

BALLY JUTE COMPANY LIMITED

Regd Office: 5, SREE CHARAN SARANI, BALLY, HOWRAH- 711201

CIN: L51909WB1982PLC035245

E Mail Id: sanjay.agarwal@kankariagroup.com

DIRECTORS REPORT FOR THE FINANCIAL YEAR 2017-2018

**To,
The Members,**

Your directors have pleasure in presenting their 36th Annual Report on the business and operations of the company together with the Audited Statement of Accounts for the year ended 31st March 2018.

FINANCIAL HIGHLIGHTS

During the year under review, a brief break up of the financial performance of the Company is given as under:

(Rs in Lacs)

Particulars	Year ended 31 st March 2018	Year ended 31 st March 2017
Turnover	21159.38	23135.16
Profit before finance charges, Tax, Depreciation/Amortization	1258.73	1270.4
Less: finance Charges	525.87	570.74
Profit before Tax, Depreciation/Amortization	732.86	699.66
Less: Depreciation	510.25	492.81
Net Profit before Taxation	222.61	206.85
Provision for Taxation	75.18	68.31
Profit/(Loss) after tax	147.43	138.54

OPERATIONS AND STATE OF COMPANY'S AFFAIRS

During the year 2017-18 under review, the company has achieved lower sales of Rs. 211.59 crores and higher profit before tax of Rs. 222 lacs vis-à-vis sales of Rs. 231.35 crores and profit before tax of Rs. 206 lacs in the corresponding previous year 2016-17. The sales during the year under review was lower on account of lower prices of raw jute having consequential impact on finished goods prices. Moreover, the company achieved marginally higher production volumes in MT during the year

under review as compared to corresponding previous year despite shortage of workers.

CHANGE IN NATURE OF BUSINESS, IF ANY

There was no Change in the nature of the business of the Company during the year.

DIVIDEND

In order to conserve the resources of the company, the Board of Directors of the Company have not recommended any dividend for the year ended 31st March, 2018.

CORPORATE GOVERNANCE

A report on Corporate Governance along with a certificate from Practicing Company Secretary confirming Compliance of the conditions of Corporate Governance as stipulated in Schedule V to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and forming part of the report is annexed hereto as Annexure -1.

EXTRACT OF THE ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT-9 is annexed herewith as Annexure-2

NUMBER OF BOARD MEETINGS

Twelve Meetings of the Board were held during the financial year ended on 31.03.2018. For details of the meeting of the Board, please refer to the corporate governance report, which forms the part of this report.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The details in respect of internal financial control and their adequacy are included in management discussion & Analysis which form part of this report.

PARTICULARS OF LOAN, GUARANTEES AND INVESTMENTS UNDER SECTION 186

The particulars of loan, investments and guarantees have been disclosed in the financial statements for the year ended 31st March 2018.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES :

The Company has not entered into any transaction with related parties during the year as referred to in Section 188(1) of the Companies Act 2013. Disclosures as required under Accounting Standard 18 have been disclosed in the financial statements for the year ended 31st March 2018. Since the Company has not extended any loan or advance to its associates, holding or firms/ Companies in which director are interested, no disclosure is required as per point A(2) to Schedule V to the SEBI (LODR) Regulations, 2015.

AUDITORS' REPORT

The Notes on accounts referred to the auditors' report are self-explanatory and do not call for any further explanation.

MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There is no material change in the financial position of the Company subsequent to balance sheet date which will affect the Company.

ENVIRONMENT, ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

As required by the Companies Act 2013, the relevant data pertaining to the conservation of energy etc. are given in Annexure -3 of this report.

RISK MANAGEMENT POLICY

In compliance with the requirement of the Companies Act, 2013 the Company has put in place Risk Minimization and Assessment Procedures. In order to effectively and efficiently manage risk and address challenges, the company has formulated Risk Management Policy.

The combination of policies and procedures adequately addresses the various risks associated with your Company's businesses.

DIRECTORS

During the year under review, there was no change in the Composition of the Board of Directors.

Ms. Nibedita Majumder, (holding DIN-07168214), who retires by rotation, and being eligible, offer herself for re-appointment.

KEY MANAGERIAL PERSONNEL

There was no change in the key managerial personnel during the year under review.

DEPOSITS

The Company has not accepted any deposits from public under section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

DECLARATION BY INDEPENDENT DIRECTOR

All the Independent Directors have given declarations that they meet the criteria of independence as laid down under section 149(6) of the Companies Act 2013. In the opinion of the Board, they fulfil the conditions of independence as specified in the act and the rules there under and are independent of the management.

SECRETARIAL AUDIT

In compliance with the provisions of section 204 of the Companies Act 2013, secretarial audit was conducted by M/s Rakesh Agarwal & Co., practicing company secretary. The Secretarial Audit Report in prescribed format MR 3 is given as annexure- 4 which form the part of this report. The observations made in the report are self explanatory.

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

The Company does not fall under the criteria of Section 135 of Companies Act, 2013.

AUDIT COMMITTEE

The details pertaining to composition of audit committee are included in the corporate governance reports which form the part of this report.

FAMILIARIZATION PROGRAMMES FOR BOARD MEMBERS

The Board members are provided with necessary documents, reports and internal policies to enable them to familiarize with the Company's procedures and policies. Periodic presentations are made at the Board and Board Committee Meetings, on business and performance updates of the Company.

CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES AND INDEPENDENCE OF A DIRECTOR:

The Nomination and Remuneration Committee has Formulated the criteria for determining qualifications, positive attributes and independence of Directors in terms of provisions of section 178(3) of the Companies Act 2013 and SEBI (LODR) Regulations, 2015.

Nomination and remuneration committee (NRC) identify persons who are qualified to become directors in accordance with the criteria laid down. The NRC review the composition and diversity of Board, keeping in view the requirement of Companies Act, 2013 and SEBI(LODR) Regulations, 2015 and recommend to the Board appointment/ reappointment of eligible candidates including their terms of appointment and remuneration.

ANNUAL EVALUATION OF BOARD PERFORMANCE AND PERFORMANCE OF ITS COMMITTEES AND DIRECTORS:

Nomination and Remuneration Committee of the Board has devised the criteria for evaluation of the independent directors, the Board and its committees. The Board has carried out annual evaluation of its own performance, and that of its committees and individual directors.

REMUNERATION POLICY

Details of the Remuneration Policy are given in the Corporate Governance Report.

DISCLOSURE ON ESTABLISHMENT OF VIGIL MECHANISM

The Company has adopted a Whistle Blower policy, to provide a formal mechanism to the Directors and employees to report their concern about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The policy provide for adequate safeguards against victimization of employees who avail of the mechanism and also provide for direct access to the chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee. The Whistle blower policy is hosted on company's website (www.ballyjute.com)

PARTICULARS OF EMPLOYEES

Particulars of employees and the ratio of the remuneration of each director to the median employee's remuneration and other details in terms of section 197 of the Companies Act 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 from part of this Report. However, in terms of section 136(1) of the Companies Act 2013 the Report and Accounts are being sent to the members and others entitled thereto, excluding these statements. The Annexure are available for inspection by the Members at the Registered Office of the Company during working hours on working days for a period of 21 days before the ensuing Annual General Meeting. However, a copy of the statement shall be made available to any members on demand.

DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The Company has zero tolerance for sexual harrasment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harrasement at workplace, in line with the provisions of the sexual harrasement of women at workplace (prevention, prohibition and redressal) Act, 2013 and Rules thereunder. An Internal Compliants Committee, Known as the prevention of sexual harasement (POSH) committee was constituted to inquire into the complaints of sexual harrasement & recommend appropriate action. Further, the Company has not received any complaint of sexual harrasement during financial year 2017-2018.

STATUTORY AUDITORS

As per the provisions of section 139 read with section 141 of the Companies Act, 2013 and Rules made there under M/s J.B.S & Co., Chartered Accountants, (FRN: 323734E) was appointed as statutory auditors of the company for a period of 5 years starting from 1st April, 2017 to 31st March, 2022.

Further, consequent to amendment of Companies (Audit and Auditors) Rules, 2018 appointment of Auditors need not require ratification at every Annual General Meeting during the period from 1st April, 2017 to 31st March, 2022.

INTERNAL AUDITORS

The Company has appointed M/s Srimal Jain & Co. as the Internal Auditors for the year 2018-19.

COST AUDITORS

As per directives of the Central Government and in pursuance to the provision of section 148 of the Companies Act, 2013 read with rules framed there under, the Company is required to carry out an audit of Cost Records maintained by the Company in respect of each financial year. As per recommendation of chairman of Audit Committee, M/s B.G Chowdhury & Co., Cost Accountants, has been appointed as cost Auditors to conduct the audit of Cost Records of our Company for the Financial Year 2018-19. The remuneration proposed to be paid to them, recommended for ratification by the Audit Committee, require ratification by the shareholders of the Company. In view of this, your ratification for payment of remuneration to cost auditors is being sought at the ensuing AGM.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A. INDUSTRY STRUCTURE AND DEVELOPMENT

The central government support measures under the Jute Packaging Materials (Compulsory use in packing commodities) Act 1987 is continuing and the order for compulsory packaging of food grains at 90% and sugar at 20% has been extended during the whole of jute year until 30th June 2018. We are hopeful that the said reservation percentage order under JPMA is likely to be extended further until June 30 2019 as per recommendation of Standing Advisory Committee considering the role played by the jute sector in the livelihood of farmers and workers.

The jute industry was comfortable with reasonable raw jute prices during the year under review.

The Jute Commissioner under the Jute and Jute Textiles Control Order 2016 continued with the mechanism of allocation of production control orders considering installed capacity, production and sales of jute goods by the mills and have further taken effective steps for streamlining the process of production control orders and supply orders in line with central government decision. The National Jute Board has continued with the scholarship scheme for children of jute mill workers in order to help improve socio-economic conditions. The National Jute Board has also continued implementation of incentive scheme for acquisition of plant and machinery to facilitate jute mill modernization.

B. OPPORTUNITIES AND THREADS / RISKS AND CONCERNS

i. OPPORTUNITIES

Jute being natural fibre possess environment friendly bio-degradable characteristics and as such will continue to be a preferred medium for packing materials at all times to come. The Central Government assistance for upgradation and modernisation of existing machinery to promote jute diversified products would help boost market of jute goods. The central government is consistently following the prevailing policy for jute sector considering the livelihood of workers and farmers associated with the jute sector.

ii. THREATS/ RISK AND CONCERNS

- a) Jute goods market is competitive and faces tough competition from Bangladesh in export markets owing to cost advantages and export subsidies. However, in order to overcome said risk sincere efforts are being made to cut costs at all levels and improve efficiency in addition Government has imposed anti dumping duty on imports of jute goods from Bangladesh.
- b) The Compulsory packaging order issued by government of India under JPM Act 1987 for compulsory packaging of prescribed percentage of food grains and sugar in jute packaging material is a function of government policy and procedures. However, the support under JPM Act to the jute industry has been continuing from years and is likely to continue in the interest of workers and farmers.
- c) Risk of favoured alternative packaging material like HDPE / Polypropylene due to cost consideration exists over jute packaging material but the harmful impact on environment and ecological concerns helps jute products vis-à-vis alternatives.
- d) The raw jute being an agro- product is dependent on vagaries of monsoon in India. However, timely government intervention helps to overcome shortage in case of

emergency situation. Moreover, proper advance procurement planning of raw jute helps mitigate the said risk.

- e) Foreign exchange risk exists due to fluctuations in rupee value vis-à-vis US dollars affecting exports of jute goods / import of raw jute. However, proper hedging mechanism is followed to overcome the said fluctuations.
- f) Domestic revenues fluctuate with erratic government orders. However steps have been taken by the jute commissioner to ensure smooth order flows in line with the recommendation of the Standing Advisory Committee. Moreover, inventory is built up during slack seasons to cater the said problems.
- g) Jute industry being labour intensive and continuous availability of workers and management of labour is critical for smooth functioning of the factory. However, the proximity of the unit to railway station helps in overcoming this problem apart from availability of workers colony.

C. SEGMENTWISE OR PRODUCTWISE PERFORMANCE

As the Company's business activities fall within a single primary business segment namely Jute goods, the disclosure requirement of accounting standard AS- 17 issued by the Institute of Chartered Accountants of India is not applicable.

D. OUTLOOK :

As per the preliminary reports sowing of new raw jute crop for the jute year 2018-19 seems to be a bit lower but with favourable weather conditions the crop size is expected to be normal. However, since the carry over raw jute stock from last season would be lower than the previous year, the raw jute prices are expected to be remain higher compared to previous year. The outlook of industry is bright owing to jute being a natural fibre with bio-degradable characteristics. The Government policy has been comprehensive and government orders remains buoyant in the domestic market. The demand for jute goods is expected to rise in view of plastic ban imposed in different parts of the country due to ecological concerns.

E. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:

The company has adequate internal checks and balances so as to provide desired alert signals through installation of ERP system and the same is upgraded on a regular basis. Moreover, the internal audit mechanism is in place to conduct the routine checks on a regular basis throughout the year for better control and efficient management.

F. FINANCIAL PERFORMANCE WITH RESPECT TO OPERTIONAL PERFORMANCE:

The following are the significant areas of financial performance:

(Rs. In lacs)

Particulars	2017-2018	2016-2017
Revenue from Operations (Net)	21159.38	23135.16
Cost of Material Consumed	11740.41	13410.42
Finance Cost	525.87	570.74
Profit After Tax	147.43	138.54
Inventory	5419.27	4806.04

G. HUMAN RESOURCES

The industrial Relations of the production unit of the Company during the financial year 2017-2018 were peaceful and harmonious. Supervisory Development programs on productivity, safety, cost control, communications and human relations are being carried out as a matter of routine. With high level of Commitment and loyalty by staff members, the Company is confident to face the challenges of competitive market conditions.

H. CAUTIONARY STATEMENT

Statement in this Management Discussion and Analysis Report, describing Company's objective, projection, expectation, estimate or prediction is based on the prevailing Industry position and market conditions which may be different from what is envisaged with regards to future prospects and performance. However, this may undergo changes in future in view of the volatility involved based on weather condition, Government Policy relating to Jute Industry, global demand and market trends.

DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act 2013, it is hereby stated to the best of our knowledge and belief that:

- a) in the preparation of the annual accounts for the financial year ended 31st March, 2018, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2018 and of the profit /loss of the Company for that period;

- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis;
- e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
- f) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively. While affirming this, your directors confirm the following:
 - i. Systems have been laid down to ensure that the transactions in the company are executed in accordance with management's authorization in adherence to policies and procedures adopted by the Company.
 - ii. The existing assets of the Company are verified at reasonable intervals and appropriate actions are taken with respect to differences, if any. Access to assets is permitted only in accordance with management's authorization and no assets of the company are allowed to be used for personal purposes, except in accordance with terms of employment or only if specifically authorized.
 - iii. Systems and procedures exist to maintain checks and balances and to prevent and detect frauds and errors.
 - iv. Proper frameworks exist to ensure that all transactions are recorded to facilitate timely and effective preparation of financial statements in accordance with generally accepted accounting principles.

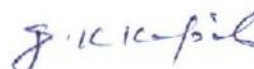
ACKNOWLEDGEMENT

The Directors wish to convey their gratitude and sincere appreciation to the customers, Shareholders, Vendors, Bankers and employees at all level for the cooperation and continued support received by the Company.

Place-Bally

Date – 17.08.2018

For and on behalf of the Board of Directors



(Chairman)

(00320521)

BALLY JUTE COMPANY LIMITED
CIN- L51909WB1982PLC035245
REPORT ON CORPORATE GOVERNANCE

The Report containing the details of Corporate Governance System and process at Bally Jute Company Limited pursuant to Part C of schedule V of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 "Listing Regulations"

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

The Company believes in practice of good Corporate Governance. The Company firmly believes in the values of transparency, professionalism and accountability in its dealing with its customers, dealers, employees and Shareholders and with the every individual who deals and comes in the contact with the Company.

2. BOARD OF DIRECTOR :

a) Composition of the Board

As on 31st March, 2018, the Board of Directors had four members comprising of two Independent Director, a director cum manager and a woman Non-Executive Director. The Chairman of the Board is a director cum manager

The Non-Executive Directors are liable to retire by rotation.

All Independent Directors of the Company have been appointed as per the provisions of the Companies Act 2013 and rules framed there under and as per Listing Regulation.

None of the Director on the Board is a member of more than 10 Committee or Chairman of more than 5 Committees across all the Companies in which he/she is a Director. None of the Directors holds office in more than 20 companies and in more than 10 public companies.

b) Attendance of Directors at Board Meetings and last Annual General Meeting along with no. of other Directorship(s) and other Board Committee chairmanship(s)/ Membership(s) held as on 31st March 2018.

Name	Category of Directorship	No. of other Companies Directorships (Including Pvt. Ltd. Company	No. of other Board Committee(s) of which he is a member*	No. of other Board Committee(s) of which he is a Chairman*
Mr. Jitendra Kumar Kapila	Director Cum Manager	8	-	-
Mr. Ajit Kumar Jain	Independent & Non Executive	4	2	2
Mr Pradip Debnath	Independent & Non Executive	-	2	-
Mrs. Nibedita Majumder	Non Executive Director	-	2	-

In case of committees, only two committees, viz. the Audit Committee and the Stakeholder's Relationship Committee are considered.

During the year twelve Board meetings were held on 17th April'2017, 10th May'2017, 16th May'2017, 31st May'2017, 30th June'2017, 10th July'2017, 10th August 2017, 25th August 2017, 13th November 2017, 18th January 2018, 12th February'2018, 20th March'2018.

N a m e	No. of Board Meeting Attended	Attendance at last AGM held on
Mr. Jitendra Kumar Kapila	12	Present
Mr. Ajit Kumar Jain	12	Present
Mr Pradip Debnath	12	Present
Mrs. Nibedita Majumder	12	Present

c) Disclosure of relationships between directors inter-se:

No director is inter se, related to any other director on the Board.

d) Number of Shares and convertible instruments held by non- executive directors:

None of the directors holds any shares in the Company.

e) Weblink for familiarisation programmes imparted to independent director is disclosed:

The Company has a familiarisation programmes for independent directors and the same is available on the website of the Company (www.ballyjute.com). The

present independent directors are well conversant with the operations of Jute industry, the Company's model and their responsibilities as independent directors. However the familiarization programme will be imparted as and when considered by the board.

SEPARATE MEETING OF INDEPENDENT DIRECTORS:

A separate meeting of Independent Directors of the Company, without the attendance of Non-Independent Directors and members of the Management was held on 5th January 2018 as required under Schedule IV to the Companies Act 2013 (Code of Independent Directors). At the Meeting, the Independent Directors:

Reviewed the performance of Non-Independent Directors and the Board as a whole,

Reviewed the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors; and Assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Mr. Ajit Kumar Jain and Mr. Pradip Debnath attended the Meeting of Independent Directors. Mr Ajit Kumar Jain chaired the meeting.

None of the Non-Executive Directors and Independent Director of the Company have any material pecuniary relationship or transactions with the Company.

3. AUDIT COMMITTEE:

a) Terms of Reference

The Company has duly constituted Audit Committee in compliance with provisions of section 177 of the companies Act, 2013 and Regulation 18 of SEBI (Listing Obligation and Disclosure requirement) Regulations, 2015 as amended from time to time.

The terms of reference of the Audit Committee are in line with the Section 177 of the Companies Act 2013 and Regulation 18 of SEBI (Listing Obligation and Disclosure requirement) Regulations, 2015. The broad functions of Audit Committee:

- a. To discuss and review the comment on Internal Audit Reports submitted by Company's Internal Auditor.
- b. To review the progress on implementation of the suggestions made by Internal Auditors.

- c. To discuss and review the observations of Internal Auditors, cost control measures, statutory compliances etc. in various functional areas.
- d. Recommending the appointment and removal of auditors and fixing their remuneration.
- e. Review with the Management the annual, half-yearly and quarterly financial statements before submission to the Board.

b) Composition, Name of Members and Chairman,

The composition of the Audit Committee is given below:

Name & Designation	Category	Number of Meeting Attended
Mr. Ajit Kumar Jain (Chairman)	Independent Director	5
Mr. Pradip Debnath (Member)	Independent Director	5
Mrs. Nibedita Majumder (Member)	Non Executive Director	5

c) MEETINGS

During the year five Audit Committee meetings were held on 21st April 2017, 20th May 2017, 7th August 2017, 3rd November 2017, 29th January 2018 .

4. NOMINATION AND REMUNERATION COMMITTEE

The Company has duly constituted Nomination and Remuneration Committee in compliance with provisions of section 178 of the companies Act, 2013 and Regulation 18 of SEBI (Listing Obligation and Disclosure requirement) Regulations, 2015.

a) Terms of Reference

- a. Make recommendations regarding the composition of the Board, identify Independent Directors to be inducted to the Board from time to time and take steps to refresh the composition of the Board from time to time.
- b. Identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and carry out evaluation of every Director's performance.

- c. Formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board Policy relating to the remuneration of the Directors, key managerial personnel and other employees.
- d. Formulate criteria for evaluation of Independent Directors and the Board.
- e. Devise a policy on Board Diversity.

b) Composition, Name of Members and Chairman

The composition of the Nomination and Remuneration Committee is given below:

Name & Designation	Category	Number of Meeting Attended
Mr. Ajit Kumar Jain, (Chairman)	Independent Director	1
Mr. Pradip Debnath, (Member)	Independent Director	1
Mrs. Nibedita Majumder (Member)	Non Executive Director	1

c) MEETINGS

During the year one Nomination and Remuneration Committee meetings were held on 22nd August 2017

d) PERFORMANCE EVALUATION OF INDEPENDENT DIRECTORS

Nomination and Remuneration Committee of the Board has devised the criteria for evaluation of the independent directors, the Board and its committees. The Board carried out annual evaluation of independent directors on the basis of criteria laid down. The evaluation was done by the Board of Directors except the directors who was evaluated.

5. REMUNERATION TO DIRECTORS

a) Remuneration Policy

The Company has adopted a Remuneration Policy for the Directors, Key Managerial Personnel and other employees, pursuant to the provisions of the Act 2013 and SEBI LODR Regulations.

The philosophy for remuneration of Directors, Key Managerial Personnel and all other employees of the Company is based on the commitment of fostering a culture of leadership with trust. The Remuneration Policy of the Company is aligned to this philosophy.

The Nomination and Remuneration Committee has considered the following factors while formulating the Policy:

- (i) Determine the level and composition of remuneration that will attract, retain and motivate directors, KMPs, senior managerial personnel and other employees of the Company.
- (ii) Provide a well balanced and performance based remuneration package taking into account industry standard and relevant corporate regulations.
- (iii) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

b) Details of Remuneration to Directors

The Company has paid remuneration of Rs. 3,42,000/- P.A. to Sri J.K. Kapila as Director cum Manager during the period under report as admissible within the overall limits specified under Schedule V of the Companies Act, 2013 and as approved by the Shareholders.

Directors are paid sitting fees at the rate of Rs. 1000/- for attending each Board meetings.

6. STAKE HOLDERS RELATIONSHIP COMMITTEE

a) Name of non-executive director heading the committee :

The members and chairman of the committee are:-

Mr Ajit Kumar Jain (chairman)

Mrs Nibedita Majumder (member)

Mr. Pradip Debnath (member)

During the year one Stake holders Relationship Committee meetings were held on 31st March 2018.

b) Name and designation of compliance officer

Mr. Sanjay Kumar Agarwal, the Company Secretary of the Company is the compliance officer

c) Investors complaints

No complaints were received from the Investors/Share holders.

7. FINANCE COMMITTEE

A committee of the Board constituted in year 2014 to borrow money up to the extent of Rs.100 crores per financial year and to give guarantee or provide security in respect of loan taken by others up to the limit of Rs.100 crores. The Committee was constituted to align with the requirements of Companies Act 2013. The members and chairman of the committee are:-

Mr Ajit Kumar Jain (Member)

Mr Jitendra Kumar Kapila (Chairman)

The Committee met five times during the year under report on 01/04/2017, 01/07/2017, 14/07/17, 04/09/2017 & 13/10/2017

8. GENERAL BODY MEETINGS

a) Details of the last three Annual General Meetings held are as under :

Financial Year	Location	Date	Time	Special Resolution
2014-15	5, Sree Charaan Sarani, Bally, Howrah -711201	30.09.2015	10.00 A.M	None
2015-16	- do-	30.09.2016	10.00 A.M.	None
2016-17	-do-	26.09.2017	10.00 A. M	None

b) POSTAL BALLOT

No special resolution was passed last year through postal ballot and special resolution is proposed to be passed in the current year but such item of business are not covered under section 110 of the companies' act 2013 . Further as per notification dated 13th June, 2018, the companies having members up to two hundred are not required to transact any business through postal ballot.

9. CODE OF CONDUCT :

The Board has laid down a Code of Conduct for all the Board Members and Senior Management of the Company. All the Board Members and Senior Management personnel have affirmed compliance with the Code for 2017-18. A declaration to this effect duly signed by manager forms part of this Annual Report.

10. MEANS OF COMMUNICATION

The Company had submitted its Quarterly, Half Yearly and Yearly financial results to the Stock Exchange soon after its approval by the Board and published the same in News Papers as required by listing Regulation.

The quarterly, half yearly and annual working results of the company are published in newspapers like Financial Express (English) and Arthik Lipi (Bengali).

The Company has its own functional website www.ballyjute.com where information about the Company's Quarterly, Half Yearly and Yearly financial results, annual report, distribution of shareholding at the end of each quarter required to be disclosed under Regulation 30(8) and 46 of SEBI (LODR) Regulation, 2015 are regularly updated.

11. GENERAL SHAREHOLDER INFORMATION

a) Annual General Meeting

36th Annual General Meeting will be held on 27th September 2018 at 10.00 A.M. at its Registered Office at 5, Sree Charan Sarani, Bally, Howrah – 711 201

b) Financial Calendar (2018-2019): (tentative)

Quarter ending June 30, 2018	: 10 th August, 2018
Quarter ending September 30, 2018	: On or before 14 th November, 2018
Quarter ending December 31, 2018	: On or before 14 th February, 2019
Quarter ending March 31, 2019	: On or before 14 th May, 2019

c) Date of Book Closing :

21st September, 2017 to 27th September, 2017 (both day inclusive)

d) Dividend

The board has not recommended any dividend on Equity shares.

e) Listing on Stock Exchange : 1) The Calcutta Stock Exchange Ltd.

f) Demat ISIN - Not Allotted

g) Registrar and Share Transfer Agent :

ABS Consultants Pvt. Ltd.

“Stephen House”, Room No.99
6th Floor, 4, B.B.D. Bag (East),
Kolkata-700 001.

h) Status of Dematerialization of Shares as on 31st March, 2018.

As on 31st March, 2018, entire Equity Shares of the Company are being held in physical Form by the Shareholders.

i) Distribution of Shareholding as on 31st March, 2018

Slab of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 – 500	15	37.5	590	0.004
501 – 1000	1	2.5	638	0.005
1001 – 2000	-	-		
2001 – 3000	12	30	31375	0.24
3001 – 4000	-	-		
4001 – 5000	-	-		
5001 – 10000	-	-		
10001 and above	12	30	12875056	99.75
Total :	40	100	12907659	100

j) Category of Shareholders as on 31st March, 2018.

Category	No. of Shares	% of Shareholdings
Promoters	12882556	99.81
Institutional Investors	-	-
Body Corporate	-	-
Indian Public	25103	0.19
NRIs / OCBs	-	-
Total :	12907659	100

k) Stock Market Data - There was no trading during the year under review and thus High / Low market price data for Stock performance in comparison to broad based indices can not be made.

l) Share Transfer System -During the period under review, no complaint was received from the shareholders. No share transfers were pending as on 31st March, 2018.

m) Registered Office : 5, Sree Charan Sarani, Bally, Howrah-711201.

n) Plant Location : -do-

o) Address for correspondence : -do-

12. Other Disclosures

- a) There are no materially significant related party transactions between the Company and its promoters, directors or their relatives etc. that may have potential conflict with the interests of Company at large. Disclosures as required under AS-18 have been made in Note 31 to the financial statements for the year ended 31st March, 2018. Policy on related party transactions and other policies and code of conduct adopted by the Board are displayed on the website of the Company (www.ballyjute.com).
- b) No penalty has been imposed by any stock exchange, SEBI or SEC, nor has there been any instance of non-compliance with any legal requirements, or on matters relating to the capital market over the last three years
- c) **Disclosure of compliance with mandatory and non-mandatory corporate governance requirements:**

The Company has made compliance with corporate governance requirements as specified in Clause 49 of the Listing Agreement / Regulations 17 to 27 and clause (b) to (i) of sub-regulation (2) of Regulation 46 read with schedule V to listing Regulations.

Mandatory requirements : The Company has complied with all mandatory requirements under the Listing Agreement / Listing Regulations.

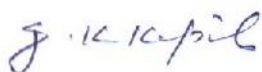
CERTIFICATION FROM MANAGER & CFO OF THE COMPANY


To
The Board of Directors
Bally Jute Company Ltd.

We, Jitendra Kumar Kapila, director cum manager and Satyananda Sahoo, Chief Financial Officer of Bally Jute Company Ltd (the Company") to the best of our knowledge and belief certify that:

- a) We had reviewed the financial statements and the cash flow statement for the financial year ended on 31.03.2018 and that to the best of our knowledge and belief, we state that:
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading;
 - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulation.
- b) We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We hereby declare that all the members of the Board of Directors and Executive Committee have confirmed compliance with the Code of Conduct as adopted by the Company.
- d) We are responsible for establishing and maintaining internal controls for financial reporting and that we had evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting of the Company and had disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies.
- e) We had indicated, based on our most recent evaluation, wherever applicable, to the Auditors and the Audit Committee:
 - i. significant changes, if any, in internal control over financial reporting during the year;
 - ii. significant changes, if any, in the accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
 - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over the financial reporting.

Place: Bally
Date: 17/08/2018

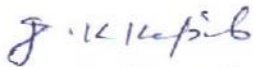

Jitendra Kumar Kapila
(Director Cum Manager)
(DIN - 00320521)


Satyananda Sahoo
(Chief Financial Officer)

**Declaration on compliance with Company's code of conduct as required under
SEBI (LODR), Regulations, 2015**

I, Jitendra Kumar Kapila, director cum manager do hereby declare to the best of my knowledge and belief, that all the members of the Board and Senior Management Personnel of the Company have furnished their affirmation of compliance with the Code of Conduct of the Company for the financial year ended 31st March, 2018

Place : Bally
Date: 17/08/2018


Jitendra Kumar Kapila
(Director Cum Manager)
(DIN – 00320521)

PRAMOD AGARWAL & CO.
Practising Company Secretaries

BAGRI MARKET
71, CANNING STREET
4TH FLOOR, ROOM NO.C459
KOLKATA-700001
☎ 033 4005 2098
E-MAIL:pramod2677@gmail.com

**CERTIFICATE FROM PRACTISING COMPANY SECRETARIES REGARDING COMPLIANCE OF
CONDITIONS OF CORPORATE GOVERNANCE**

To
The Members of
BALLY JUTE COMPANY LIMITED

I have examined the compliance of conditions of Corporate Governance by Bally Jute Company Limited for the year ended on March 31, 2018, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.


The compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In my opinion and to the best of our information and according to explanation given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI (LODR) Regulations, 2015 / Listing Agreements, to the extent applicable to the Company during the year under report.

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

Place: Kolkata
Date : 17.08.2018

For Pramod Agarwal & Co.
Company Secretaries


P. Agarwal
Pramod Agarwal
(Proprietor)
C. P. No. : 4193

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2018

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

REGISTRATION & OTHER DETAILS:		
i	CIN	L51909WB1982PLC035245
ii	Registration Date	04.09.1982
iii	Name of the Company	BALLY JUTE COMPANY LTD.
iv	Category/Sub-category of the Company	COMPANY LIMITED BY SHARES
v	Address of the Registered office & contact details	5, SREE CHARAN SARANI, BALLY HOWRAH-711201
vi	Whether listed company	YES
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	ABS CONSULTANTS PVT. LTD. "Stephen House", Room No. 99 6th Floor, 4, B.B.D.Bag (East), Kol- 700001

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 & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	JUTE GOODS	131	100.00%

III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES					
Sl No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
NOT APPLICABLE					

IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)										
Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
A. Promoters										
(1) Indian	-	-	-	-	-	-	-	-	-	-
a) Individual/HUF	-	1,214,492	1,214,492	9.41	-	1,214,492	1,214,492	9.41	-	-
b) Central Govt. or State Govt.	-	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	-	11,668,064	11,668,064	90.40	-	11,668,064	11,668,064	90.40	-	-
d) Bank/FI	-	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-	-
SUB TOTAL (A) (1)	-	12,882,556	12,882,556	99.81	-	12,882,556	12,882,556	99.81	-	-
(2) Foreign										
a) NRI- Individuals	-	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-	-	-
SUB TOTAL (A) (2)	-	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter	-	12,882,556.00	12,882,556.00	99.81	-	12,882,556.00	12,882,556.00	99.81	-	-
(A) = (A)(1)+(A)(2)										
B. PUBLIC SHAREHOLDING										
(1) Institutions										
a) Mutual Funds	-	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	-	-	-	-	-	-
c) Central govt	-	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-	-
g) FIIS	-	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-	-
SUB TOTAL (B)(1):										
(2) Non Institutions										
a) Bodies corporates	-	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	-	25,103.00	25,103.00	0.19	-	25,103.00	25,103.00	0.19	-	-
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	-	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-	-
SUB TOTAL (B)(2):	-	25,103.00	25,103.00	0.19	-	25,103.00	25,103.00	0.19	-	-
Total Public Shareholding (B) = (B)(1)+(B)(2)	-	25,103.00	25,103.00	0.19	-	25,103.00	25,103.00	0.19	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	12,907,659	12,907,659	100.00	-	12,907,659	12,907,659	100.00	-	-

(iii) SHARE HOLDING OF PROMOTERS								
Sl No.	Shareholders 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	AMBICA CAPITAL MARKETS LIMITED	4793073	37.13	NIL	4793073	37.13	NIL	NIL
2	ASPECTIVE TIE UP LIMITED	1746000	13.53	NIL	1746000	13.53	NIL	NIL
3	AMBICA JUTE MILLS LTD.	47542	0.37	NIL	47542	0.37	NIL	NIL
4	AUCKLAND SERVICES & SECURITIES LIMITED	266500	2.06	NIL	266500	2.06	NIL	NIL
5	ASHISHEK KUMAR KANKARIA	384792	2.98	NIL	384792	2.98	NIL	NIL
6	AWANTI KUMAR KANKARIA	384325	2.98	NIL	384325	2.98	NIL	NIL
7	GOLD VIEW FINANCIAL SERVICES LIMITED	1097533	8.50	NIL	1097533	8.50	NIL	NIL
8	KANAK TEXTILES LTD.	2500	0.02	NIL	2500	0.02	NIL	NIL
9	KSHITIZ MERCHANDISE LTD.	1686000	13.06	NIL	1686000	13.06	NIL	NIL
10	SCORE INFORMATION TECHNOLOGIES LTD.	135416	1.05	NIL	135416	1.05	NIL	NIL
11	WELLWORTH VANUYA PRIVATE LIMITED	2500	0.02	NIL	2500	0.02	NIL	NIL
12	YOGESH KUMAR KANKARIA	445375	3.45	NIL	445375	3.45	NIL	NIL
13	SATBICHAAR VIAPAAR LTD.	1684500	13.05	NIL	1684500	13.05	NIL	NIL
14	OM TOWERS PRIVATE LIMITED	2500	0.02	NIL	2500	0.02	NIL	NIL
15	MANBIR FINCOM PVT LTD.	204000	1.58	NIL	204000	1.58	NIL	NIL
	TOTAL	12,882,556	99.80		12,882,556	99.80		

(iv) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)				
Sl. No.	Share holding at the beginning of the Year	Cumulative Share holding 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				
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)	NO CHANGE DURING THE YEAR			
At the end of the year				

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)				
Sl. No.	Share holding at the beginning of	Cumulative Share		
	No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
For each of top 10 Shareholders				
1 BIMAL SINGH RAMPURIA				
At the beginning of the year	2875	0.02	2875	0.02
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)	0	0		
At the end of the year			2875	0.02
2 PARTHO MUKHERJEE				
At the beginning of the year	2875	0.02	2875	0.02
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)	0	0		
At the end of the year			2875	0.02
3 DEBAJIT TALUKDAR				
At the beginning of the year	2875	0.02	2875	0.02
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)	0	0		
At the end of the year			2875	0.02
4 PRAKASH KUMAR BOTHRA				
At the beginning of the year	2750	0.02	2750	0.02
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)	0	0		
At the end of the year			2750	0.02

5	SUSANTA DHAR				
	At the beginning of the year	2500	0.02	2500	0.02
	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)	0	0		
	At the end of the year			2500	0.02
6	NFERJA SRIMAL				
	At the beginning of the year	2500	0.02	2500	0.02
	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)	0	0		
	At the end of the year			2500	0.02
7	PRAVIN KUMAR JAIN				
	At the beginning of the year	2500	0.02	2500	0.02
	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)	0	0		
	At the end of the year			2500	0.02
8	RABINDRA SRIMAL				
	At the beginning of the year	2500	0.02	2500	0.02
	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)	0	0		
	At the end of the year			2500	0.02
9	PARMANAND TIWARI				
	At the beginning of the year	2500	0.02	2500	0.02
	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)	0	0		
	At the end of the year			2500	0.02
10	AMALENDU MAITY				
	At the beginning of the year	638	0	638	0
	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)	0	0	638	0
	At the end of the year			638	0
(v)	Shareholding of Directors & KMP				
Sl. No	For Each of the Directors & KMP	Shareholding at the end 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
1	Ajit Kumar Jain				
	At the beginning of the year	38	0	38	0
	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)	NIL	NIL	38	0
	At the end of the year	NIL	NIL	38	0

V INDEBTEDNESS				
Indebtedness of the Company including interest outstanding/accrued but not due for payment (Rs In Lakhs)				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2,994.46	1,324.00	-	4,318.46
ii) Interest due but not paid	92.56	23.09	-	115.65
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	3,087.02	1,347.09	-	4,434.11
Change in Indebtedness during the financial year				
Additions	-	-	-	-
Reduction	344.73	469.64	-	814.37
Net Change	-	-	-	(814.37)
Indebtedness at the end of the financial year				
i) Principal Amount	2,632.19	874.00	-	3,506.19
ii) Interest due but not paid	110.10	3.45	-	113.55
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	2,742.29	877.45	-	3,619.74

REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL		
Remuneration to Managing Director, Whole time director and/or Manager:		
Particulars of Remuneration	JITENDRA KUMAR KAPILA (MANAGER CUM DIRECTOR)	TOTAL (Rs)
Gross salary		
(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	285000	285000
(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	57000	57000
(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	NIL	NIL
Stock option	NIL	NIL
Sweat Equity	NIL	NIL
Commission as % of profit others (specify)	NIL	NIL
Others, please specify	NIL	NIL
Total (A)	342000	342000
Ceiling as per the Act		

Remuneration to other directors:			
Particulars of Remuneration	Name of the Directors		TOTAL
Independent Directors	AJIT KUMAR JAIN	PRADIP DEBNATH	
(a) Fee for attending board committee meetings	13000	13000	26000
(b) Commission	NIL	NIL	NIL
(c) Others, please specify	NIL	NIL	NIL
Total (1)	13000	13000	26000
Other Non Executive Directors	NIBEDITA MAJUMDER		
(a) Fee for attending board committee meetings	12000		12000
(b) Commission	NIL		NIL
(c) Others, please specify.	NIL		NIL
Total (2)	12000		12000
Total (B)=(1+2)			38000
Total Managerial Remuneration			
Overall Ceiling as per the Act.			

REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD			
Particulars of Remuneration	Key Managerial Personnel		Total
Gross Salary		CFO	
NAME	Company Secretary SANJAY KUMAR AGARWAL	SATYANANDA SAHOO	
(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	1287900	694980	1982880
(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	159000	129650	288650
(c) Profits in lieu of salary under section 17(3) of the	NIL	NIL	NIL
Stock Option	NIL	NIL	NIL
Sweat Equity	NIL	NIL	NIL
Commission	NIL	NIL	NIL
as % of profit	NIL	NIL	NIL
others, specify	NIL	NIL	NIL
Others, please specify	NIL	NIL	NIL
Total	1446900	824630	2271530

VII		PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES			
Type	Section of the Companies Act 2013	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
A. COMPANY					
Penalty	NONE				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	NONE				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	NONE				
Punishment					
Compounding					

[Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with rule 8(3) of the Companies (Accounts) Rules, 2014]

A. CONSERVATION OF ENERGY

i. Steps taken or impact on Conservation of energy :

In the past few years, the Company has tried to improve energy efficiency significantly by various measures. Steps taken to conserve energy include:

1. At its plant, the Company has carried out various modifications in layout to optimize energy consumption and reduce losses.
2. Energy efficient motors are being installed in order to optimize use of power.
3. In its plant and offices, the Company has replaced conventional light fixtures with energy efficient fixtures such as LED lights and tubes.
4. Optimization of machine speed, particularly in Spinning Frames and S4A Looms.
5. Maintenance of all machines, including boilers and compressors to make them energy efficient and minimize losses.

ii. Steps taken by the Company for utilizing alternate sources of energy :

The Company is making maximum use of natural lighting during day time and gradually inducting safelux system to get the factory system illuminated.

iii. Capital Investment on Energy Conservation Equipment: The Company has been making investment on continuous basis for the purpose of energy conservation.

B. TECHNOLOGY ABSORPTION

i. Efforts made towards Technology Absorption :

Efforts towards technology absorption included continued efforts for process improvements and installation of upgraded plant & machinery to improve the efficiency, productivity and profitability of the Company.

ii. Benefits derived like product improvement, cost reduction, product development or import substitution :

Improved productivity and automation process. Cost reduction has however, been partly offset by the increase in cost of other input.

iii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) :

1. **The details of technology imported:** The Company has not imported any technology during the last three financial years.
2. **Year of import :** Not Applicable
3. **Whether the technology has been fully absorbed:** Not Applicable
4. **If not fully absorbed, areas where absorption has not taken place, and the reasons thereof :** Not Applicable

iv. **Expenditure incurred on Research and Development :** Nil

C. FOREIGN EXCHANGE EARNINGS /OUTGO

Earnings	Rs 11,34,78,402
Outgo	Rs 19,16,45,452

RAKESH AGRAWAL & Co.

PRACTISING COMPANY SECRETARY

TODI MANSION, 1, LU SHUN SARANI,
11TH FLOOR, ROOM NO.1111
KOLKATA- 700 073,
Ph.: 033-66078104, 9831214920
Email - rakesh220466@yahoo.co.in

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST March 2018

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
BALLY JUTE COMPANY LTD
(CIN- L51909WB1982PLC035245)
5, Sree Charan Sarani,
Bally, Howrah,
Pin- 711201.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **BALLY JUTE COMPANY LTD.** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the **BALLY JUTE COMPANY LTD.** (the company's) books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31ST March 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by "the Company" for the financial year ended on 31ST March 2018, to the extent applicable, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
 - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder (NA);
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder (NA);
 - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings – as per the information provided by the Company, its officers and the documents made available to us
- the following are applicable during the year:



- a) Foreign Exchange Management (Exports of Goods and Services) Regulations, 2000.
- b) Foreign Exchange Management (Manner of Receipts and Payments) Regulations, 2000
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;- the Company has made disclosures in terms of regulation 30(1) and 30(2)
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009; (NA)
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (NA)
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (NA)
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Company itself is not registered as Registrar to Issue and Share Transfer Agents)
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (NA) and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (NA)
- (vi) Other Act-As per the information provided by the Company, its officers and authorized representatives, there is no such other Act/s applicable specifically to the Company.

*NA signifies not applicable during the reporting period

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (as applicable).
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. (Listed with Calcutta Stock Exchange Ltd)

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above:

I further report that based on the information provided by the company, its officers and its authorized representatives during the conduct of the audit, and also on the review of the compliance mechanism as established by the Company and on the basis of the Compliance Certificate issued by the Company Secretary taken on record by the Board of Directors of the Company, in my opinion, adequate system and processes and control mechanism exist in the company to monitor and to ensure the compliance with applicable general laws such as factories Act 1948, Industrial Dispute Acts 1947, Payment of Wages Act 1936 and environmental laws.

I further report, that the compliance by the company of the applicable financial laws, like direct and indirect tax laws, has not been reviewed in this audit since the same have been subject to review by statutory financial auditor and other designated professionals.

I further report, that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There is no change in the composition of the Board of Directors took place during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further



information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period the company has no such specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

Place: Kolkata

Date: 17/08/2018

Firm:

Signature:



Name of Company Secretary in practice /

Rakesh Agrawal

For Rakesh Agrawal & Co.

(Prop: Rakesh Agrawal)

M. No. F8792

C P No.: 9014

"ANNEXURE – A" to the Secretarial Audit Report

To,
The Members,
M/S BALLY JUTE COMPANY LTD
5, Sree Charan Sarani,
Bally, Howrah,
Pin- 711201.

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the Audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices we followed, provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place : Kolkata
Date: 17/08/2018



For Rakesh Agrawal & Co. in practice / Firm:

Rakesh Agrawal

For Rakesh Agrawal & Co.

(Prop: Rakesh Agrawal)

M. No. F8792

C P No.: 9014

J. B. S. & Company

CHARTERED ACCOUNTANTS

60, BENTINCK STREET, 4TH FLOOR
KOLKATA - 700 069

Phone : 2225 4828
2225 4829
Fax : 4007 0735

INDEPENDENT AUDITOR'S REPORT

TO
THE MEMBERS OF
BALLY JUTE COMPANY LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **BALLY JUTE COMPANY LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March 2018, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards, and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with



ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence, we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Basis for Qualified Opinion

- a) Attention is invited to Note No. 1 Point (XI) of statement of significant Accounting Policies regarding Gratuity provided as an expenses in the statement of Profit and Loss in the year in which the payment for the same has been made, which constitutes a departure from the Accounting Standard 15 - " Employee Benefits " including disclosure requirement under the said standard. The impact of the same in the Financial Statements is disclosed in Note No. 23
- b) Attention is invited to Note No.25(b) of the Financial Statement regarding pending Confirmation from certain parties. Effect on Profitability remains Unascertained.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualification Opinion paragraph above, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India,

- (a) In the case of Balance Sheet of the state of affairs of the Company as at 31st March 2018;
- (b) In the case of Statement of Profit and Loss, of the Profit of the Company for the year ended 31st March 2018; and
- (c) In the case of Cash Flow Statement, of the cash flows of the Company for the year ended 31st March 2018.

A handwritten signature in blue ink is written over a circular official stamp. The stamp contains text in a circular border, which is partially obscured by the signature.

Emphasis of Matter

We draw your attention to Note No.33 regarding that the Company has changed its accounting policy with respect to Export Incentive.

Report on Other Legal and Regulatory Requirements


1. As required by the Companies(Auditors Report) Order, 2016 ('the order') issued by the Central Government of India in terms of subsection (11) of the section 143 of the Act, we give in the "Annexure-A", a statement on the matters specified in the paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) Except for the effects of the matter described in the **Basis for Qualification Opinion paragraph**, in our opinion, proper books of account, as required by law, have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) Except for the effects of the matter described in the **Basis for Qualification Opinion paragraph**, in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of written representations received from the directors as on 31st March 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2018, from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) 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-B**"; and
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations which would impact on financial position in its financial statements - Refer Note.22 to the financial statements ;



- ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred by the Company to the Investor Education and Protection Fund.
- iv. The disclosure requirements relating to holding as well as dealings in specified bank notes were applicable for the period 8th November 2016 to 30th December 2016 which is not relevant to these financial statements. Hence reporting under this clause is not applicable.

For J.B.S. & Company
Chartered Accountants
FRN: 323734E




(CA Sudhanshu Sen)
Partner
Membership Number: 306354

Place: Kolkata
Date:



Annexure-A to the Independent Auditor's Report (referred to in our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Fixed Assets of the Company have been physically verified by the management during the year and no material discrepancies have been noticed on such verification. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of immovable properties are held in the name of the Company.
- (ii) As explained to us, the physical verification of inventories has been conducted at reasonable intervals by the management during the year and no material discrepancies were noticed on such verification.
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provision of clause 3(iii) of the Order is not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, the Company has neither granted any loan nor made any investment under section 185 and 186 of Companies Act, 2013, Thus clause 3(iv) of the order is not applicable to the Company.
- (v) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provision of Section 73 or 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable. Therefore, the provision of Paragraph 3 (v) of the said Order is not applicable to the Company.
- (vi) We have broadly reviewed the books of accounts relating to materials, labour and other items of cost maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013 and we are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records for determining whether they are accurate or complete.
- (vii) (a) According to the information and explanations given to us and on the basis of our examinations of the records of the Company, the Company has generally been regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Goods and Service Tax, Cess and any other statutory dues with the appropriate authorities



According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2018 for a period of more than six months from the date on when they become payable.

- (b) According to the information and explanations given to us, there are no dues of service tax, duty of customs, outstanding on account of any dispute. The following are the particulars of Central Sales Tax, West Bengal Value Added Tax and Excise Due which have not been deposited on account of dispute.
- i. In respect of CST for the Financial Year 2008-09 to 2014-15 amounting to Rs. 3,22,17,873/-
 - ii. In respect of WB VAT for the Financial Year 2010-11 amounting to Rs. 1,94,85,550/-
 - iii. In respect of ESIC for the Financial Year 2009-10 amounting to Rs. 38,45,609/-.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to the banks. The Company has not taken any loans either from financial institutions or from the government and has not issued any debentures.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Thus, paragraph 3 (ix) of the Order is not applicable to the Company.
- (x) According to the information and explanations given to us, no fraud on or by the Company or by its officers' or employees' has been noticed or reported during the course of our audit.
- (xi) Based upon the audit procedures performed and the information and explanation given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.
- (xii) According to the information and explanations provided to us, the Company is not a Nidhi Company as defined under section 406 of Companies Act, 2013.
- (xiii) In our opinion and according to the information and explanations given to us, transactions with the related parties are in compliance with Sections 177 and 188 of Companies Act, 2013 wherever applicable and the details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment of shares in accordance with section 42 of the Companies' Act, 2013. Accordingly, the provision of clause 3(xiv) of the order is not applicable to the Company and hence not commented upon.



- (xv) According to the information and explanations provided to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Thus, paragraph 3 (xv) of the Order is not applicable to the Company.
- (xvi) According to the information and explanation provided to us and based on our examination of the records of the Company, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For J.B.S. & Company
Chartered Accountants
FRN: 323734E



Sudhanshu Sen

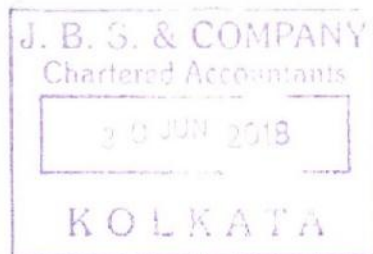
(CA Sudhanshu Sen)

Partner

Membership Number: 306354

Place: Kolkata

Date:



Annexure - B to the Independent Auditors' Report
Report on the Internal Financial Controls Over Financial Reporting 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 Bally Jute Company Limited ("the Company") as of 31 March, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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



Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For J.B.S. & Company
Chartered Accountants
FRN: 323734E



Sudhanshu Sen

(CA Sudhanshu Sen)
Partner

Membership Number: 306354

Place: Kolkata

Date:



BALLY JUTE COMPANY LIMITED
BALANCE SHEET AS ON 31ST MARCH'2018

(In Rs)

Particulars		Note No	As at 31st March 2018		As at 31st March 2017	
I.	EQUITY AND LIABILITIES					
(1)	<u>Shareholders' Funds</u>					
	(a) Share Capital	2	129,076,590		129,076,590	
	(b) Reserves & Surplus	3	765,972,639	895,049,229	751,229,828	880,306,418
(2)	<u>Non-Current Liabilities</u>					
	(a) Long-Term Borrowings	4	49,900,000		84,900,000	
	(b) Deferred Tax Liabilities (Net)		18,059,131	67,959,131	22,935,107	107,835,107
(3)	<u>Current Liabilities</u>					
	(a) Short-Term Borrowings	5	300,719,001		346,945,656	
	(b) Trade Payables		173,025,242		117,056,496	
	(c) Other Current Liabilities	6	104,876,104		93,140,746	
	(d) Short-Term Provisions	7	12,402,926	591,023,273	21,840,048	578,982,947
	Total			1,554,031,633		1,567,124,472
II.	ASSETS					
(1)	<u>Non-Current Assets</u>					
	(a) Fixed Assets	8				
	(i) Tangible Assets		759,614,218		786,396,454	
	(ii) Capital work in progress		-		4,299,645	
			759,614,218		790,696,099	
	(b) Non-Current Investments	9	100,000	759,714,218	100,000	790,796,099
(2)	<u>Current Assets</u>					
	(a) Inventories	10	541,926,721		480,604,437	
	(b) Trade Receivables	11	165,634,603		192,013,217	
	(c) Cash & Bank Balances	12	5,569,330		5,257,090	
	(d) Short-Term Loans and Advances	13	62,270,189		79,349,572	
	(e) Other Current Assets	14	18,916,572	794,317,415	19,104,057	776,328,373
	Total			1,554,031,633		1,567,124,472

Significant Accounting Policies and accompanying note are integral part of these Financial Statements 1-35

As per our Report of this date annexed

For J.B.S & Company
Chartered Accountants
FRN : 323734E

Sudhanshu Sen
(Partner)

Place :Kolkata

Dated: 30.06.2018



(Signature)
(Sanjay Kumar Agarwal)

General Manager (F&A) & Secretary

(Signature)
Satyananda Sahoo

Chief Financial Officer

FOR & ON BEHALF OF BOARD

(Signature)
DIRECTOR / MANAGER

(Signature)
DIRECTOR

BALLY JUTE COMPANY LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2018

(In Rs.)

Particulars		Note No	For the year ended 31st March 2018	For the year ended 31st March 2017
I	INCOME :			
	Revenue from Operations	15	2,119,543,273	2,335,621,808
	Less : Cess Duty		3,604,907	22,105,749
	Net Revenue from Operations		2,115,938,366	2,313,516,059
II	Other Income	16	7,406,190	510,299
III	TOTAL REVENUE (I+II)		2,123,344,556	2,314,026,358
IV	EXPENSES			
	Cost of materials consumed	17	1,174,040,957	1,341,041,671
	Purchase of Stock-in-trade		9,170,815	23,515,982
	Change in inventories of finished goods, work-in-progress and Stock-in-Trade	18	(1,316,665)	97,162,230
	Employee benefits expenses	19	470,861,009	439,681,427
	Finance costs	20	52,587,421	57,073,716
	Depreciation and amortisation expenses	8	51,025,162	49,280,835
	Other expenses	21	344,715,256	285,585,447
	TOTAL EXPENSES		2,101,083,955	2,293,341,308
V	Profit/(Loss) Before exceptional and extraordinary items and tax (III - IV)		22,260,601	20,685,050
VI	Exceptional Items		-	-
VII	Profit/(Loss) Before extraordinary items and tax (V- VI)		22,260,601	20,685,050
VIII	Extraordinary Items		-	-
IX	Profit/(Loss) before Tax (VII - VIII)		22,260,601	20,685,050
X	Tax Expense :			
	(1) - Current Tax		12,402,926	10,651,076
	(2) - Deferred Tax		4,875,976	3,811,977
	(3) - Income tax for earlier years		(9,160)	(8,211)
			7,517,790	6,830,888
XI	Profit/(Loss) for the period from continuing operations (IX - X)		14,742,811	13,854,162
XII	Profit/(loss) from discontinuing operations			
XIII	Profit for the period (XI + XII)		14,742,811	13,854,162
	Earning per Equity Share (Face Value Rs.10/- each)			
	(1) Basic		1.14	1.07
	(2) Diluted		1.14	1.07

Significant Accounting Policies and accompanying note are integral part of these Financial Statements 1-35

As per our Report of this date annexed

For J.B.S & Company
Chartered Accountants
FRN : 323734E

Sudhanshu Sen

Sudhanshu Sen
(Partner)
Place : Kolkata
Dated: 30.06.2018



Sanjay Kumar Agarwal
(Sanjay Kumar Agarwal)
General Manager (F&A) &
Secretary

FOR & ON BEHALF OF BOARD
S. Sahoo
(Satyananda Sahoo)
Chief Financial Officer
A. K. Kumar
DIRECTOR / MANAGER
DIRECTOR

BALLY JUTE COMPANY LTD.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2018

(Amount in Rs.)

Particulars	For the year ended 31.03.2018	For the year ended 31.03.2017
A. CASH FLOWS FROM OPERATING ACTIVITIES		
NET PROFIT BEFORE TAX & EXTRAORDINARY ITEMS.	22,260,601	20,685,050
Adjustments For:		
Depreciation & Amortisation Expenses	50,404,272	49,280,835
Loss on Sale of Fixed Assets	504,870	-
Interest Income	(229,717)	-
Interest & Finance Charges	52,587,421	57,073,716
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	125,527,447	127,039,601
Adjustments For:		
Trade & Other Receivables	43,645,482	(43,374,829)
Inventories	(61,322,284)	162,490,670
Trade Payables	12,040,326	(94,263,427)
CASH GENERATED FORM OPERATIONS	119,890,971	151,892,015
Direct taxes paid	(12,402,926)	(10,651,076)
CASH FLOW BEFORE EXTRA ORDINARY ITEMS	107,488,045	141,240,939
EXTRA ORDINARY ITEMS	-	-
NET CASH FLOW OPERATING ACTIVITIES AFTER EXCEPTIONAL ITEMS (A)	107,488,045	141,240,939
B. CASH FLOW FROM INVESTING ACTIVITIES		
Expenditure on Property, Plant and Equipment.	(25,112,796)	(10,203,276)
Proceeds from Sale of Property, Plant and Equipment.	5,285,535	-
Interest received	229,717	-
NET CASH FLOW FROM INVESTING ACTIVITIES (B)	(19,597,544)	(10,203,276)
C. CASHFLOW FROM FINANCING ACTIVITIES		
Repayment & Proceeds from borrowings	(35,000,000)	75,100,000
Payment of Interest & Finance Charges	(52,587,421)	(57,073,716)
NET CASH FROM FINANCING ACTIVITIES (C)	(87,587,421)	18,026,284
NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)	303,080	(1,127,842)
Cash and Cash Equivalents as at the commencement of the year	5,257,090	6,384,932
CASH AND CASH EQUIVALENTS AS AT THE END OF THE YEAR	5,569,330	5,257,090

Notes :

1 Figure in brackets represent outflows.

As Per Our Report of this Date Annexed.

For J.B.S & Co.

Chartered Accountants.

FRN : 323734E

Sudhanshu Sen
(Partner)

Place : Kolkata

(Sanjay Kumar Agarwal)

General Manager (F&A) & Secretary

(Satyananda Sahoo)

Chief Financial Officer

FOR & ON BEHALF OF BOARD

DIRECTOR/
MANAGER

DIRECTOR

BALLY JUTE COMPANY LIMITED

(In Rs.)

Notes to the Financial Statement

Particulars	As at 31st March 2018	As at 31st March 2017
2. SHARE CAPITAL		
Authorised Shares :		
13,000,000 Equity Shares of Rs 10/- each	130,000,000	130,000,000
(Previous Year 13,000,000 Equity Shares of Rs 10/- each)	130,000,000	130,000,000
Issued & Subscribed		
12,907,659 Equity Shares of Rs.10/- each	129,076,590	129,076,590
(Previous Year 12,907,659 Equity Shares of Rs 10/- each)	129,076,590	129,076,590
Paid up		
12,907,659 Equity Shares of Rs.10/- each fully paid up	129,076,590	129,076,590
(Previous Year 12,907,659 Equity Shares of Rs 10/- each)	129,076,590	129,076,590

A) The reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period.

	As at 31st March 2018		As at 31st March, 2017	
	No. of Shares	Value	No. of Shares	Value
Issued, Subscribed and fully paid up Equity shares outstanding at the beginning of the year	12,907,659	129,076,590	12,907,659	129,076,590
Add : Shares issued during the year	-	-	-	-
Issued, Subscribed and fully paid up Equity shares outstanding at the end of the year	12,907,659	129,076,590	12,907,659	129,076,590

B) The company has one class of equity shares having a par value of Rs.10/- per share. Each Equity shareholder is eligible for one vote per share held and having same rights as to dividend. In the event of liquidation of the Company, the equity shareholders will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the member of equity shares held by the Shareholders.

C) The name of Shareholders holding more than 5% shares in the Company and their numbers are as follows:

NAME OF SHAREHOLDERS	As on 31/03/2018		As on 31/03/2017	
	No. of Shares	%	No. of Shares	%
Ambica Capital Markets Limited	4,793,073	37.13	4,793,073	37.13
Aspective Tie Up Limited	1,746,000	13.53	1,746,000	13.53
Goldview Financial Services Limited.	1,097,533	8.50	1,097,533	8.50
Kshitiz Merchandise Pvt. Ltd.	1,686,000	13.06	1,686,000	13.06
Satbichar Vyapaar Limited.	1,684,500	13.05	1,684,500	13.05



3. RESERVES AND SURPLUS

Particulars	As at 31st March 2017	Additions/ Created during the year	Deductions during the year	As at 31st March 2018
Capital Reserves	17,076,393	-	-	17,076,393
	(17,076,393)	-	-	(17,076,393)
Securities Premium Reserves	55,757,782	-	-	55,757,782
	(55,757,782)	-	-	(55,757,782)
General Reserves	596,197,222	-	-	596,197,222
	(596,197,222)	-	-	(596,197,222)
Surplus / (Deficit) in the Statement of Profit & Loss.	82,198,431	14,742,811	-	96,941,242
	(68,344,270)	(13,854,161)	-	(82,198,431)
Total	751,229,828	14,742,811	-	765,972,639
Previous Year : 2016-17	(737,375,667)	(13,854,162)	-	(751,229,828)

Figures in brackets reflects the figures of Last Financial Year

(In Rs.)

Particulars	As at 31st March, 2018	As at 31st March, 2017
NON-CURRENT LIABILITIES		
4. LONG-TERM BORROWINGS		
Unsecured Loan		
Loan from Related Parties	11,900,000	14,400,000
Loan from Other Parties	38,000,000	70,500,000
	49,900,000	84,900,000



Particulars	As at 31st March,2018	As at 31st March,2017
CURRENT LIABILITIES		
5.SHORT TERM BORROWINGS		
Secured Loans		
Working Capital facility from Scheduled Bank (Canara Bank)	263,219,001	299,445,656
(i) Prime: Secured by hypothecation of Current assets viz. Raw Materials, Work-in-Progress, Stores & Spares, Semi- Finished goods, Finished goods and Book debts.		
(ii) Collateral: Secured by:-		
(a) Existing Plant and Machinery .		
(b) EMT of Land and factory building, shed and Godown		
(iii) Personal Guarantee of Sri H.C.Kankaria and Sri A.K.Kankaria		
(iv) Corporate Guarantee of Ambica Jute Mills Ltd.		
Unsecured Loan		
Loan from Other Parties	37,500,000	47,500,000
	300,719,001	346,945,656
OTHER CURRENT LIABILITIES		
Interest Accrued and Due on Borrowings	11,355,465	11,565,097
Statutory Dues	18,073,260	2,794,872
Liabilities for Expenses	70,385,644	78,546,880
Advance from Customer	5,061,735	233,897
	104,876,104	93,140,746
7. SHORT-TERM PROVISIONS		
Income Tax	12,402,926	21,840,048
	12,402,926	21,840,048



8. FIXED ASSETS - TANGIBLE

(In Rs.)

Description	GROSS BLOCK-COST/BOOK VALUE				DEPRECIATION/AMORTISATION				NET BLOCK	
	Total as at 31st March 2017	Additions/adjustment during the year	Deductions/adjustments during the year	Total as at 31st March 2018	Total as at 31st March 2017	Provided during the year	Deductions/adjustments during the year	Total as at 31st March 2018	As at 31st March 2018	As at 31st March 2017
Land - Freehold	349,960,510	-	-	349,960,510	-	-	-	-	349,960,510	349,960,510
Buildings	161,142,336	-	-	161,142,336	62,615,063	5,241,851	-	67,856,914	93,285,422	98,527,273
Computer	30,272,938	4,299,645	-	34,572,603	28,612,056	934,033	-	29,546,089	5,026,514	1,660,902
Plant & Machinery	796,989,080	16,404,493	-	813,393,573	466,999,706	43,197,424	-	510,197,130	303,196,443	329,989,374
Vehicles	5,379,451	4,239,067	1,490,760	8,127,758	1,664,106	1,078,524	620,890	2,121,740	6,006,018	3,715,345
Office Equipments	5,217,503	141,791	-	5,359,294	3,376,257	487,146	-	3,863,403	1,495,891	1,841,246
Furniture & Fixtures	1,622,190	27,800	-	1,649,990	920,386	86,184	-	1,006,570	643,420	701,804
TOTAL	1,350,584,028	25,112,796	1,490,760	1,374,206,064	564,187,574	51,025,162	620,890	614,591,846	759,614,218	786,396,454
Capital Work in Progress	4,299,645	-	4,299,645	-	-	-	-	-	-	-
TOTAL	1,354,883,673	25,112,796	5,790,405	1,374,206,064	564,187,574	51,025,162	620,890	614,591,846	759,614,218	786,396,454
Previous Year :-	1,344,680,397	10,203,276	-	1,354,883,673	514,906,739	49,280,835	-	564,187,574	790,696,099	-



Notes to the Financial Statement

(In Rs.)

(In Rs.)

Particulars			As at 31st March 2018	As at 31st March 2017
9. NON-CURRENT INVESTMENTS				
Non Trade Investment Unquoted				
Number	Face value per unit	Name of the Company		
10,000 (10000)	Rs 10	AKK Mercantile Pvt. Ltd. (Fully paid Equity Shares)	100,000	100,000
			100,000	100,000
CURRENT ASSETS				
10. INVENTORIES (As certified by Management)				
Raw Materials			283,030,625	220,958,122
Work-in-progress			70,106,115	73,652,090
Finished Goods			173,764,777	168,902,137
Stores & Spares			15,025,204	17,092,088
			541,926,721	480,604,437
11. TRADE RECEIVABLES				
Unsecured (Considered Good)				
More than Six Months from the date they are due for Payment.			-	15,813
Others			129,573	
			165,505,030	191,997,404
			165,634,603	192,013,217
12. CASH AND BANK BALANCE				
CASH & CASH EQUIVALENTS				
In Current Accounts with Schedule Bank			752,248	921,899
Cash in hand			1,152,821	868,711
OTHER BANK BALANCES				
Fixed Deposit with Bank (Maturity less than 12 months)			3,664,261	3,466,480
			5,569,330	5,257,090
13. SHORT TERM LOANS AND ADVANCES				
(Unsecured, Considered good)				
Advances Recoverable in cash or kind or for value to be received				
Advances to Employees			8,822,405	11,489,839
Advances to Suppliers			7,061,806	19,257,326
Advances to Others			14,709,494	22,007,593
Deposits			4,027,112	3,777,957
Deposits/Balances with statutory authorities			15,212,047	78,400
Advance Income Tax (Including Tax deducted at source)			12,437,325	22,738,457
			62,270,189	79,349,572
14. OTHER CURRENT ASSETS				
Due from Government authorities			10,114,944	8,516,195
Prepaid Expenses			8,777,539	10,587,862
Interest Receivable on Fixed Deposit			24,089	-
			18,916,572	19,104,057



Notes to the Financial Statement

Particulars	(In Rs.)	(In Rs.)
	For the year ended 31st March 2018	For the year ended 31st March 2017
15. REVENUE FROM OPERATIONS		
Sales of Jute Goods	2,098,240,571	2,313,886,765
Sale of Import License	10,420,591	12,121,810
Duty Drawback on Export	6,384,577	9,613,233
Profit on Sale of Jute Machinery (Traded)	892,627	-
Revenue from operations (Net)	2,115,938,366	2,335,621,808
16. OTHER INCOME		
Interest Income	256,482	482,996
Miscellaneous Income	33,155	27,303
Exchange Rate Fluctuation	7,116,553	-
	7,406,190	510,299
17. COST OF MATERIALS CONSUMED		
Opening stock	220,958,122	286,344,908
Add :- Purchases	1,294,914,135	1,277,386,000
Less : Sale of Raw Jute	58,800,675	1,731,115
Less : Closing Stock (Refer Note No.10)	283,030,625	220,958,122
	1,174,040,957	1,341,041,671
18. CHANGES IN INVENTORIES OF FINISHED GOODS WORK-IN-PROGRESS AND STOCK-IN-TRADE		
Closing Stock in Progress	70,106,115	73,652,090
Closing Stock - Finished Goods	173,764,777	168,902,137
	243,870,892	242,554,227
Opening Stock in Progress	73,652,090	82,035,195
Opening Stock - Finished Goods	168,902,137	257,681,262
	242,554,227	339,716,457
(Increase)/ Decrease in Stocks	(1,316,665)	97,162,230
19. EMPLOYEE BENEFITS EXPENSES		
Salaries, Wages, Allowances & Bonus	426,404,078	395,199,187
Contribution to Provident & Other fund	42,751,990	43,128,935
Staff Welfare Expenses	1,362,941	1,011,305
Director Remuneration	342,000	342,000
	470,861,009	439,681,427



Notes to the Financial Statement

(In Rs.)

(In Rs.)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
20. FINANCE COST		
Interest Expenses	52,587,421	50,366,444
Exchange Rate Fluctuation	-	6,707,272
	52,587,421	57,073,716
21. OTHER EXPENSES		
Stores & Spares consumed	100,887,076	106,017,605
Power & Fuel	113,982,339	110,002,090
Freight on Govt. Supplies	42,450,889	-
Repairs to Building	5,628,551	7,654,613
Repairs to Machinery	943,111	648,654
Insurance Premium	21,324,050	19,453,989
Bank Charges	4,331,726	6,309,239
Rates & Taxes	2,009,059	2,732,446
Brokerage & Commission	9,457,628	8,154,186
Payment to Auditors		
As Auditor		
Statutory Audit	230,000	264,500
Tax Audit	100,000	115,000
Miscellaneous Expenses	43,370,827	24,233,125
	344,715,256	285,585,447



Bally Jute Company Limited
Notes to Financial Statements for the year ended 31st March, 2018

Corporate Information

Bally Jute Company Limited (The Company) was incorporated in India with limited liability by shares on September 4, 1982.

NOTE NO. 1: Significant Accounting Policies

I. Basis of Accounting:

- a) The financial Statements have been prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis and on the principles of going concern. The accounting policies are consistently applied by the Company;
- b) The Company has prepared these financial statements to comply in all material respects with the Accounting Standards as prescribed by the Companies (Accounting Standards) Rules 2006, the provisions of the Companies Act, 2013 and the Companies Act, 1956 (to the extent applicable);
- c) All the Assets and Liabilities have been classified as Current or Non-Current as per Company's normal operating cycle and other criteria set out in Schedule III of the Company's Act, 2013. Based on the nature of the products and the time between the acquisition of the assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current, non-current classification of Assets and Liabilities;

II. Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and reported amounts of revenues and expenses for the year.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and if material, their effects are disclosed in the notes to the financial statements.



Bally Jute Company Limited
Notes to Financial Statements for the year ended 31st March, 2018

III. Property, Plant & Equipment :

Property, Plant & Equipment represent a significant proportion of the assets of the Company. Property, Plant & Equipment are stated at their original cost less accumulated depreciation / amortisation. The Cost includes the purchase cost including import duties and non-refundable taxes and any directly attributable costs of bringing an Property, Plant & Equipment to the Location and Conditions of its intended use. Capital work in progress is stated at cost. Cost comprises of expenditure incurred in respect of the asset under development and includes any attributable/ allocable cost and other incidental expenses.

IV. Depreciation:

Depreciation on Property, Plant & Equipment is determined using the Straight Line Method on pro-rata basis based on the useful life of the Property, Plant & Equipment as prescribed under Schedule II of the Companies Act, 2013, except for the plant & machinery. The management estimates the useful life for Plant & Machinery to 25 years based upon the evaluation carried by the technical valuer.

V. Inventories :

Inventory of the Company have been valued as follows:

- | | | | |
|----|------------------|---|---|
| a) | Raw Material | : | At Cost . |
| b) | Work In Progress | : | At estimated Cost. |
| c) | Stores & Spares | : | At Weighted Average Cost. |
| d) | Finished Goods | : | At Lower of Cost Or Net realisable value. |

VI. Foreign Currency Transactions

a) Initial Recognition:

Foreign currency transactions are recorded in the reporting currency, by applying exchange rate to the foreign currency amount at the date of the transaction;

b) Foreign Exchange Differences:

Exchange Differences arising on the date of settlement of monetary items are recognised as income or expense on the date of settlement. However, the resulted gain or loss relating to long term monetary item for financing acquisition of depreciable capital assets, is adjusted to the acquisition cost of such assets and depreciated over its remaining useful life.



Bally Jute Company Limited
Notes to Financial Statements for the year ended 31st March, 2018

c) Conversion:

Foreign currency monetary items outstanding at the closing of the year, are converted into India currency at the appropriate rates of exchanges prevailing on the date of the Balance Sheet.

VII. Revenue Recognition:

i) Sale of Product

- a) All Export Sales in foreign currency are recorded at the rates of exchange prevailing on the dates when the relevant transactions take place ;

ii) Dividend and Interest Income

Dividend income is recognized when the Company's right to receive dividend is established which generally coincide as and when received.

Interest income is recognized on a time proportion basis taking into account the amount Outstanding and the rate applicable.

iii) Insurance Claim

The Company recognise insurance claims when the recoverability to the claim is established with a reasonable certainty which generally coincide as and when received.

iv) Export Incentive

The Company has recognised Income from Draw Back Duty on Export on Accrual Basis.

VIII. Government Grants

Government Grants given for acquisition of specific fixed assets are deducted from the gross value of the relevant fixed assets on completion of the works in arriving at the book value.

Grants received from Government or other authorities towards revenue are recognized over the period in which the related costs are incurred and are deducted from the related expenses.

IX. Investment

Investment is treated as Non Current assets & stated at cost. Provision for diminution in the value of long term investment is made only if such a decline is other than temporary nature in the opinion of the management.



Bally Jute Company Limited
Notes to Financial Statements for the year ended 31st March, 2018

X. Borrowing Cost

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying assets is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

XI. Retirement Benefits

- a) Contributions to Provident Fund are accounted for on accrual basis.
- b) Liability in respect of Gratuity is being provided on cash basis.
- c) Liability in respect to leave encashment is being accounted for on accrual basis as calculated by the Management.

XII. Contingent Liability

Contingent Liabilities are not provided for but disclosed by way of notes to the account.

XIII. Taxes On Income

Current tax is determined on the basis of the amount of tax payable on taxable income for the year. Deferred tax is calculated at current statutory income tax rate and is recognized on timing differences between taxable income & accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets, subject to consideration of prudence, are recognized and carried forward only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

XIV. Provisions & Contingencies:

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.



Bally Jute Company Limited
Notes to Financial Statements for the year ended 31st March, 2018

XV. Earnings Per Share:

- a) Basic earnings per share is calculated by dividing the net Profit or Loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.
- b) For the purpose of calculating diluted earnings per share, the net Profit or Loss for the year attributable to the equity shareholders and weighted average number of share outstanding if any are adjusted for the effects of all dilutive potential equity shares.



Additional Notes in relation to Financial Statements

22. Contingent Liability not provided in respect of

- i. Bank Guarantee given by the Company's Bankers amounting to Rs.2,78,30,000/- (Previous year 2,78,30,000/-),
 - ii. Claim not acknowledged by the Company for sales tax demand for various financial year under appeal Rs.5,17,03,423/-(P.Y Rs. 5,72,95,393/-).
 - iii. Corporate guarantee given to the Bankers of M/s Score Information Technologies Limited for credit facility availed by them from Canara Bank amounting to Rs.3,76,60,271/- as on 31st March 2018. (P.Y.2,29,88,307/-).
 - iv. The Company paid Rs 4,10,574/- for liability of Rs.4,10,574/- against Payment of Gratuity Act 1972,matter is pending under appeal with the appellate Authority.
 - v. The Company paid an Advance of Rs 7,82,000/- against the demand raised by E.S.I.C of Rs.38,45,609/- for which the Company made an appeal .
23. Liability of Gratuity has been determined on the basis of Actuarial valuation as per revised AS-15 as on 31.03.2018 Rs.14,89,82,304/-(P.Y. RS.17,21,87,281/-). The same will be accounted for as and when paid.

24. Auditors Remuneration consists of:

(Excluding G.S.T.or Service
Tax whichever is applicable)

Particulars	Year 2017-18	Year 2016-17
Audit Fees	2,30,000	2,30,000
Tax Audit Fees	1,00,000	1,00,000

25.(a) In the opinion of the Management, all the assets other than Fixed Assets and Non-Current Investments have a value on realization in the ordinary course of business, at least equal to the amount at which they are stated in the Balance Sheet. Provision for depreciation and all known liabilities is adequate and not in excess of what is required.

(b) The Company is yet to receive balance confirmations in respect of certain trade payables, other payables, trade receivables, other receivables and advances. The Management does not expect any material difference affecting the current year's financial statements due to the same.



Bally Jute Company Limited
Notes to Financial Statements for the year ended 31st March, 2018

26). There is no micro, small & medium enterprises to whom the Company owes dues, which are outstanding for more than 45 days during the year ended and also as on 31st March, 2018. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act' 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

27) As required under Accounting Standards -28, the carrying amount of asset does not exceed its recoverable amount. Hence loss on account of impairment is not recognized.

28) SEGMENT REPORTING

The entire operation of the Company relates to only one segment i.e. Jute Goods. As such there is no separate reportable segment as defined under Accounting Standard-17 issued by the Institute of Chartered Accountants of India on Segment Reporting.

29) RELATED PARTY DISCLOSURE:

Name of the Related Parties and relationship with them:

Relationship	Name of the Related Party	Nature of Transactions	Transaction during the year	Balance Outstanding as on 31/3/2018 (Rs.)
Company Having Significant Influence	Bally Jute Mills Employee's Provident Fund Trust	P.F.Loan	-	Rs.33,23,230/- (P.Y. 34,44,460/-)
Key Managerial Personnel	Mr. J.K.Kapila (Manager cum Director)	Remuneration	Rs.3,42,000/- (P.Y. 3,42,000)	-
Key Managerial Personnel	Mr.M.R.Yagnik (President)	Remuneration	Rs.18,93,333/- (P.Y.17,33,500)	-
Loan From Associate	Ambica Capital Markets Limited	Loan Taken	Rs. 25,00,000/- (P.Y.1,44,00,000)	Rs. 1,19,00,000/-

30 EARNING PER SHARE:

Earnings per Share is calculated by dividing the Profit after Tax, attributable to the Equity Share holders by the weighted average number of Equity Shares Outstanding during the year as below.



Bally Jute Company Limited
Notes to Financial Statements for the year ended 31st March, 2018

Particulars	31.03.2018	31.03.2017
Nominal Value per share (RS.)	10	10
Profit after Taxation (RS.)	1,47,42,811	1,38,54,161
Weighted average no. of shares		
- For Basic E.P.S	1,29,07,659	1,29,07,659
- For Diluted E.P.S	1,29,07,659	1,29,07,659
Basic Earning per share (RS.)	1.14	1.07
Diluted Earning per Share (RS.)	1.14	1.07

31 DEFERRED TAXATION :

In view of Accounting Standards 22 "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India Deferred tax Assets for the year amounting to Rs.48,75,976/- (P.Y 38,11,977) has been recognized in the Statement of Profit & Loss . The deferred Tax Assets & Liabilities comprise of tax effect of following timing differences

Particulars	2017-18 (Rs)	2016-17 (Rs)
Depreciation as per Income Tax Act	3,62,77,631	3,77,51,402
Depreciation as per co's Act	5,10,25,162	4,92,80,835
Differential depreciation	1,47,47,531	1,15,29,433
Deferred Tax Assets @ 33.063%	48,75,976	38,11,977
Opening Balance of Deferred Tax Liability	2,29,35,107	2,67,47,084
Less: Deferred Tax Assets	48,75,976	38,11,977
Closing Balance of Deferred Tax Liability	1,80,59,131	2,29,35,107



Bally Jute Company Limited
Notes to Financial Statements for the year ended 31st March, 2018

32 QUANTITATIVE DETAILS

Sl. No	Particulars	Value (RS.) 2017-18	%	Value (RS.) 2016-17	%
i.	Value of Imported and Indigenous Raw Material & Stores (including Components & Spare Parts) consumed				
	Raw Material :				
	Imported	18,79,93,605	15.25%	23,25,81,609	17.34%
	Indigenous	104,48,48,027	84.75%	110,84,60,062	82.66%
	TOTAL	123,28,41,632	100%	134,10,41,671	100%
	Stores:				
	Imported	-	-	-	
	Indigenous	10,08,82,880	100%	10,60,17,605	100%
	TOTAL	10,08,82,880	100%	10,60,17,605	100%
ii	Earning in Foreign Currency				
	Export of goods calculated on F.O.B. Basis	11,34,78,402	-	22,44,71,574	-
iii	Expenditure in Foreign Currency				
	Import of Raw Jute	18,79,93,605	-	23,25,81,609	-
	Travelling Expenses	36,51,847	-	39,77,554	-



Bally Jute Company Limited
Notes to Financial Statements for the year ended 31st March, 2018

33 Change in Accounting Policy for Duty Drawback.

During the year the Company has changed its accounting policy in respect of Export Incentive (Duty Drawback) from Cash Basis to Accrual Basis for compliance of Accounting Standard- 9, Revenue Recognition. Due to such change the Profit for the Year and Short Term Loans and Advances has been increased by Rs. 2,39,882/-.


34 Figures are rounded off to the nearest Rupee.

35 Previous year figures have been rearranged and regrouped wherever consider necessary to conform to this year's classification.

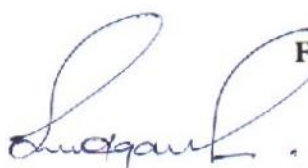
FOR J.B.S. & Company

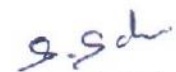
Chartered Accountants
F.R.N.: 323734E

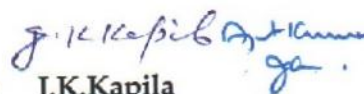
FOR & ON BEHALF OF BOARD


Sudhanshu Sen




Sanjay Kumar Agarwal


Satyananda Sahoo


J.K. Kapila

Partner

General Manager (F&A) & Chief Financial

Secretary

Officer

MANAGER

M.NO.306354

Place : Kolkata

Dated: 30.06.2018