(Ajay Kumar Jolly)**

**Chairman-cum-Managing Director**

Date : 14.12.2020

Place : Kolkata

## ANNEXURE – ‘A’

**FINANCIAL RESULTS 2019-20**

(₹ in Lakh)

	<u>Internal Raw Jute</u>			<u>Diversified</u>	
	<u>Price Support</u>	<u>Commercial</u>	<u>Jute Seed</u>	<u>Jute Products</u>	<u>Total</u>
<b>INCOME</b>					
Sales	8542.88	3622.60	392.54	228.82	12786.84
Interest	539.81	0	0	0.82	540.63
Subsidy from Government (MSP)	4139.00	0	0	0	4139.00
Other Credits	83.20	0	57.85	0	141.05
Transfer of Internal Raw Jute	596.14	0	0	0	596.14
Closing Stock	727.29	678.93	53.24	27.77	1487.23
Prior period adjustment	0	0	0	0	0
<b>Total</b>	<b>14628.32</b>	<b>4301.53</b>	<b>503.63</b>	<b>257.41</b>	<b>19690.89</b>
<b>EXPENDITURE</b>					
Opening Stock	2600.02	1732.48	24.44	7.67	4364.61
Purchase	5624.09	1363.90	434.47	222.21	7644.67
Trading Expenses	615.36	168.66	0.00	11.89	795.91
Godown Rent & Insurance	157.72	14.51	0	0	172.23
Transfer of Internal Raw Jute	0	596.14	0	0	596.14
Overhead	3965.16	0	0	1.07	3966.23
Prior period adjustment	0	0	0	0	0.00
<b>Total</b>	<b>12962.35</b>	<b>3875.69</b>	<b>458.91</b>	<b>242.84</b>	<b>17539.79</b>
<b>Surplus (+)/Deficit (-) one year's Operation Before Interest and Depreciation</b>					
	<b>1665.97</b>	<b>425.84</b>	<b>44.72</b>	<b>14.57</b>	<b>2151.10</b>
Interest	7.11	0	0	0	7.11
Depreciation and Amortization	14.94	0	0	0	14.94
Provision for Income Tax	455.17	117.90	12.38	4.03	589.48
Profit(+)/loss(?) for the year	1188.75	307.93	32.34	10.53	1539.55
Proposed Dividend	0	0	0	0	462.00
Dividend Distribution Tax on Proposed Dividend	0	0	0	0	0.00
Net Surplus for the year	0	0	0	0	1077.56
Reserve & Surplus as on 31.03.2019	0	0	0	0	13150.37
<b>Reserve &amp; Surplus as on 31.03.2020</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>14270.39</b>



## ANNEXURE – ‘B’

**SCANNING OF THE PROFIT & LOSS SINCE  
INCEPTION - 49 YEARS (FROM 1971-72 TO 2019-20)**

(₹ in Crore)

	<b>Cumulative up to 2019-20</b>	<b>Percentage of various items to Total Expenditure of ₹5161.92</b>
<b>I. Income</b>		
Sales	3655.01	
Subsidy from Government (MSP)	716.49	
Subsidy from Government (Seeds)	14.93	
Special subsidy from West Bengal (MSP)	1.55	
Other Income	270.68	
Closing Stock	14.87	
	<b>4673.53</b>	<b>91</b>
<b>II. Expenditure(Excluding Overhead &amp; Interest)</b>		
Purchase	2930.87	
Trading & Operational Expenses	330.62	
Warehousing	97.48	
Insurance	32.97	
Prior period & other adjustments	16.20	
	<b>3408.14</b>	<b>66</b>
III. Surplus before overhead & Interest (I-II)	1265.39	
IV. Less : Overhead	1168.24	<b>23</b>
V. Surplus/(Deficit) before interest(III-IV)	97.15	
VI. Add : Interest on borrowings	(585.58)	<b>11</b>
	(488.43)	
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 & 2019-20)	76.87	
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 & 2019-20)	13.96	
Loss :	(579.63)	
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 2019-20 carried over in the Balance Sheet (VIII+IX+X-VII)	142.70	



## 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 252<sup>nd</sup> meeting held on 25.06.2019. 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><b>CSR Policy of the Corporation</b></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.</p> <p>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.</p> <p>Amount, which may remain unspent at the end of the year, shall be carried over to the next financial year.</p>
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	<p><b>Programmes planned and budgeted during F.Y2019-20</b></p> <ol style="list-style-type: none"> <li>1. CSR projects for Health Care related activities in 05 Aspirational Districts identified by the CSR Committee, pursuant to DPE guideline in this regard Innovation Processes for Clean Production (Retting of jute plant with modern eco friendly retting technology at DPCs.</li> <li>2. Projects for Skill Development in Production of Jute Diversified Products (JDP)</li> <li>3. Contributions to Various Government and Non-Government Organisations doing commendable job for the benefit of the society.</li> </ol>
2 The composition of the CSR Committee	<ol style="list-style-type: none"> <li>1) Dr. S.K. Panda, Non-Official Independent Director-Chairman</li> <li>2) Smt. Puja Vidhani, Non-Official Independent Director-Member</li> <li>3) Ms. Sherry Lalthangzo, Economic Advisor, MoT-Member</li> <li>4) Sri A.K. Jolly, CMD-Member</li> </ol>
3 Average net profit (before tax) of the company for last three financial years (2016-17, 2017-18 & 2018-19)	Rs. 20,29,00,000/-
4 Prescribed CSR Expenditure (two per cent of the amount as in term 3 above)	Rs. 40,59,000/-
<p>5 Details of CSR spent during the financial year</p> <ol style="list-style-type: none"> <li>1) Total amount to be spent for the financial year</li> <li>2) Amount unspent, if any;</li> <li>3) Manner in which the amount spent during the financial year</li> </ol>	<ol style="list-style-type: none"> <li>1) Rs. 40,59,000/-</li> <li>2) ₹19.59 lakh – to be spent in F.Y 2019-20 in addition to CSR budget of 2019-20.</li> <li>3) The manner in which the amount spent is detailed in Table below:</li> </ol>

**Table – Details of CSR amount spent for 2019-20**

Sl.	CSR Project	Sector	Project State/ District	Amount (in Rs.)
I	Implementation of CSR projects for Health Care related activities in 05 Aspirational Districts identified by the CSR Committee, pursuant to DPE guideline in this regard	Health	West Bengal, Assam & Bihar	25,00,000/-
II	Projects for Skill Development in Production of Jute Diversified Products (JDP)	Education/ Training/ Empowering Women	Odisha & Andhra Pradesh	3,00,000/-
III	Contribution to “Saroj Gupta Cancer Centre & Research Institute (SGCC&RI)”, Thakurpukur, Kolkata for “Bipap and Syringe Pumps”, required for treating cancer patients.	Health	West Bengal	2,50,000/-
IV	Contribution to “Saidan Youth Club”, Manipur for Construction of Library Building and Peripherals.	Education Setting up of Public Library	Manipur	2,00,000/-
V	Contribution to Armed Forces Flag Day Fund	Measures for the benefit of Armed Forces veterans, war widows and their dependents	All India	2,00,000/-
VI	Contribution to PM CARES FUND.	Health	All India	18,68,000/-
<b>TOTAL</b>				<b>53,18,000/-</b>

6	Reason for not spending the amount earmarked	Two organizations by the names of ROSA and NARI have been selected for the subject project and amount of Rs. 1.5 lakh each has been released to the two organizations towards 1 <sup>st</sup> installment for implementing the project, during the Financial Year 2019-20. Balance amounts of Rs.3.5 lakh each will be released to the two above named organizations on completion of the subsequent milestones.		
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.		

**5 YEARS PERFORMANCE TREND**

(₹in Lakh)

Sl. No.	Particulars	2015-16	2016-17	2017-18	2018-19	2019-20
<b>A OPERATING STATISTICS</b>						
	Turnover	2134	6330.17	18004.1	18433.84	12786.83
	Other Income	6096.2	5948.53	5295.87	6388.77	4820.68
	Expenditure	6395.5	11047.80	20547.37	22789.88	15478.48
	Prior Period Adjustment (Net)	5.90	(58.10)	6.46	(18.66)	0.00
	Profit before Tax	1828.8	1289.00	2746.11	2051.39	2129.03
	Tax	715.00	353.00	977.92	891.46	589.48
	Deferred Tax Expenses	25.25	16.21	0.00	0.00	0.00
	Profit After Tax	1088.60	919.79	1768.20	1159.93	1539.55
	Dividend including Dividend Tax	-	332.19	638.50	419.53	0.00
	Amount transfer to General Reserve	1088.60	587.60	1129.70	740.40	0.00
<b>B FINANCIAL POSITION</b>						
	Capital Employed	10773	11360.7	12490.4	13650.37	14770.39
	Non-Current Assets	249.62	240.71	238.99	378.85	396.70
	Current Assets	17236	19077.5	26399.8	21739	21290.29
	<b>Equity &amp; Liabilities :</b>					
	i) Share Capital	500.00	500.00	500.00	500.00	500.00
	ii) Reserve & Surplus	10273	10860.7	11990.4	13150.37	14270.39
	Non-current Liabilities	3722.8	3446.25	3318.82	4216.27	3988.11
	Current Liabilities	2989.6	4511.17	10829.52	4251.34	2928.50
<b>C RATIOS</b>						
	PBT / Turnover	0.86	0.20	0.15	0.11	0.17
	PAT / Turnover	0.51	0.15	0.10	0.06	0.12
	PBT / Capital Employed	0.17	0.11	0.22	0.15	0.14
	PAT / Net Worth	0.10	0.08	0.14	0.08	0.10
	Turnover/Net Worth (Number of times)	0.20	0.56	1.44	1.35	0.87
	Trade Receivable/Turnover (%)	8.16	0.93	26.05	10.78	13.71



## CORPORATE GOVERNANCE CERTIFICATION

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, 2020 as stipulated in the Guidelines on Corporate Governance (the “guidelines”) for Central Public Sector Enterprises (CPSEs) issued by the Department of Public Enterprises, Governments of India vide Office Memorandum 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. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of the Corporate Governance. 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 of 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.

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 H.S. Bhattacharjee & Co.**  
CHARTERED ACCOUNTANTS  
Firm Registration Number: 322303E

**(ARUPRATAN RAY )**  
Partner  
(M.N. 057516)

UDIN: 20057516AAAABA1417

Place: Kolkata  
Dated: the 10<sup>th</sup> day of November, 2020

**FIELD OFFICES  
As on 31.3.2020**

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
		<b>141</b>



## INDEPENDENT AUDITOR'S REPORT

To the Members of

**THE JUTE CORPORATION OF INDIA LIMITED**

**Report on the Audit of the Financial Statements**

### Qualified Opinion

We have audited the standalone financial statements of THE JUTE CORPORATION OF INDIA LIMITED (“the Company”), which comprise the Balance Sheet as at 31st March 2020, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and notes to the financial statements, including 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 matters described in the *Basis for Qualified Opinion* section of our report, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, of the profit and its cash flows for the year ended on that date.

### Basis for Qualified Opinion

1. The company's system for confirming balances due to Trade payables, security deposit, retention money, other payables and from other advances & recoverable, in our opinion, needs further improvement. As such, subsequent discharge-ability of such liabilities and realise-ability of such advances are subject to confirmation/reconciliation.

As a result in respect of aforesaid matters, we are unable to determine whether any adjustments might have been found necessary in the Balance Sheet, and the corresponding elements making up the Statement of Profit and Loss and Cash Flow Statement

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



### Other Matters

In addition to the matter described in the *Basis for Qualified Opinion* section we have determined the matters described below to be communicated in our report.

1. Note No. 4 & 31 to the financial statements include interest earned during the year amounting to Rs. 14497881/- on Short Term Deposits relating to projects has been credited to respective project fund. However, the interest income has been offered to income tax and accordingly TDS on such interest has been claimed by the company.
2. Note No. 4 & 7 to the financial statements indicate Trade payables amounting to Rs. 54526935/- (previous balance Rs. 37884476/-) include balances amounting to Rs. 76485/- (previous balance Rs. 2031418/-) which are outstanding for more than three years.
3. Note No. 4 & 8 to the financial statements indicate Advances from Customers amounting to Rs. 13255809/- (previous balance Rs. 42533131/-) include balances amounting to Rs. 6213163/- (previous balance Rs. 5005510/-) which are outstanding for more than three years.
4. Note No. 12 & 14 to the financial statements indicate Trade Receivables of Rs. 175281723 (previous balance Rs. 198724382/-) include balances amounting to Rs. 1243303/- which are outstanding for more than three years.
5. Note No. 30 to the financial statements which disclose no amount remained due to the Micro, Small or Medium Enterprises as the payments are made on instant basis
6. Note No. 38 to the financial statements stating an amount of Rs. 151264/- could be realized out of the receivable amounting to 1285286/- from other Parties to whom excess/erroneous payment was made during the FY 2017-18 due to software error.
7. Note No. 40 to the financial statements which describe the carrying amount of claim receivable is modified to Rs. 29303893/- as admitted by the insurer.
8. Note No. 41 to the financial statements which reveal damaging stock of MSP raw Jute of Rs. 5379814/- due to fire occurred at Bhagirathpur DPC at West Bengal and claim for the entire loss has been duly lodged with the Insurance Company.

Our opinion is not modified in respect of these matters.

### Responsibility of Management for Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 (the Act) with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities.



selection and application of appropriate implementation and maintenance of 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.

That Board of Directors is also responsible for overseeing the company's financial reporting process.

### **Auditor's Responsibilities 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.

### **Report on Other Legal and Regulatory Requirements**

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, we enclose a statement in **Annexure-A** on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.

As required by Section 143 (5) of the Companies Act 2013, 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 are enclosing our report in the **Annexure-B** on the directions issued by Comptroller and Auditor General of India.

As required by Section 143 (3) of the Act, we report that:

- (a) Besides the Basis for Qualification of Opinion paragraph above, we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) Besides the Basis for Qualification of Opinion paragraph above, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, and the Statement of Profit and Loss, dealt with by this Report are in agreement with the books of account.



- (d) Besides the Basis for Qualification of Opinion paragraph above, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) Besides the Basis for Qualification of Opinion paragraph above, the observations or comments on financial transactions or matters which, in our opinion, do not have any adverse effect on the functioning of the company.
- (f) In terms of Notification No. G.S.R. 463(E) dated 05th June, 2015 issued by Ministry of Corporate Affairs (MCA), the provisions regarding disqualification of Directors under Section 164 (2) of the Act are not applicable to the Company.
- (g) Besides the Basis for Qualification of Opinion paragraph above, we have no other qualification, reservation or adverse remark relating to the maintenance of accounts and other matters connected therewith.
- (h) With respect to the 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**.
- (i) 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 does not have any pending litigations which would impact its financial position.
  - b. The Company does not have any long-term contracts including derivative contracts for which there are any material foreseeable losses,
  - c. There are no such unpaid dividend amounts, which are required to be transferred, to the Investor Education and Protection Fund by the Company.

**For H.S. Bhattacharjee & Co.**  
**Chartered Accountants**  
**Firm Registration Number: 322303E**

**(Arupratan Ray)**  
**Partner**  
**(M.N. 057516)**

**Place: Kolkata**  
**Dated: the 12th day of October, 2020**

**UDIN: 20057516AAAABA1417**



## ANNEXURE-A TO THE AUDITORS' REPORT

The Annexure referred to in our report to the members of **THE JUTE CORPORATION OF INDIA LIMITED** (the Company') for the year ended on **31st March 2020**. We report that:

- 1 (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) These fixed assets have been physically verified by the management at reasonable intervals; and no material discrepancies were noticed on such verification;
- (c) The company does not hold any free-hold immovable properties in its name;
- 2 The physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed on such verification;
- 3 The company has not granted any loans secured or unsecured to companies, firms or others covered in the register maintained under section 189 of the Companies Act.
- 4 In terms of Notification No. G.S.R. 463(E) dated 05th June, 2015 issued by MCA, the provisions of section 185 and 186 of the Companies Act, 2013 are not applicable to the company;
- 5 The company has not accepted deposits under the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 of the Companies Act and the rules framed there under;
- 6 The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act/. As such, provisions of clause 3(vi) of the order is not applicable to the company;
- 7 (a) The company is generally regular in depositing undisputed statutory dues of income-tax, EPF, ESI, GST and any other statutory dues with the appropriate authority;
- (b) There are income tax demand of Rs. 0.08 Lac for AY 2008-09, of Rs. 896.76 Lac for AY 2009-10 and of Rs.195.45 Lac for AY 2013-14 under appeal before IT Authority;
- 8 The company has not defaulted in repayment of term loans or borrowing to a financial institution, bank, Government or dues to debenture holders during the year;
- 9 The company did not raise moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year;
- 10 No fraud on or by the company has been noticed or reported during the year;
- 11 In terms of Notification No. G.S.R. 463(E) dated 05th June, 2015 issued by MCA, the provisions of section 197 of the Companies Act, 2013 are not applicable to the company.



- 12 The Company is not a Nidhi Company;
- 13 The company's all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and the details have been disclosed as required by the applicable accounting standards;
- 14 The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under section 42 of the Companies Act. 2013;
- 15 The company has not entered into any non-cash transactions with directors or persons connected with him under the provisions of section 192 of Companies Act, 2013;
- 16 The company is not required to be registered under section 45-1A of the Reserve Bank of India Act. 1934:

**For H.S. Bhattacharjee & Co.**  
**Chartered Accountants**  
**Firm Registration Number: 322303E**

**(ArupratanRay)**  
**Partner**  
**(M.N. 057516)**

**Place: Kolkata**  
**Dated: the 12th day of October, 2020**

**UDIN: 20057516AAAABA1417**



## ANNEXURE-B TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in our report in terms of Section 143(5) of the Companies Act, 2013 to the members of **THE JUTE CORPORATION OF INDIA LIMITED** ('the Company') for the year ended on **31st March 2020**.

### General Directions under Section 143(5) of the Companies Act, 2013

Sl. No	Directions	Auditors' Comments
1	Whether the Company has systems 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.	Yes
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 H.S. Bhattacharjee & Co.**

**Chartered Accountants**

**Firm Registration Number: 322303E**

**(Arupratan Ray)**

**Partner**

**(M.N. 057516)**

**Place: Kolkata**

**Dated: the 12th day of October, 2020**

**UDIN: 20057516AAAABA1417**



## **ANNEXURE-C TO THE INDEPENDENT AUDITOR'S REPORT**

### **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** (hereinafter referred as '**the Company**') as of **31st March 2020** in conjunction with our audit of the standalone 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 maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of **March 31, 2020**, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

**For H.S. Bhattacharjee & Co.**

**Chartered Accountants**

**Firm Registration Number: 322303E**

**(Arupratan Ray)**

**Partner**

**(M.N. 057516)**

**Place: Kolkata**

**Dated: the 12th day of October, 2020**

**UDIN: 20057516AAAABA1417**



**MANAGEMENT REPLY TO THE OBSERVATIONS MADE BY THE  
STATUTORY AUDITORS ON THE ACCOUNTS OF THE  
CORPORATION FOR THE YEAR 2019-20**

Sl. NO.	AUDIT OBSERVATION	MANAGEMENT REPLY
	<b>PART I : Basis for qualified opinion</b>	
1.	The company's system for confirming balances due to Trade payables, security deposit, retention money, and other payables and from other advances & Recoverable, in our opinion, needs further improvement. As such, subsequent discharge-ability of such liabilities and realise-ability of such advances are subject to confirmation/reconciliation.	<p>JCI has taken due note of the observation of the auditor, as pointed out regarding improvement of existing system of confirmation of balances. As per the extant process, subsequent to reconciliation with the parties, the balances are confirmed. During the F.Y. 19-20 majority of the balances were confirmed and a list is enclosed.</p> <p>As advised by auditor further detailed review will be done under supervision of the senior officials on a quarterly basis in the present financial year and necessary corrective action may be taken.</p> <p>Letters regarding confirmation of balances to the parties will be written on quarterly basis to ensure confirmation of balances.</p>
<b>Part II :Emphasis of Matters</b>		
1.	Note No. 4 & 31 to the Financial statement include interest earned during the year amounting to Rs. 1,44,97,881/- on Short Term Deposits relating to projects has been credited to respective project fund. However, the interest income has been offered to income tax and accordingly TDS on such interest 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 accounting entries between accounts of JCI and accounts of related projects have been passed. The same has already been disclosed under Note No. 4, 9 & 31 of the Annual Accounts.
2.	Note No. 4 & 7 to the financial statement indicate Trade payables amounting to Rs.5,45,26,935/-(previous balance Rs. 3,78,84,476/-) include balances amounting to Rs. 76,485/- (previous balance	The balance of creditors during the F.Y.2019-20 was higher than previous year due to the bills of National Seed Corporation (NSC) of Rs 3.56 Crores and the same was subsequently paid to NSC during F.Y.2020-21.



Sl. NO.	AUDIT OBSERVATION	MANAGEMENT REPLY
	Rs. 20,31,418/-) which are outstanding for more than three years.	Matter has already been reviewed in consultation with the auditor and during the current Financial Year 96% previous balances reconciled/payment made. For left over balance after reviewing and due reconciliation necessary corrective measures will be taken in FY 2020-21.
3.	Note No. 4 & 8 to the financial statements indicate Advances from Customers amounting to Rs. 1,32,55,809/- (previous balance Rs. 4,25,33,131/-) include balances amounting to Rs. 62,13,163/- (previous balance Rs. 50,05,510/-) which are outstanding for more than three years.	Matter noted for reviewing and after due reconciliation necessary corrective measures will be taken in FY 2020-21.
4.	Note No. 12 & 14 to the financial statements indicate Trade Receivables of Rs. 17,52,81,723 previous balance Rs. 19,87,24,382/-) include balances amounting to Rs. 12,43,303/- which are outstanding for more than three years.	Matter noted for reviewing and after due reconciliation necessary corrective measures will be taken in FY 2020-21.
5.	Note No. 30 to the financial statement which discloses no amount remained due to the Micro, Small or Medium Enterprises as the payments are made on instant basis.	The same has already been disclosed under Note 30 of Annual Accounts.
6.	Note No. 38 to the financial statement stating an amount of Rs. 1,51,264/- could be realized out of the receivable amounting to 12,85,286/- from other Parties to whom excess/erroneous payment was made during the FY 2017-18 due to software error.	The Corporation had taken initiative to disburse payment to jute growers directly through online mode (NEFT/ RTGS) against raw jute purchase under MSP. To execute this process, 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 online payment execution. Management has promptly taken up the matter with our bankers and made concerted



Sl. NO.	AUDIT OBSERVATION	MANAGEMENT REPLY
		<p>efforts in realising the amounts that went to wrong beneficiaries. During the F.Y.2017-18 to 2018-19 Rs.125.55 Lakh has been recovered and the opening balance as on FY 2019-20 was Rs19.45 Lakh. Further, we have realized an amount of Rs. 6.60 lakh during the current year under audit and the closing balance being Rs 12.85 Lakh as on 31.03.2020.Further an amount of Rs2.27 Lakh already been realized from 01.04.2020 to 20.11.2020.Also, We are continuously following up this matter with the Banks for realising the balance amount and expecting to realise the outstanding amount. Further details have been provided in Note No.38 to accounts.</p>
7.	Note No. 40 to the financial statements which describe the carrying amount of claim receivable is modified to Rs. 2,93,03,893/- as admitted by the insurer.	The same has been disclosed under Note 40 of Annual Accounts and accounting effect already given in Note No 17 & 25.
8.	Note No. 41 to the financial statements which reveal damaging stock of MSP raw Jute of Rs 53,79,814/- due to fire occurred at Bhagirathpur DPC at West Bengal and claim for the entire loss has been duly lodged with the Insurance Company.	JCI has duly lodged an insurance claim for the entire amount of Rs 53.80 Lakh. JCI has received Rs 23.93 Lakh during F.Y. 2020-21 on account of salvaging of damaged MSP Raw Jute under supervision of the insurance company. Further, the balance amount is under consideration of the insurance company.



**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  
FOR THE YEAR ENDED 31 MARCH 2020**

The Preparation of financial statements of The Jute Corporation of India Limited, Kolkata for the year ended 31 March 2020 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 the 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 12 October, 2020.

I, on behalf of the Comptroller and Auditor General of India, have decided not to conduct the supplementary audit of the financial statements of The Jute Corporation of India Limited for the year ended 31 March 2020 under section 143 (6)(a) of the Act.

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

(Suparna Deb)  
Director General of Audit (Mines)  
KOLKATA

Place: Kolkata

Dated: the 09 day of November, 2020

**BALANCE SHEET AS AT MARCH 31, 2020**

(Amounts in ₹)

Particulars	Note No.	As at 31/03/2020	As at 31/03/2019
<b>I. EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	3(A)	50,000,000	50,000,000
Reserves and Surplus	3(B)	1,427,038,582	1,315,036,584
<b>Non-Current Liabilities</b>			
Other Long Term Liabilities	4	272,199,174	260,381,263
Long Term Provisions	5	126,611,454	161,245,320
<b>Current Liabilities</b>			
Short-Term Borrowings	6	27,511	527,513
Trade Payables	7	54,059,685	35,853,058
Other Current Liabilities	8	170,007,341	354,406,648
Short-Term Provisions	9	68,755,702	34,346,836
<b>TOTAL</b>		<b>2,168,699,449</b>	<b>2,211,797,222</b>
<b>II. ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant & Equipments	10	23,736,723	24,855,460
Intangible Assets	10	327,114	348,565
Long Term Loans and Advances	11	24,566	27,245
Other non-current assets	12	15,582,041	12,653,995
<b>Current Assets</b>			
Inventories	13	148,722,460	436,461,164
Trade Receivables	14	163,870,698	189,602,123
Cash and Cash Equivalents	15	1,299,249,283	1,053,392,324
Short term Loans and Advances	16	24,412,596	28,439,786
Other Current Assets	17	492,773,968	466,016,560
<b>TOTAL</b>		<b>2,168,699,449</b>	<b>2,211,797,222</b>
<b>General Information &amp; Significant Accounting Policies</b>	<b>1 &amp; 2</b>		
<b>Other Notes to Financial Statement</b>	<b>27-43</b>		
<b>The notes referred to above form integral part of these financial Statement.</b>			

As Per our Report of even date

For H.S. Bhattacharjee &amp; Co.

Chartered Accountants

Firm Registration Number: 322303E

(Arupratan Ray)

Partner

(M.N. 057516)

Place: Kolkata

Date: 12.10.2020

For and on behalf of the Board

(Avik Saha)

Company Secretary

(Ajay Kumar Jolly)

Chairman and Managing Director

DIN:08427305

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

(Amounts in ₹)

Particulars	Note No.	As at 31/03/2020	As at 31/03/2019
<b>I. Revenue</b>			
Revenue from Operations	18	1,692,583,066	2,343,383,566
Other Income	19	68,167,757	140,742,659
<b>Total Revenue</b>		<b>1,760,750,823</b>	<b>2,484,126,225</b>
<b>II. Expenses</b>			
Cost of Trading Goods & Direct Expenses	20	794,615,418	735,524,285
Changes in Inventories of Trading Goods	21	287,738,704	962,425,631
Employee Benefits Expenses	22	341,032,011	429,840,968
Finance Cost	23	711,275	11,080,706
Depreciation & Amortisation Expense	24	1,493,978	1,604,707
Other Expenses	25	99,300,365	116,251,904
Miscellaneous Expenses	26	22,955,834	22,259,417
<b>Total Expenses</b>		<b>1,547,847,585</b>	<b>2,278,987,618</b>
<b>Profit before exceptional and extraordinary expenses</b>		<b>212,903,238</b>	<b>205,138,607</b>
Exceptional items		—	—
Extraordinary items		—	—
<b>Profit before Tax</b>		<b>212,903,238</b>	<b>205,138,607</b>
<b>Tax Expense:</b>			
Current Tax		(58,948,000)	(77,377,000)
Earlier Year		—	(11,768,909)
Deferred Tax		—	—
<b>Profit After Tax</b>		<b>153,955,238</b>	<b>115,992,698</b>
<b>Average No. of Equity Share</b> (Face value of Rs.100 each)		500,000	500,000
Basic Earnings Per Share		308	232
Diluted Earnings Per Share		308	232
<b>General Information &amp; Significant Accounting Policies</b>	<b>1 &amp; 2</b>		
<b>Other Notes to Financial Statement</b>	<b>27-43</b>		
<b>The notes referred to above form integral part of these financial Statement.</b>			

As Per our Report of even date

For H.S. Bhattacharjee &amp; Co.

Chartered Accountants

Firm Registration Number: 322303E

(Arupratan Ray)

Partner

(M.N. 057516)

Place: Kolkata

Date: 12.10.2020

For and on behalf of the Board

(Avik Saha)  
Company Secretary(Ajay Kumar Jolly)  
Chairman and Managing Director  
DIN:08427305



## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31,2020

Particulars	2019-2020 (in ₹)	2018-2019 (in ₹)
<b>A Cash Flow From Operating Activities</b>		
Profit/(Loss) before tax and prior period Adjustment	212,903,238	205,138,607
Adjustment for:		
Depreciation & Amortisation Expense	1,493,978	1,604,707
Interest Income	(54,062,862)	(29,038,360)
Finance Cost	711,275	11,080,706
Operating profit before working capital change	161,045,629	188,785,660
(Increase)/Decrease in Inventory	287,738,704	962,425,631
(Increase)/Decrease in Sundry Debtors	25,731,425	279,403,366
(Increase)/Decrease in Loans and Advances	(47,526,313)	(468,701,767)
Increase/(Decrease) in Liabilities & Provisions	(165,297,620)	(92,402,573)
	261,691,825	869,510,317
Less: Income Tax Paid	(36,655,518)	(166,130,224)
<b>Net Cash Flow From Operating Activities</b>	<b>225,036,307</b>	<b>703,380,093</b>
<b>B Cash Flow From Investing Activities</b>		
Purchase of Property,Plant & Equipments/Intangible Assets Sale/	(354,930)	(3,509,404)
Realisation of Property,Plant & Equipments/Intangible Assets	1,140	54,673
Interest Received	54,062,862	29,038,360
<b>Net Cash Flow From Investing Activities</b>	<b>53,709,072</b>	<b>25,583,629</b>
<b>C Cash Flow From Financing Activities</b>		
Short Term Loan Taken/(Repaid)	(500,002)	(365,370,151)
Finance Cost	(711,275)	(11,080,706)
Dividend Paid including Distribution Tax	(41,953,240)	(63,849,731)
<b>Net Cash Flow From Financing Activities</b>	<b>(43,164,517)</b>	<b>(440,300,588)</b>
Net Increase/Decrease in Cash & Cash Equivelant	235,580,862	288,663,134
Cash & Cash Equivelant at the beginning of the year	841,491,203	552,828,069
<b>Cash &amp; Cash Equivelant at the End of the year</b>	<b>1,077,072,065</b>	<b>841,491,203</b>

As Per our Report of even date  
For H.S. Bhattacharjee & Co.  
Chartered Accountants  
Firm Registration Number: 322303E

(Arupratan Ray)  
Partner  
(M.N. 057516)

Place: Kolkata  
Date: 12.10.2020

For and on behalf of the Board

(Avik Saha)  
Company Secretary

(Ajay Kumar Jolly)  
Chairman and Managing Director  
DIN:08427305

**NOTE TO CASH FLOW STATEMENT  
FOR THE YEAR ENDED MARCH 31,2020**

(Amounts in ₹)

Particulars	2019-2020 (in ₹)	2018-2019 (in ₹)
<b>1 CASH &amp; CASH EQUIVALENT</b>		
As per Balance Sheet -Cash & Cash Equivalents	1,299,249,283	1,053,392,324
Less:Cash,Bank & Term Deposits:		
Retting Tank (Govt. of India)	7,296,378	6,939,084
Bio-Technological Retting Technology	117,305	117,305
IJSG	1,432,109	1,415,122
Development of Ribboner from GOI	11,998,500	11,411,091
Jute Technology Mission	201,332,926	192,018,519
<b>Total Cash &amp; Cash Equivalent</b>	<b>1,077,072,065</b>	<b>841,491,203</b>



## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH'2020**

**Note: -**

### **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) Computer under Property Plant & Equipment (PPE) includes Mobile Phones as end user device.

### **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 Rs.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 except otherwise stated. For following cases recognition of income /expenditure are made on actual realization/or settled.

- (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 Rs.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, 2020***NOTE 3(A) : SHARE CAPITAL**

(Amounts in ₹)

Particulars	As at 31/03/2020		As at 31/03/2019	
<b>Authorised</b>				
5,00,000 Equity Shares of Rs.100/- each		50,000,000		50,000,000
		<u>50,000,000</u>		<u>50,000,000</u>
<b>Issued, Subscribed and Paid-up</b>				
5,00,000 Equity Shares of Rs.100/- each fully paid up.		50,000,000		50,000,000
		<u>50,000,000</u>		<u>50,000,000</u>
<b>(a) Reconciliation of Equity shares outstanding at the end of the year</b>				
	No. of Shares	Amount	No. of Shares	Amount
Shares outstanding at the beginning of the Year	500,000	50,000,000	500,000	50,000,000
Shares issued during the year	—	—	—	—
Less Shares bought back during the year	—	—	—	—
<b>Shares outstanding at the end of the Year</b>	<u>500,000</u>	<u>50,000,000</u>	<u>500,000</u>	<u>50,000,000</u>
<b>(b) Terms and rights attached to equity shares</b>				
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			
		<u>As on 31st March,2020</u>		<u>As on 31st March,2019</u>
		No. of Share		No. of Share
		% of the Holding		% of the Holding
<b>(C) Details of shareholders holding more than 5% of the shares in the company</b>				
	President India	499998 99.99%	499998 99.99%	

*Notes to the Financial Statement for the year ended March 31, 2020*

**NOTE 3(B) : RESERVES AND SURPLUS**

(Amounts in ₹)

Particulars	As at 31/03/2020	As at 31/03/2019
<b>Surplus</b>		
As per last Balance Sheet	1,315,036,584	1,262,893,617
Add: Profit / (Loss) for the year	153,955,238	115,992,698
	<u>1,468,991,822</u>	<u>1,378,886,315</u>
Less: Dividend Paid	34,800,000	53,050,000
Less: Dividend Distribution Tax on		
Proposed Dividend Paid	7,153,240	10,799,731
	<u>1,427,038,582</u>	<u>1,315,036,584</u>
<b>Net Surplus</b>	<b><u>1,427,038,582</u></b>	<b><u>1,315,036,584</u></b>

**NOTE 4 : OTHER LONG TERM LIABILITIES**

Particulars	As at 31/03/2020	As at 31/03/2019
<b>Balance in Project Funds</b>		
Retting Tank (Govt. of India)	7,296,378	6,939,084
Bio-Technological Retting Technology	117,305	117,305
IJSG	1,432,109	1,415,122
Development of Ribboner from GOI	11,998,500	11,411,091
Jute Technology Mission	201,332,926	192,018,519
<b>Others Non Current Liabilities</b>		
Sundry Creditors	467,250	2,031,418
Earnest Money Deposit	1,214,594	1,214,731
Security Deposit	369,849	369,849
Liability for Expenses and other Payables	34,755,462	32,856,996
Advance from Customers	6,213,163	5,005,510
Advance from JTM	1,027,011	1,027,011
Pilot Projects A/C	47,748	47,748
Project Decoricator Machine	1,088,417	1,088,417
Project Saturation	4,838,462	4,838,462
<b>Total</b>	<b><u>272,199,174</u></b>	<b><u>260,381,263</u></b>

**NOTE 5 : LONG TERM PROVISIONS**

Particulars	As at 31/03/2020	As at 31/03/2019
<b>Provision for Employee Benefits</b>		
Gratuity (Casual Employee)	34,151,722	62,050,556
Leave Salary (Regular Employee)	92,459,732	99,194,764
<b>Total</b>	<b><u>126,611,454</u></b>	<b><u>161,245,320</u></b>

*Notes to the Financial Statement for the year ended March 31, 2020***NOTE 6 : SHORT-TERM BORROWINGS**

<b>Other Long Term Liabilities</b>	<b>As at 31/03/2020</b>	<b>As at 31/03/2019</b>
Cash Credit from Central Bank of India	27,405	75,259
Cash Credit from Punjab National Bank	106	452,254
	<u>27,511</u>	<u>527,513</u>

**NOTE 7 : TRADE PAYABLES**

<b>Particulars</b>	<b>As at 31/03/2020</b>	<b>As at 31/03/2019</b>
Sundry Creditors	54,059,685	35,853,058
	<u>54,059,685</u>	<u>35,853,058</u>

**NOTE 8 : OTHER CURRENT LIABILITIES**

<b>Particulars</b>	<b>As at 31/03/2020</b>	<b>As at 31/03/2019</b>
Earnest Money Deposit	15,977,601	64,823,521
Security Deposit	1,568,069	160,151
Retention Money	5,838,025	9,074,289
Provident Fund Payable	4,970,908	5,938,058
Liability for Expenses and Other Payables	128,985,329	224,982,446
<b>Balance in Project Funds</b>		
Project I-Care	—	330,224
Common Facilitation Center	—	2,959,105
Advance From Customers	7,042,646	37,527,621
Claims Payable	5,624,763	8,611,233
	<u>170,007,341</u>	<u>354,406,648</u>

**NOTE 9 : SHORT-TERM PROVISIONS**

<b>Particulars</b>	<b>As at 31/03/2020</b>	<b>As at 31/03/2019</b>
<b>Provision for Employee Benefits:</b>		
Bonus	1,150,000	1,159,000
Leave Salary (Regular Employee)	44,858,928	26,983,410
Gratuity( Casual Employee)	18,103,236	6,204,426
	<u>64,112,164</u>	<u>34,346,836</u>
<b>Provision for Income Tax</b>		
Balance as per Last Account	704,511,846	—
Addition during the year	63,169,784	—
	<u>767,681,630</u>	
Less:Advance Tax Paid	763,038,092	—
	<u>4,643,538</u>	<u>—</u>
	<u>68,755,702</u>	<u>34,346,836</u>

## Notes to the Financial Statement for the year ended March 31, 2020

**NOTE 10 : PROPERTY, PLANT & EQUIPMENTS**

(Amounts in ₹)

Tangible Asset	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As at 31/03/2019	Additions	Deletion/ Adjust- ment	As at 31/03/2019	Addition For the Year	Deletion/ Adjust- ment	As at 31/03/2020	As at 31/03/2019
LEASEHOLD PREMISES	25,998,440	-	-	5,322,130	(48,410.00)	-	20,724,720	20,676,310
FURNITURE & FIXTURE	4,589,952	44,250	-	4,309,521	12,729	-	311,952	280,431
OFFICE EQUIPMENT	1,586,545	69,750	-	1,336,704	77,628	-	241,963	249,841
DPC EQUIPMENT	1,722,307	-	-	848,108	35,734	-	838,465	874,199
COMPUTER	7,690,073	180,000	22,824.00	5,043,124	1,297,290	21,684	1,528,519	2,646,949
ELECTRICAL INSTALLATION	495,688	-	-	466,879	(213.00)	-	29,022	28,809
AIR-CONDITIONER	600,045	-	-	501,124	36,839	-	62,082	98,921
CYCLES	132,357	-	-	132,357	-	-	-	-
<b>Total(A)</b>	<b>42,815,407</b>	<b>294,000</b>	<b>22,824</b>	<b>17,959,947</b>	<b>1,411,597</b>	<b>21,684</b>	<b>23,736,723</b>	<b>24,855,460</b>
<b>Intangible Asset</b>								
COMPUTER SOFTWARE(B)	497,158	60,930	-	148,593	82,381	-	327,114	348,565
<b>Total(B)</b>	<b>497,158</b>	<b>60,930</b>	<b>-</b>	<b>148,593</b>	<b>82,381</b>	<b>-</b>	<b>327,114</b>	<b>348,565</b>
<b>Current Year(A+B)</b>	<b>43,312,565</b>	<b>354,930</b>	<b>22,824</b>	<b>18,108,540</b>	<b>1,493,978</b>	<b>21,684</b>	<b>24,063,837</b>	<b>25,204,025</b>
<b>Previous Year</b>	39,991,620	3,509,404	188,459	16,637,619	1,604,707	133,786	18,108,540	25,204,025

*Notes to the Financial Statement for the year ended March 31, 2020***NOTE 11 : LONG TERM LOANS AND ADVANCES**

<b>Particulars</b>	<b>As at 31/03/2020</b>		<b>As at 31/03/2019</b>	
Security Deposits		24,566		27,245
		<u>24,566</u>		<u>27,245</u>

**NOTE 12 : OTHER NON-CURRENT ASSETS**

<b>Particulars</b>	<b>As at 31/03/2020</b>		<b>As at 31/03/2019</b>	
<i>Non Current -Trade Receivables</i>				
Unsecured and considered good	11,411,025		9,122,259	
(Unsecured and considered doubtful)	478,510		665,669	
Provision for Doubtful Debt	<u>(478,510)</u>	11,411,025	<u>(665,669)</u>	9,122,259
Advance to other Parties				
Unsecured and Considered Good	4,171,016		3,531,736	
Unsecured and Considered doubtful	694,312		694,312	
Less:Provision Held	<u>(694,312)</u>	4,171,016	<u>(694,312)</u>	3,531,736
		<u>15,582,041</u>		<u>12,653,995</u>

**NOTE 13 : INVENTORY**

<b>Particulars</b>	<b>As at 31/03/2020</b>		<b>As at 31/03/2019</b>	
Raw Jute - Price support		2,728,889		260,001,715
Raw Jute - Commercial		67,892,526		173,248,126
Jute Seed		5,324,040		2,443,834
Jute Diversified Products		<u>2,777,005</u>		<u>767,489</u>
		<u>148,722,460</u>		<u>436,461,164</u>

**NOTE 14 : TRADE RECEIVABLES**

<b>Particulars</b>	<b>As at 31/03/2020</b>		<b>As at 31/03/2019</b>	
(Unsecured,considered good)				
Outstanding for more than Six Month	16,155,468		3,886,744	
Others	<u>147,715,230</u>	163,870,698	<u>185,715,379</u>	189,602,123
		<u>163,870,698</u>		<u>189,602,123</u>



*Notes to the Financial Statement for the year ended March 31, 2020*

**NOTE 15 : CASH AND CASH EQUIVALENTS**

<b>Particulars</b>	<b>As at 31/03/2020</b>	<b>As at 31/03/2019</b>
Cash & Cash Equivalents		
Balances with Banks:		
In Current Accounts	206,905,811	75,500,659
In Saving Accounts	70,535,676	10,548,376
In Term Deposit Accounts	1,019,693,739	966,680,211
Cash in Hand	2,114,057	663,078
	<u>1,299,249,283</u>	<u>1,053,392,324</u>

**NOTE 16 : SHORT TERM LOANS AND ADVANCES**

<b>Particulars</b>	<b>As at 31/03/2020</b>	<b>As at 31/03/2019</b>
<b>Advances Recoverable in cash or in kind or for value to be received</b>		
Advance to Staff	520,376	733,359
Advance to Other Parties		
Unsecured and Considered Good	2,394,868	3,302,783
Prepaid Expenses	3,376,992	2,532,916
Project I Care	18,120,360	
Advance Income Tax	726,382,574	
<u>Less: Provision for Income Tax</u>		
Balance as per Last Account		(611,867,939)
Addition during the year		(92,643,907)
		<u>(704,511,846)</u>
	<u>24,412,596</u>	<u>21,870,728</u>
		<u>28,439,786</u>

**NOTE 17 : OTHER CURRENT ASSETS**

<b>Particulars</b>	<b>As at 31/03/2020</b>	<b>As at 31/03/2019</b>
Interest accrued but not due	2,856,080	822,643
Subsidy Receivable from GOI	459,900,000	425,000,000
Insurance Claim Receivable	30,017,888	40,193,917
	<u>492,773,968</u>	<u>466,016,560</u>

*Notes to the Financial Statement for the year ended March 31, 2020***NOTE 18 : REVENUE FROM OPERATIONS**

<b>Particulars</b>	<b>As at 31/03/2020</b>	<b>As at 31/03/2019</b>
Sales - Price Support	854,820,393	1,560,964,652
Sales - Commercial	362,485,392	252,646,616
Sales-Jute Diversified Products	22,881,768	5,107,289
Sales - Jute Seeds	39,253,522	32,250,722
Less : claim paid	(758,009)	(7,585,713)
<b>Total</b>	<b><u>1,278,683,066</u></b>	<b><u>1,843,383,566</u></b>

**NOTE 18.1 : OTHER OPERATING REVENUES**

<b>Particulars</b>	<b>As at 31/03/2020</b>	<b>As at 31/03/2019</b>
Subsidy from GOI. (MSP)	413,900,000	500,000,000
<b>Total</b>	<b><u>1,692,583,066</u></b>	<b><u>2,343,383,566</u></b>

**NOTE 19 : OTHER INCOME**

<b>Particulars</b>	<b>As at 31/03/2020</b>	<b>As at 31/03/2019</b>
Interest Income	54,062,862	29,038,360
Carrying Cost (Price Support)	3,683,495	43,480,303
Liability no Longer Required Writtenback	–	19,609,135
Insurance Claim	1,139,921	41,219,582
Misc. Income	3,496,853	579,205
Supervision Charges (Projects)	5,784,626	4,950,088
Prior Period Adjustment (Refer Note - 19.1)	–	1,865,986
<b>Total</b>	<b><u>68,167,757</u></b>	<b><u>140,742,659</u></b>

**NOTE 19.1 : PRIOR PERIOD ADJUSTMENTS**

<b>Particulars</b>	<b>As at 31/03/2020</b>	<b>As at 31/03/2019</b>
Supervision Charges (Projects)	–	1,865,986
<b>Net Debit(-)/Credit</b>	<b><u>–</u></b>	<b><u>1,865,986</u></b>

*Notes to the Financial Statement for the year ended March 31, 2020*

**NOTE 20 : COST OF TRADING GOODS & DIRECT EXPENCES**

<b>Particulars</b>	<b>As at 31/03/2020</b>	<b>As at 31/03/2019</b>
<b><u>PURCHASE</u></b>		
Raw Jute - Price Support	562,409,090	667,885,653
Raw Jute - Commercial	136,389,807	–
Jute Diversified Products	22,220,802	4,667,925
Jute Seeds	43,446,600	25,943,060
<b>Sub-total (a)</b>	<b>764,466,299</b>	<b>698,496,638</b>
<b><u>DIRECT EXPENSES</u></b>		
Operational Expenses	24,099,485	32,423,565
Taxes & Levy	6,049,634	4,604,082
<b>Sub-total (b)</b>	<b>30,149,119</b>	<b>37,027,647</b>
<b>Total</b>	<b>794,615,418</b>	<b>735,524,285</b>

**NOTE 21 : CHANGES IN INVENTORIES OF TRADING GOODS**

<b>Particulars</b>	<b>As at 31/03/2020</b>	<b>As at 31/03/2019</b>
<b><u>Opening Stock</u></b>		
Raw Jute - Price Support	260,001,715	1,042,527,694
Raw Jute - Commercial	173,248,126	347,194,645
Jute Seed	2,443,834	8,753,471
Jute Diversified Products	767,489	410,985
<b>Total</b>	<b>436,461,164</b>	<b>1,398,886,795</b>
<b><u>Closing Stock</u></b>		
Raw Jute - Price Support	72,728,889	260,001,715
Raw Jute - Commercial	67,892,526	173,248,126
Jute Seed	5,324,040	2,443,834
Jute Diversified Products	2,777,005	767,489
<b>Total</b>	<b>148,722,460</b>	<b>436,461,164</b>
<b>Net (Increase) / Decrease</b>	<b>287,738,704</b>	<b>962,425,631</b>

*Notes to the Financial Statement for the year ended March 31, 2020***NOTE 22 : EMPLOYEE BENEFITS EXPENSES**

<b>Particulars</b>	<b>As at 31/03/2020</b>	<b>As at 31/03/2019</b>
Salaries & Allowances	178,731,959	211,963,036
Wages	67,202,124	69,409,395
Directors Remuneration	3,362,348	3,740,055
Bonus	535,956	1,234,782
Rent Residential	128,600	–
Corporation's Contribution to Pension Funds	4,498,164	5,948,513
Corporation's Contribution to Gratuity Funds	14,693,299	55,699,165
Corporation's Contribution to Provident Funds	16,664,566	16,440,110
Corporation's Contribution to ESI	151,812	–
Staff Welfare Expenses	4,916,480	5,770,116
Leave Encashment Benefit on Retirement	41,336,798	50,888,804
Medical Expenses Re-imburement	8,134,763	7,748,882
Administrative Charges of CPF	304,914	337,867
Leave Travel Expenses	370,228	660,243
<b>Total</b>	<b>341,032,011</b>	<b>429,840,968</b>

**NOTE 23 : FINANCE COST**

<b>Particulars</b>	<b>As at 31/03/2020</b>	<b>As at 31/03/2019</b>
Interest on Cash Credit	711,275	11,080,706
<b>Total</b>	<b>711,275</b>	<b>11,080,706</b>

**NOTE 24 : DEPRECIATION & AMORTISATION EXPENSE**

<b>Particulars</b>	<b>As at 31/03/2020</b>	<b>As at 31/03/2019</b>
Depreciation	1,493,978	1,604,707
<b>Total</b>	<b>1,493,978</b>	<b>1,604,707</b>

*Notes to the Financial Statement for the year ended March 31, 2020*

**NOTE 25 : OTHER EXPENSES**

<b>Particulars</b>	<b>As at 31/03/2020</b>	<b>As at 31/03/2019</b>
Printing & Stationery	1,562,885	1,276,526
Electricity Charges	1,852,292	1,828,034
Rent	2,345,316	2,072,666
Godown Rent & Storage	13,770,331	17,501,299
Repairs & Renewals	5,096,266	1,831,683
Office Maintenance Expenses	632,604	216,403
Rates and Taxes	34,370	58,695
Insurance	3,452,374	3,063,221
Travelling and Conveyance	7,388,842	7,264,410
Legal & Professional Fees	1,127,969	1,629,732
Freight	38,551,075	64,478,504
GST & Service Tax	87,529	208,598
Statutory Audit Fees	271,400	271,400
Other Audit Fees	135,220	295,031
Telephone Charges	646,102	837,585
Postage & Telegram	160,662	101,439
Books & Periodicals	124,890	160,561
Entertainment	166,568	390,568
Conference and Meeting Expenses	538,688	1,063,611
Corporate Social Responsibility Expenses	5,318,000	3,496,011
Advertisement & Publicity	909,651	1,839,520
Car Expenses	3,604,680	5,000,005
Research & Developmet	400,000	–
Bank Charges	232,627	165,065
Fair & Exhibition	–	702,574
Debit balance of Vat & Sales Tax written off	–	498,763
Insurance Claim	10,890,024	–
<b>Total</b>	<b>99,300,365</b>	<b>116,251,904</b>

**NOTE 26 : MISCELLANEOUS EXPENSES**

<b>Particulars</b>	<b>As at 31/03/2020</b>	<b>As at 31/03/2019</b>
Honorarium and Other Fees	192,000	393,680
RO Expenses & HO Expenses	14,781,208	13,677,891
Security Guard Expenses	7,982,626	8,187,846
<b>Total</b>	<b>22,955,834</b>	<b>22,259,417</b>

**NOTES TO ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2020.****27. Disclosure with respect to, Retirement Benefit to Employees****i. Gratuity (Regular)**

During the year, the corporation has paid for its gratuity liability Rs.2,04,51,932/-(previous year Rs. 5,60,191/-) for regular employees as per demand raised by LICICI

**ii. Gratuity (Casual)**

During the year, the corporation has provided for its gratuity liability of Rs. 5,22,54,958/-(previous year Rs. 6,82,54,982/-) for casual employees based on actuarial valuation. Basis of actuarial assumptions are as follows.

**Basis of valuation:**

	<b>31.03.2020</b>	<b>31.03.2019</b>
Discount Rate Per Annum (Compounded)	5.00%	6.70%
Rate of Increase in salaries	14.00%	14.00%
Expected Average remaining Working	2.20yr	2.61yr

**iii. Leave Encashment Benefit**

During the year corporation has provided for its Leave encashment liability Rs.13,73,18,660 /- (previous year Rs. 12,61,78,174/-) for regular employees based on actuarial valuation.

**28. Contingent Liabilities**

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

<b>SL. No.</b>		<b>31.03.2020 (₹)</b>	<b>31.03.2019 (₹)</b>
1.	Claims against the Corporation not acknowledged as Debts	16,31,40,273/-	15,56,40,716/-
2.	Other money for which the Corporation is contingently Liable.	10,92,21,160/-	12,07,44,491/-

Other money for which the Corporation is contingently liable shows income tax demand disputed by the company aggregating to Rs.1092.21 lakhs (P.Y- 1207.44 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.

**29. CSR Expenses:**

The Company has expended Rs. 53,18,000/- (P.Y. 34,96,011 /-) 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-2019-20 – ₹ 33,59,000 /-

CSR Expenses for FY-2018-19 – ₹ 19,59,000/-

For FY 2019-20, out of total CSR Budget of Rs. 40.59 Lakh (P.Y. 39.10 Lakh ) unspent amount of Rs. 7.00 Lakh (F.Y 2018-19 unspent amount of Rs. 19.59 Lakh already spent in F.Y. 2019-20) is planned to be spent in FY 2020-21.

**30. 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 through online bank transfer on instant basis, no separate disclosures have been made in the accounts.

**31. Disclosure in respect of projects:**

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

**GRANT NAME****(Upto 31st March, 2020)**

	<b>Amount Received</b>	<b>Interest Earned</b>	<b>Disbursement</b>	<b>Balance Outstanding</b>
(a) Jute quality Improvement (Retting Technology)	40,00,000	58,21,069	25,24,691	72,96,378
	(40,00,000)	(53,16,986)	(23,77,902)	(69,39,084)
(b) Development of Manual/Power Driven Ribboner Machine	34,00,000	98,41,465	12,42,965	1,19,98,500
	(34,00,000)	(90,12,727)	(10,01,636)	(1,14,11,091)
(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	17,18,97,869	57,10,64,943	20,13,32,926
	(60,05,00,000)	(15,87,56,775)	(56,72,38,256)	(19,20,18,519)

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

**32. Stale Cheques:**

Rs 7,49,324 /- (PY: Rs.8,27,036/-) is being kept under heads of stale cheque due to pending dispute with the beneficiaries.



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

	<b>31.03.2020</b> (₹)	<b>31.03.2019</b> (₹)
a. Salaries	32,42,348/-	36,80,055/-
b. Leave Encashment	–	27,43,903/-
c. Contribution to Provident Fund, Pension & Gratuity	3,32,042/-	3,48,193/-
d. Rent Residential	1,28,600/-	–
e. Others	3,08,883/-	9,86,142/-
f. Club Expenses & Misc	–	38,959/-
g. Sitting Fees	1,20,000/-	60,000/-
<b>Total</b>	<b>41,31,873/-</b>	<b>78,57,252/-</b>

**34. Earnings per share of the Corporation has been computed in the following manner:**

	<b>31.03.2020</b> (₹)	<b>31.03.2019</b> (₹)
(Loss) /Profit for the year	15,39,55,238	11,59,92,698
Weighted Average of No. of equity share	5,00,000	5,00,000
Earnings Per Share (Basic and Diluted)	308	232

**35. 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.



36. 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	1. Shri Ajay Kumar Jolly, Chairman and Managing Director
	2. Avik Saha, Company Secretary

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

Nature of Transaction	Relationship	Amount in Rs.	
		2019-20	2018-19
<b>1. Remuneration (incl. house rent)</b>			
Shri Ajoy Kumar Jolly	C.M.D ( From 01.02.2019)	35,74,390	6,34,270
Dr. K.V.R. Murthy	C.M.D ( Upto 31.01.2019)	–	26,96,193
CA.P. Dasgupta	D(F) ( Upto 05.07.2018)	–	6,97,785
Avik Saha	C.S	13,56,098	11,06,351

37. Information in respect of goods traded

PARTICULARS	2019-2020			2018-2019		
	Bales	Qntls.	Amount (in ₹)	Bales	Qntls.	Amount (in ₹)
(a) <b>Purchase</b>						
Raw Jute	100357	180711	69,87,98,897	108519	195335	66,78,85,653
Jute Seeds		6034.25	4,34,46,600		4989.05	2,59,43,060
Diversified jute products			2,22,20,802			46,67,925
	<b>100357</b>	<b>186745.25</b>	<b>76,44,66,299</b>	<b>108519</b>	<b>200324.05</b>	<b>69,84,96,638</b>
(b) <b>Sales</b>						
Raw Jute	155377	279679	121,65,47,776	257005	462608	180,60,25,555
Jute Seeds		5512.17	3,92,53,522		5714.88	3,22,50,722
Diversified jute products			2,28,81,768			51,07,289
	<b>155377</b>	<b>285191.17</b>	<b>127,86,83,066</b>	<b>257005</b>	<b>468322.88</b>	<b>184,33,83,566</b>
(c) <b>Opening Stock</b>						
Raw Jute	75645	136093	43,32,49,841	224131	403366	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
	<b>75645</b>	<b>136476.89</b>	<b>43,64,61,164</b>	<b>224131</b>	<b>404475.72</b>	<b>139,88,86,795</b>
(d) <b>Closing Stock</b>						
Raw Jute	20625	37125	14,06,21,415	75645	136093	43,32,49,841
Jute Seeds		739.45	53,24,040		383.89	24,43,834
Diversified jute products			27,77,005			7,67,489
	<b>20625</b>	<b>37864.45</b>	<b>14,87,22,460</b>	<b>75645</b>	<b>136476.89</b>	<b>43,64,61,164</b>
(e) <b>Claims Received</b>						
Jute Seeds	0	166.52	13,13,510	0	0	0
(f) <b>(Loss)/Gain in Weight of Raw Jute</b>						
Raw Jute	1216	2189	0	1657	2982	0

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



38. Advance to other parties includes an amount of Rs 12,85,286/- receivable from Parties to whom excess/ erroneous payment was made during the F.Y.17-18 due to software error. An amount of Rs 1,51,264/- has since been realized and outstanding as on 30.06.2020 is Rs 11,34,022/-
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 31<sup>st</sup> March, 2020 @ Rs 92.40 (P.Y. Rs 69.60) per share to its shareholder i.e. Govt. of India. The Total outgo in the form of dividend will be Rs 4,62,00,000/- (P.Y. Rs 3,48,00,000/-). The payment of dividend is subject to approval of the members in the ensuring annual general meeting.
40. In the F.Y. 2018-19 a fire occurred at Goalpara DPC at Assam, destroying stock of commercial raw Jute of Rs 4,01,93,917/-. Accordingly claim for the entire loss has been duly lodged with the Insurance Company. Insurance company has admitted an amount of Rs 2,93,03,893/- toward the claim and the same is duly accounted for in books.
41. During the year a fire occurred at Bhagirathpur DPC at West Bengal, damaging stock of MSP raw Jute of Rs 53,79,814/- The entire damaged stock was covered under Insurance Policy. Accordingly claim for the entire loss has been duly lodged with the Insurance Company . 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 H.S.Bhattacharjee & Co.**

Chartered Accountants

Firm Registration Number: 322303E

**(Arupratan Ray )**

Partner

(M.N. 057516)

**For and on behalf of the Board**

**(Avik Saha)**

Company Secretary

**(Ajay Kumar Jolly)**

Chairman and Managing Director

DIN : 08427305

Place: Kolkata

Date : 12.10.2020

## INTERNAL RAW JUTE - PRICE SUPPORT

	<u>2019-2020</u>		<u>2018-2019</u>	
	<u>Bales</u>	<u>Amount ₹</u>	<u>Bales</u>	<u>Amount ₹</u>
<b>INCOME</b>				
Sales	105,838	854,288,101	214,813	1,554,435,673
Carrying Cost		3,683,495		43,480,303
Transfer to Internal Raw Jute Commercial Liability No longer Required Written Back	11,803	59,614,448	8,464	54,786,413
Interest Income		53,980,686		28,960,795
Insurance Claim		1,139,921		1,025,665
Misc Income		3,496,853		564,766
Supervision charges (Projects)		—		3,337,552
Subsidy from the Government		413,900,000		500,000,000
Prior Period adjustment		—		1,865,986
Net Adj. Dr./Cr. Balances written off/back				
Loss in Packed Weight				
Closing Stock	11,740	72,728,889	46,303	260,001,715
Net Loss				
	<b><u>129,381</u></b>	<b><u>1,462,832,393</u></b>	<b><u>269,580</u></b>	<b><u>2,468,068,003</u></b>
<b>EXPENDITURE</b>				
Opening Stock	46,303	260,001,715	161,061	1,042,527,694
Purchases	82,121	562,409,090	106,862	667,885,653
Transfer from Internal Raw Jute-Commercial	—	—	—	—
Tax and Levy		4,888,041		4,604,082
Freight		26,956,950		53,988,343
Operational Expenses		18,800,621		27,081,341
Payment to and Provision for Employees		341,032,011		429,840,968
Other Administrative Expenses		66,287,588		53,138,089
Interest and other financial charges		711,275		11,080,706
Godown Rent and Storage		13,770,331		17,501,299
Insurance		2,001,687		2,636,495
Depreciation		1,493,978		1,604,707
Service Tax & GST		87,529		208,598
Service Charges		—		—
Prior Period adjustment		—		—
Rate & Taxes		—		—
Gain in Packed Weight	957	—	1,657	—
Provision for Income Tax		—		67,779,000
Net Profit		164,391,577		88,191,028
	<b><u>129,381</u></b>	<b><u>1,462,832,393</u></b>	<b><u>269,580</u></b>	<b><u>2,468,068,003</u></b>

**INTERNAL RAW JUTE - COMMERCIAL**

	<b>2019-2020</b>		<b>2018-2019</b>	
	<b>Bales</b>	<b>Amount ₹</b>	<b>Bales</b>	<b>Amount ₹</b>
<b>INCOME</b>				
Sales	49,539	362,259,675	35,983	251,589,882
Claims Received - Stock	–	–	6,209	40,193,917
Transfer to Internal Raw Jute Price Support	–	–	–	–
Interest Received	–	–	–	–
Service Charges	–	–	–	–
Loss in Packed weight	–	–	–	–
Closing Stock	8,885	67,892,526	29,342	173,248,126
Net Loss				
	<b>58,424</b>	<b>430,152,201</b>	<b>71,534</b>	<b>465,031,925</b>
<b>EXPENDITURE</b>				
Opening Stock	29,342	173,248,126	63,070	347,194,645
Purchase	17,020	136,389,807	–	–
Transfer from Internal Raw Jute Price Support	11,803	59,614,448	8,464	54,786,413
Tax and Levy		1,161,593		–
Freight		11,320,623		10,421,515
Operational Expenses		4,383,699		5,235,295
Interest		–		–
Godown Rent and Storage		–		–
Insurance		1,450,687		426,726
Extraordinary items		–		–
Gain in Packed weight	259	–	–	–
Provision for Income Tax		–		20,410,325
Net Profit		42,583,218		26,557,007
	<b>58,424</b>	<b>430,152,201</b>	<b>71,534</b>	<b>465,031,925</b>

**JUTE SEED**

	<b>2019-2020</b>		<b>2018-2019</b>	
	<b>Qtls.</b>	<b>Amount ₹</b>	<b>Qtls.</b>	<b>Amount ₹</b>
<b>INCOME</b>				
Sales	5,512.17	39,253,522	5,714.88	32,250,722
Claim Received	166.52	1,313,510	–	–
Service Charge		4,471,116		1,612,536
Closing Stock	739.45	5,324,040	383.89	2,443,834
	<b>6,418.14</b>	<b>50,362,188</b>	<b>6,098.77</b>	<b>36,307,092</b>
<b>EXPENDITURE</b>				
Opening Stock	383.89	2,443,834	1,109.72	8,753,471
Purchase	6,034.25	43,446,600	4,989.05	25,943,060
Handling of Jute Seeds		80.00		14,648
Provision for Income Tax		–		692,658
Net Profit		4,471,674		901,255
	<b>6,418.14</b>	<b>50,362,188</b>	<b>6,098.77</b>	<b>36,307,092</b>

**DIVERSIFIED JUTE PRODUCTS**

<b>INCOME</b>		
Sales	22,881,768	5,107,289
Misc. Receipts	–	14,439.00
Interest	82,176	77,565
Closing Stock	2,777,005	767,489
Net Loss	–	–
	<b>25,740,949</b>	<b>5,966,782</b>
<b>EXPENDITURE</b>		
Purchases	22,220,802	4,667,925
Opening Stock	767,489	410,985
Operational Expenses	915,085	–
Freight	273,502	66,646
Other Expenses	44,929	111,462
Bank Chrges	7,749	8,366
Printing & Stationery	–	2,922
Telephone Chrges	–	–
Travelling & Conveyance	–	408
Rent and Maintanance	54,624	90,734
Provision for Income Tax	–	263,926
Net Profit	1,456,769	343,408
	<b>25,740,949</b>	<b>5,966,782</b>



