

# J. B. S. & Company

Phone : 22 82 6809

## CHARTERED ACCOUNTANTS

60, BENTINCK STREET, 4TH FLOOR

KOLKATA - 700 069

### INDEPENDENT AUDITOR'S REPORT

To

THE MEMBERS OF

BALLY JUTE COMPANY LIMITED

#### Report on the Audit of the Financial Statements

#### Qualified Opinion

We have audited the accompanying financial statements of M/s BALLY JUTE COMPANY LIMITED ("the company"), which comprise the Balance Sheet as at 31st March 2022, the statement of Profit and Loss, and the statement of Cash Flow and notes to the financial statements, for the year ended 31<sup>st</sup> March 2022, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, *except for the possible effect of matter described in the basis for qualified opinion section of our report*, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and Profit and its cash flow for the year ended on that date.

#### Basis for Qualified Opinion

- a) Attention is invited to *Note No. 1 Point (XI)(b)* 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. 25*
- b) Attention is invited to *Note No. 29* of the financial Statements regarding preparation of accounts as per Accounting Standard (AS) issued by ICAI instead of Ind AS in view of company made applications for delisting of shares to Stock Exchange. The impact of the same on the reported financials remains unascertained.



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

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### Emphasis of Matter

Attention is invited to *Note No. 36* of the financial Statements regarding misappropriation of a sum amounting to *Rs.54.93 Lakhs* of the company in the manner of cash embezzlement by an employee of the company. The impact of the same is disclosed in the financial statements.

Our opinion is not modified in respect of this matter.

### Information other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Company's Annual Return but does not include the Financial Statements and our Auditor's report thereon. Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.





**Responsibility of the Management for the Financial Statements**

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

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

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

**Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

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



- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

### Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government Of India in terms of sub-section(11) of Section 143 of the Companies Act, 2013, we give in the **Annexure A**, a Statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

- I. 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 Qualified 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 dealt with by this Report are in agreement with the books of accounts.





- d) Except for the effects of the matter described in the Basis for Qualified 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 the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 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".
- II. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- a) The Company has disclosed the impact of pending litigations which would impact on financial position in its financial statements - Refer Note No. 24 to the financial statements;
- b) The Company did not have any longterm contracts including derivative contracts for which there were any material foreseeable losses;
- c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- III. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended :

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

For J.B.S & Company  
Chartered Accountants  
Firm Registration No.: 323734E



*Sudhanshu Sen*  
C.A. Sudhanshu Sen  
Partner  
Membership No.: 306354

Place: Kolkata  
Date: 21.06.2022  
UDIN: 22306354ALQGFY4526

**"ANNEXURE A" TO THE INDEPENDENT AUDITORS' REPORT**

The Annexure A referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirements' of our report of even date to the financial statements of **M/s BALLY JUTE COMPANY LIMITED** for the year ended March 31, 2022, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, capital work-in- progress, investment properties and relevant details of right-of-use assets.
  - (B) The Company does not have any intangible assets. Accordingly, report under clause 3(i)(a)(B) of the order is not applicable.
- (b) As explained to us, the Property, plant, and equipment have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
- (c) According to the information and explanation given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties disclosed in the financial statements are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) In our opinion and according to the information and explanation given to us, the company does not have any proceedings initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and Rules made thereunder.
- (ii) (a) The inventory has been physically verified by the management during the year at reasonable intervals. In our opinion the coverage and procedure of such verification by the management is appropriate. The discrepancies of 10% or more in the aggregate for each class of inventory were not noticed. However, the discrepancies noticed on verification have been properly dealt with in the books of account.
- (b) The company has been sanctioned a working capital limit in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets; the quarterly returns or statements filed by the company with such banks and financial institutions are in agreement with books of accounts of the company.
- (iii) According to the information & explanations given to us and the basis of our examinations of the records of the Company, the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured/unsecured, to companies/firms/Limited Liability Partnerships/other parties. The Company has not made any investments during the year.
  - (a) Based on the audit procedures carried out by us and as per information and, explanations given to us, the Company has not made any investments in other party.





(b) to (f) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured/unsecured, to companies/ firms/ Limited Liability Partnerships /other parties. Hence sub clause (b) to (f) of paragraph 3(iii) of the said order is not applicable to the company.

- (iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loan, made investments or provided any guarantees or security to any person specified under section 185 of the Companies Act, 2013. The Company has not given any loans and guarantees or provided any security in connection with a loan, and make investments within the meaning of Section 186 of Companies Act, 2013. Hence reporting of other information under clause 3 (iv) of the said Order is not required.
- (v) According to the information and explanations given to us and on the basis of our examination of the books of account, the company has not accepted any deposits from the public and there is no amounts which are deemed to be deposits and consequently, the directives issued by the Reserve Bank of India and provisions of Section 73 to 76 or any other relevant provisions of the Companies Act 2013 and rules made thereunder [the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits are not applicable to the company.
- (vi) The Central Government has prescribed maintenance of cost records under sub-section (1) of Section 148 of the Companies Act 2013, in respect of the activities carried on by the Company. We have broadly reviewed the books of account maintained by the company in respect of products where maintenance of cost records has been prescribed and are of the opinion that, prima facie, the prescribed accounts and records have been maintained. We have not however made a detailed examination of such records with a view to determine whether they are accurate and complete.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company is regular in depositing undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees State Insurance, Income-Tax and any other statutory dues to the appropriate authority and no undisputed amounts in respect of the above was in arrears as at March 31, 2022 for a period of more than six months from the date they become payable.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of Income Tax, Goods and Service Tax, Central Sales Tax, West Bengal Value Added Tax and Excise Duty on account of dispute; **except the following-**
- (a) *In respect of CST for the Financial Year 2014-15 and 2015-16 amounting to Rs.14.65 Lakhs.*
- (b) *In respect of WB VAT for the Financial Year 2005-06 amounting to Rs. 156.84 Lakhs.*
- (c) *In respect of ESIC for the Financial Year 2009-10 amounting to Rs. 38.46 Lakhs .*





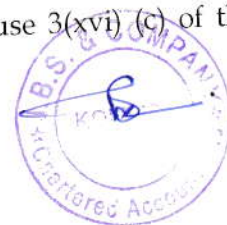
- (viii) According to the information and explanations given to us and based on our examination of the books of accounts and other records, the company does not have any transactions unrecorded in the books of account and which were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961. Hence reporting of other information under clause 3 (viii) of the said Order is not required. Based on our Audit procedure and on the information and explanation given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to any Financial Institution and Banks. The Company has not issued any debentures.
- (ix) (a) Based on our Audit procedure and on the information and explanation given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to any Financial Institution and Banks. The Company has not issued any debentures.
- (b) According to the information and explanations given to us and based on our examination of the other records, the company has not been declared as a willful defaulter by any bank or financial institutions or other lender. Hence reporting of information under clause 3 (ix) (b) of the said Order is not applicable.
- (c) According to the information and explanations given to us and based on our examination of the financial statements of the Company, we report that the company has taken term loan during the year and in our opinion, term loans availed by the company were applied by the company during the year for the purposes for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) According to the information and explanations given to us and based on our examination of the financial statements of the Company, we report that the company has not taken any fund from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures, as defined in the Act. Hence reporting of information under clause 3 (ix) (e) of the said Order is not applicable.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, reporting of other information under clause 3 (ix) (f) of the said Order is not applicable.
- (x) (a) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Hence reporting of information under clause 3 (x) (a) of the said Order is not applicable.
- (b) According to the information and explanations given to us and based on our examination of the records, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures (fully, partially or optionally convertible)





during the year. Therefore, reporting of information under clause 3 (x) (b) of the said Order is not applicable.

- (xi) (a) Based upon the audit procedures performed and the information and explanations given by the management, the company has not committed any fraud but *there has been a fraud on the Company by its employees, which has been noticed and reported during the year. There has been a misappropriation of a sum of Rs.54.93 Lakhs by an employee of the company in the manner of cash embezzlement. (Refer Note - 36 of the Financial Statements)*
- (b) According to the information and explanations given by the management, no report under section (12) of section 143 of the Companies Act 2013 has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules 2014 with the Central Government.
- (c) There has been no instance of whistle blower complaints received by the Company during the year under audit.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, reporting of information under clause 3 (xii) (a) to (c) of the said Order is not applicable to the Company.
- (xiii) Based upon the audit procedures performed and the information and explanations given by the management, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv)(a) Based on information and explanations provided to us and our audit procedures, In our opinion the company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered, the internal audit report for the year under audit, issued to the company till date in determining the nature, timing and extent of our audit procedures.
- (xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the reporting under Paragraph 3 (xv) of the Order is not applicable to the Company.
- (xvi) (a) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.
- (b) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting under clause 3(xvi) (c) of the Order is not applicable.



- (d) According to the information and explanations provided to us during the course of audit, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any core investment company.
- (xvii) Based upon the audit procedures performed and the information and explanations given by the management, the company has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- (xviii) According to the information and explanations given to us and based on our examination of the records of the Company, there has not been any resignation of the statutory auditors of the company during the year.
- (xix) Based upon the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that the company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the company as and when they fall due.
- (xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act. Therefore, the Company is not required to transfer any amount to any fund specified in Schedule VII and sub-section (5) of Section 135 of the Companies Act, 2013. Hence, Paragraph 3(xx) of the Order is not applicable to the company.
- (xxi) In our opinion, the company is not required to prepare Consolidated Financial Statements. Hence, Paragraph 3(xxi) of the Order is not applicable to the Company.

For J.B.S &amp; Company

Chartered Accountants

Firm Registration No.: 323734E

C.A. Sudhanshu Sen  
Partner

Membership No.: 306354

Place: Kolkata

Date: 21.06.2022

UDIN: 22306354ALQGFY4526



**"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 M/s BALLY JUTE COMPANY LIMITED ("the Company") as of 31<sup>st</sup> March, 2022 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.

### Basis for Qualified Opinion

According to the information and explanations given to us and based on our audit the following material weakness has been identified in the Company's internal financial controls over financial reporting as at 31 March 2022. We draw attention to *Note 36 of the financial statements* relating to the cash misappropriation by way of cash embezzlement by an employee of the company.

A 'material weakness' is a deficiency or a combination of deficiencies in internal financial control over financial reporting such that there is a reasonable possibility that a material misstatement of the company's annual financial statements will not be prevented or detected on a timely basis.

### Qualified Opinion

In our opinion to the best of our information and according to the explanations given to us except for the possible effect of the material weakness described in Basis for Qualified Opinion paragraph above on the achievement of the objectives of the control criteria the Company has maintained in all material respects adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of 31 March 2022 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 issued by the ICAI.



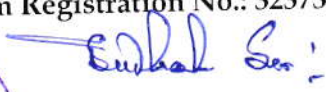


## Continuation Sheet

We have considered the material weakness identified and reported above in determining the nature timing and extent of audit tests applied in our audit of the financial statements of the Company for the year ended 31 March 2022 and this material weakness has affected our opinion on the said financial statements of the Company and we have issued a qualified opinion on the financial statements of the Company.

For J.B.S& Company  
Chartered Accountants  
Firm Registration No.: 323734E



  
C.A. Sudhanshu Sen  
Partner  
Membership No.: 306354

Place: Kolkata

Date: 21.06.2022

UDIN: 22306354ALQGFY4526

**BALLY JUTE COMPANY LIMITED**  
**BALANCE SHEET AS AT 31ST MARCH 2022**

(Rs. in Lakhs)

Particulars	Note No	As at 31st March 2022		As at 31st March 2021	
<b>I. EQUITY AND LIABILITIES</b>					
(1) <b>Shareholders' Funds</b>					
(a) Share Capital	2	1,290.77		1,290.77	
(b) Reserves & Surplus	3	8,964.95	10,255.72	8,582.00	9,872.77
(2) <b>Non-Current Liabilities</b>					
(a) Long-Term Borrowings	4	3,564.16		3,197.51	
(b) Deferred Tax Liabilities (Net)		284.32	3,848.48	233.39	3,430.90
(3) <b>Current Liabilities</b>					
(a) Short-Term Borrowings	5	9,171.35		5,935.55	
(b) Trade Payables	6				
i) Total Outstanding dues of Micro and Small Enterprises		81.03		6.00	
ii) Total Outstanding dues of Trade Payables Other than Micro and Small Enterprises		319.74		1,567.53	
(c) Other Current Liabilities	7	1,283.49		1,300.00	
(d) Short-Term Provisions	8	162.31	11,017.92	174.37	8,983.45
<b>Total</b>			<b>25,122.12</b>		<b>22,287.12</b>
<b>II. ASSETS</b>					
(1) <b>Non-Current Assets</b>					
(a) <b>Property Plant &amp; Equipment &amp; Intangible Assets</b>	9				
(i) Property Plant & Equipment		10,352.91		9,366.67	
(b) Non-Current Investments	10	1.00	10,353.91	1.00	9,367.67
(2) <b>Current Assets</b>					
(a) Inventories	11	10,656.29		9,856.00	
(b) Trade Receivables	12	2,917.71		2,017.46	
(c) Cash & Cash Equivalents	13	301.81		194.48	
(d) Short-Term Loans and Advances	14	404.43		436.01	
(e) Other Current Assets	15	487.97	14,768.21	415.50	12,919.45
<b>Total</b>			<b>25,122.12</b>		<b>22,287.12</b>

Significant Accounting Policies and accompanying note are integral part of these Financial Statements 1-40

As per our Report of this date annexed

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

CA Sudhanshu Sen  
M No. 306354  
Partner  
Place : Kolkata  
Dated:

**J. B. S. & COMPANY**  
KOLKATA  
Chartered Accountants  
(S.P. Purohit)  
Manager

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

**(Satyananda Sahoo)**  
Chief Financial  
Officer

FOR & ON BEHALF OF BOARD

**SKyam Sunder Singh**  
DIRECTOR  
DIN - 06729238

**SKyam Sunder Singh**  
DIRECTOR  
DIN - 06763614

**J. B. S. & COMPANY**  
Chartered Accountants  
21 JUN 2022  
KOLKATA



# BALLY JUTE COMPANY LIMITED

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2022

(Rs. in Lakhs)

Particulars	Note No	For the year ended 31st March, 2022	For the year ended 31st March 2021
<b>INCOME :</b>			
I Revenue from Operations	16	35,206.03	22,753.17
II Other Income	17	7.32	10.08
III <b>TOTAL INCOME (I+II)</b>		<b>35,213.35</b>	<b>22,763.25</b>
<b>EXPENSES</b>			
Cost of materials consumed	18	21,086.97	15,065.54
Purchase of Stock-in-trade		2,626.90	374.69
Change in inventories of finished goods, work-in-progress and Stock-in-Trade	19	(1,093.42)	(2,962.80)
Employee benefits expenses	20	6,348.26	5,406.31
Finance costs	21	801.32	711.99
Depreciation and amortisation expenses	9	439.50	405.18
Other expenses	22	4,488.99	3,281.37
<b>TOTAL EXPENSES</b>		<b>34,698.52</b>	<b>22,282.28</b>
V <b>Profit/(Loss) Before exceptional and extraordinary items and tax (III - IV)</b>		514.83	480.97
VI Exceptional Items		-	-
VII <b>Profit/(Loss) Before extraordinary items and tax (V- VI)</b>		514.83	480.97
VIII Extraordinary Items		-	-
IX <b>Profit/(Loss) before Tax (VII - VIII)</b>		514.83	480.97
X Tax Expense :			
(1) - Current Tax		80.77	81.55
(2) - Deferred Tax		50.93	41.17
(3) - I.Tax for Earlier Year's		0.18	1.50
		131.88	124.22
XI <b>Profit/(Loss) for the period from continuing operations (IX - X)</b>		382.95	356.76
XII Profit/(loss) from discontinuing operations			
XIII <b>Profit for the period (XI + XII)</b>		<b>382.95</b>	<b>356.76</b>
<b>Earing per Equity Share (Face Value Rs.10/- each)</b>			
(1) Basic		2.97	2.76
(2) Diluted		2.97	2.76

Significant Accounting Policies and accompanying note are integral part of these Financial Statements 1-40

As per our Report of this date annexed

For J.B.S & Company

Chartered Accountants

FRN : 323734E

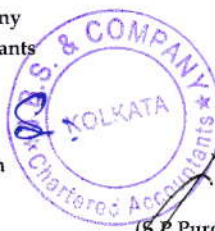
CA Sudhanshu Sen

M No. 306354

Partner

Place :Kolkata

Dated:



(S.P. Purohit)  
Manager

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

*(Signature)*  
(Satyananda Sahoo)  
Chief Financial  
Officer

FOR & ON BEHALF OF BOARD

*(Signature)*  
DIRECTOR

*(Signature)*  
DIRECTOR

DIN - 06729238

DIN - 06763614



**BALLY JUTE COMPANY LTD.**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2022**

(Rs.in lakhs)

Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>		
NET PROFIT BEFORE TAX & EXTRAORDINARY ITEMS.	514.83	480.98
Adjustments For:		
Depreciation & Amortisation Expenses	439.50	405.18
Interest Income	5.64	8.72
Interest & Finance Charges	801.32	711.98
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	1,761.29	1,606.86
Adjustments For:		
(Increase)/Decrease in Trade & Other Receivables	(941.14)	240.68
(Increase)/Decrease in Inventories	(800.29)	(2,552.45)
Increase/(Decrease) in Trade Payables	2,034.47	1,069.49
<b>CASH GENERATED FORM OPERATIONS</b>	2,054.33	364.58
Direct taxes paid	(80.95)	(83.04)
<b>CASH FLOW BEFORE EXTRA ORDINARY ITEMS</b>	1,973.38	281.54
<b>EXTRA ORDINARY ITEMS</b>	-	-
<b>NET CASH FLOW OPERATING ACTIVITIES AFTER EXCEPTIONAL ITEMS (A)</b>	1,973.38	281.54
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Expenditure on Property, Plant and Equipment.	(1,425.74)	(573.85)
Interest received	(5.64)	(8.72)
<b>NET CASH FLOW FROM INVESTING ACTIVITIES (B)</b>	(1,431.38)	(582.57)
<b>C. CASHFLOW FROM FINANCING ACTIVITIES</b>		
Repayment & Proceeds from borrowings	366.65	1,033.07
Payment of Interest & Finance Charges	(801.32)	(711.99)
<b>NET CASH FROM FINANCING ACTIVITIES (C)</b>	(434.67)	321.08
<b>NET INCREASE / (DECREASE) IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b>	107.33	20.05
Cash and Cash Equivalents as at the commencement of the year	194.48	174.43
<b>CASH AND CASH EQUIVALENTS AS AT THE END OF THE YEAR</b>	301.81	194.48

Significant Accounting Policies and accompanying note are integral part of these Financial Statements 1-40

Figure in brackets represent outflows.

As Per Our Report of this Date Annexed.

For J.B.S & Company

Chartered Accountants

FRN : 323734E

CA Sudhanshu Sen

M No. 306354

Partner

Place : Kolkata



(S.P.Purohit)  
Manager

(S.K.Agarwal)

G. M. (F&A) & Secretary

(S.N.Sahoo)

C.F.O.

FOR & ON BEHALF OF BOARD

DIRECTOR

DIN - 06729238

DIRECTOR

DIN - 06763614

**J. B. S. & COMPANY.**  
Chartered Accountants

21 JUN 2022

**KOLKATA**



**Bally Jute Company Limited**  
**Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2022.**

**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.

**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



**Bally Jute Company Limited**  
**Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2022.**

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.

**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.





**Bally Jute Company Limited**  
**Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2022.**

**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.

**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.



**Bally Jute Company Limited**  
**Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2022.**

**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.

**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.





# BALLY JUTE COMPANY LIMITED

(Rs.in Lakhs)

Notes to the Financial Statement as at 31st March, 2022

Particulars	As at 31st March 2022	As at 31st March 2021
<b>2. SHARE CAPITAL</b>		
<b>Authorised Shares :</b>		
13,000,000 Equity Shares of Rs 10/- each	1,300.00	1,300.00
(Previous Year 13,000,000 Equity Shares of Rs 10/- each)	1,300.00	1,300.00
<b>Issued &amp; Subscribed</b>		
12,907,659 Equity Shares of Rs.10/- each	1,290.77	1,290.77
(Previous Year 12,907,659 Equity Shares of Rs 10/- each)	1,290.77	1,290.77
<b>Paid up</b>		
12,907,659 Equity Shares of Rs.10/- each fully paid up	1,290.77	1,290.77
(Previous Year 12,907,659 Equity Shares of Rs 10/- each)	1,290.77	1,290.77

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

	As at 31st March 2022		As at 31st March, 2021	
	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	1,290.77	12,907,659	1,290.77
Add : Shares issued during the year	-	-	-	-
Issued, Subscribed and fully paid up Equity shares outstanding at the end of the year	12,907,659	1,290.77	12,907,659	1,290.77

B) **Terms/Rights attached to Shares**

- (i) 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 31/03/2022		As on 31/03/2021	
	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



# BALLY JUTE COMPANY LIMITED

Notes to the Financial Statement as at 31st March, 2022

(Rs.in Lakhs)

D) The details of the shareholdings of the promoter are as follows:-

Promoter Shareholding		As at 31.03.2022		As at 31.03.2021		
Sl. No.	Name of Shareholders	No. of Shares	% of Shares	No. of Shares	% of Shares	% change during the year
1	Ambica Capital Markets Ltd.	4793073	37.13	4793073	37.13	-
2	Aspective Tie up Ltd.	1746000	13.53	1746000	13.53	-
3	Ambica Jute Ltd.	47542	0.37	47542	0.37	-
4	Auckland Services & Securities Limited	266500	2.06	266500	2.06	-
5	Abhishek Kumar Kankaria	512900	3.97	512900	3.97	-
6	Ashish kumar Kankaria	128109	0.99	128109	0.99	-
7	Gold View Financial Services Ltd.	1097533	8.50	1097533	8.50	-
8	Kanak Textile LTD.	2500	0.02	2500	0.02	-
9	Kshitiz Merchandise Ltd.	1686000	13.06	1686000	13.06	-
10	Om towqers pvt. Ltd.	2500	0.02	2500	0.02	-
11	Satvichar Vyapaar Ltd.	1684500	13.05	1684500	13.05	-
12	Score Information Technologies Ltd.	135416	1.05	135416	1.05	-
13	Wellworth Vanijya Pvt. Ltd.	2500	0.02	2500	0.02	-
14	Yogesh Kumar Kankaria	573483	4.44	573483	4.44	-
15	Manbir Fincom Pvt, Ltd.	204000	1.58	204000	1.58	-
		12882556	99.81	12882556	99.81	-

## 3. RESERVES AND SURPLUS

(Rs.in Lakhs)

Particulars	As at 1st April 2021	Additions/ Created during the year	Deductions during the year	As at 31st March 2022
Capital Reserves	170.76	-	-	170.76
	(170.76)	-	-	(170.76)
Securities Premium	557.58	-	-	557.58
	(557.58)	-	-	(557.58)
General Reserves	5,961.97	-	-	5,961.97
	(5,961.97)	-	-	(5,961.97)
Surplus / (Deficit) in the Statement of Profit & Loss.	1,891.69	382.95	-	2,274.64
	(1,534.93)	(356.76)	-	(1,891.69)
<b>Total</b>	<b>8,582.00</b>	<b>382.95</b>	<b>-</b>	<b>8,964.95</b>
Previous Year : 2020-21	(8,225.25)	(356.75)	-	(8,582.00)

Figures in brackets reflects the figures of Last Financial Year

(Rs.in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>NON-CURRENT LIABILITIES</b>		
<b>4. LONG-TERM BORROWINGS</b>		
Secured Loan		
a) Canara Bank Term Loan	1,555.53	557.94
(Refer Note 4A)		
b) Vehicle Loan	146.98	36.19
(Refer Note 4A)		
Loan from LIC (Secured against the Key Man Policy of Key Managerial Personnel)	1,145.65	1,208.49
	2,848.16	2,581.51
Unsecured Loan		
Loan from Related Parties	449.00	449.00
Loan from Other Parties	267.00	167.00
	3,564.16	3,197.51





# BALLY JUTE COMPANY LIMITED

Notes to the Financial Statement as at 31st March, 2022

(Rs.in Lakhs)

D) The details of the shareholdings of the promoter are as follows:-

Promoter Shareholding		As at 31.03.2022		As at 31.03.2021		
Sl. No.	Name of Shareholders	No. of Shares	% of Shares	No. of Shares	% of Shares	% change during the year
1	Ambica Capital Markets Ltd.	4793073	37.13	4793073	37.13	-
2	Aspective Tie up Ltd.	1746000	13.53	1746000	13.53	-
3	Ambica Jute Ltd.	47542	0.37	47542	0.37	-
4	Auckland Services & Securities Limited	266500	2.06	266500	2.06	-
5	Abhishek Kumar Kankaria	512900	3.97	512900	3.97	-
6	Ashish kumar Kankaria	128109	0.99	128109	0.99	-
7	Gold View Financial Services Ltd.	1097533	8.50	1097533	8.50	-
8	Kanak Textile LTD.	2500	0.02	2500	0.02	-
9	Kshitiz Merchandise Ltd.	1686000	13.06	1686000	13.06	-
10	Om towqers pvt. Ltd.	2500	0.02	2500	0.02	-
11	Satvichar Vyapaar Ltd.	1684500	13.05	1684500	13.05	-
12	Score Information Technologies Ltd.	135416	1.05	135416	1.05	-
13	Wellworth Vanijya Pvt. Ltd.	2500	0.02	2500	0.02	-
14	Yogesh Kumar Kankaria	573483	4.44	573483	4.44	-
15	Manbir Fincom Pvt. Ltd.	204000	1.58	204000	1.58	-
		12882556	99.81	12882556	99.81	-

## 3. RESERVES AND SURPLUS

(Rs.in Lakhs)

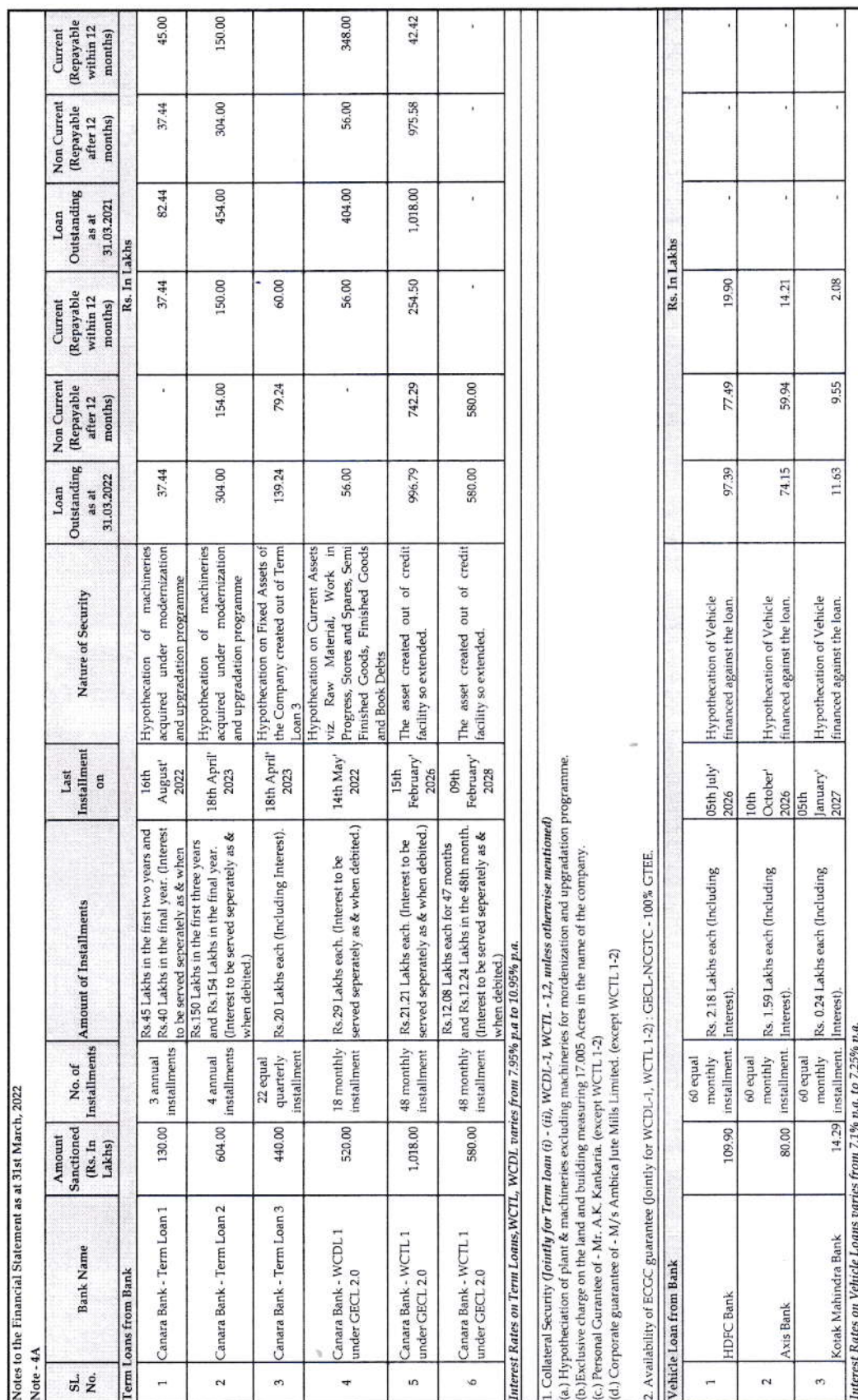
Particulars	As at 1st April 2021	Additions/ Created during the year	Deductions during the year	As at 31st March 2022
Capital Reserves	170.76	-	-	170.76
	(170.76)	-	-	(170.76)
Securities Premium	557.58	-	-	557.58
	(557.58)	-	-	(557.58)
General Reserves	5,961.97	-	-	5,961.97
	(5,961.97)	-	-	(5,961.97)
Surplus / (Deficit) in the Statement of Profit & Loss.	1,891.69	382.95	-	2,274.64
	(1,534.93)	(356.76)	-	(1,891.69)
<b>Total</b>	<b>8,582.00</b>	<b>382.95</b>	<b>-</b>	<b>8,964.95</b>
Previous Year : 2020-21	(8,225.25)	(356.75)	-	(8,582.00)

Figures in brackets reflects the figures of Last Financial Year

(Rs.in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>NON-CURRENT LIABILITIES</b>		
<b>4. LONG-TERM BORROWINGS</b>		
Secured Loan		
a) Canara Bank Term Loan (Refer Note 4A)	1,555.53	557.94
b) Vehicle Loan (Refer Note 4A)	146.98	36.19
Loan from LIC (Secured against the Key Man Policy of Key Managerial Personnel)	1,145.65	1,208.49
	2,848.16	2,581.51
Unsecured Loan		
Loan from Related Parties	449.00	449.00
Loan from Other Parties	267.00	167.00
	3,564.16	3,197.51







# BALLY JUTE COMPANY LIMITED

Notes to the Financial Statement as at 31st March, 2022

(Rs.in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>CURRENT LIABILITIES</b>		
<b>5.SHORT TERM BORROWINGS</b>		
<b>Secured Loans</b>		
Working Capital facility from Scheduled Bank (Canara Bank)	6,979.22	5,075.13
(i) <b>Primary:</b> Secured by hypothecation of Current assets viz. Raw Materials, Work-in-Progress, Stores & Spares, Semi- Finished goods, Finished goods and Book debts.		
(ii) <b>Collateral:</b> Secured by:-		
(a) Existing Plant and Machinery		
(b) EMT of land with factory building shed and Godwon in the name of M/s Bally Jute Company Limited. (Deed no. 6625 Measuring 17.005 Acres)		
(iii) Personal Guarantee of Sri A.K.Kankaria		
(iv) Corporate Guarantee of Ambica Jute Mills Ltd.		
Current Maturities of Long-term Debt - Canara Bank (Refer Note No.4A)	594.13	585.42
<b>Unsecured Loan</b>		
Loan from Related Parties	160.00	12.00
Loan from Other Parties	1,438.00	263.00
	<b>9,171.35</b>	<b>5,935.55</b>
<b>6. TRADE PAYABLE</b>		
Dues to Micro & Small Enterprise (Refer Note No.28)	81.03	6.00
Others	319.74	1,567.53
	<b>400.77</b>	<b>1,573.53</b>

Trade Payables (Ageing)	As at 31.03.2022				
Particulars	Less than 1 year	1 -2 Year	2-3 years	More than 3 years	Total
(i) MSME	81.03				81.03
(ii) Others	317.10	2.64			319.74
(iii) Disputed dues – MSME	-	-	-		-
(iv) Disputed dues - Others					
<b>Total</b>	<b>398.13</b>	<b>2.64</b>	<b>-</b>	<b>-</b>	<b>400.77</b>

Trade Payables (Ageing)	As at 31.03.2021				
Particulars	Less than 1 year	1 -2 Year	2-3 years	More than 3 years	Total
(i) MSME	6.00				6.00
(ii) Others	1,567.53				1567.53
(iii) Disputed dues – MSME	-	-	-		-
(iv) Disputed dues - Others					
<b>Total</b>	<b>1,573.53</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,573.53</b>

Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>7. OTHER CURRENT LIABILITIES</b>		
Interest Accrued and due on Borrowings	144.83	63.74
Interest Accrued but not due on Borrowings	16.53	54.64
Advance against Government Grant	29.46	-
Statutory Dues	135.50	68.76
Liabilities for Expenses	801.23	746.01
Advance from Customer	155.94	366.85
	<b>1,283.49</b>	<b>1,300.00</b>
<b>8. SHORT-TERM PROVISIONS</b>		
Provision for Income Tax	162.31	174.37
	<b>162.31</b>	<b>174.37</b>



# **BALLY JUTE COMPANY LIMITED**

Notes to the Financial Statement as at 31st March, 2022

## **9. PROPERTY PLANT & EQUIPMENT -TANGIBLE**

**As at 31.03.2022**

(Rs.in Lakhs)

Description	GROSS BLOCK-COST/BOOK VALUE			DEPRECIATION/AMORTISATION				NET BLOCK	
	Total as at 1st April 2021	Additions/ adjustment during the year	Deductions/ adjustments during the year	Total as at 31st March 2022	Total as at 1st April 2021	Provided during the year	Deductions/ adjustments during the year	Total as at 31st March 2022	As at 31st March 2021
Land - Freehold	3,499.60	-	-	3,499.60	-	-	-	3,499.60	3,499.61
Buildings	2,222.58	335.31	-	2,557.89	858.46	71.80	-	1,627.63	1,364.12
Plant & Machinery	10,399.83	816.57	-	11,216.40	6,099.08	308.39	-	4,808.93	4,300.75
Furniture & Fixtures	47.99	17.99	-	65.98	17.00	4.33	-	44.65	30.98
Vehicles	159.06	247.35	-	406.41	58.59	32.73	-	315.09	100.47
Office Equipments	80.48	0.38	-	80.86	57.31	5.97	-	17.58	23.17
Computer	403.15	8.13	-	411.28	355.57	16.28	-	39.43	47.57
<b>TOTAL</b>	<b>16,812.69</b>	<b>1,425.73</b>	<b>-</b>	<b>18,238.42</b>	<b>7,446.01</b>	<b>439.50</b>	<b>-</b>	<b>10,352.91</b>	<b>9,366.67</b>

**As at 31.03.2021**

(Rs.in Lakhs)

Description	GROSS BLOCK-COST/BOOK VALUE			DEPRECIATION/AMORTISATION				NET BLOCK	
	Total as at 1st April 2020	Additions/ adjustment during the year	Deductions/ adjustments during the year	Total as at 31st March 2021	Total as at 1st April 2020	Provided during the year	Deductions/ adjustments during the year	Total as at 31st March 2021	As at 31st March 2020
Land - Freehold	3,499.61	-	-	3,499.61	-	-	-	3,499.61	3,499.61
Buildings	2,057.01	165.57	-	2,222.58	791.90	66.56	-	1,364.12	1,265.11
Plant & Machinery	10,101.80	298.03	-	10,399.83	5,803.56	295.52	-	4,300.75	4,298.24
Furniture & Fixtures	36.38	11.61	-	47.99	13.81	3.19	-	30.98	22.56
Vehicles	87.37	71.69	-	159.06	46.15	12.44	-	100.47	41.22
Office Equipments	75.52	4.96	-	80.48	50.63	6.68	-	23.17	24.89
Computer	381.15	21.99	-	403.15	334.78	20.79	-	47.57	46.37
<b>TOTAL</b>	<b>16,238.84</b>	<b>573.85</b>	<b>-</b>	<b>16,812.69</b>	<b>7,040.84</b>	<b>405.18</b>	<b>-</b>	<b>9,366.67</b>	<b>9,198.00</b>





# BALLY JUTE COMPANY LIMITED

Notes to the Financial Statement as at 31st March, 2022

(Rs.in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021						
<b>10. NON-CURRENT INVESTMENTS</b>								
Non Trade Investment Unquoted								
<table border="1"> <thead> <tr> <th>Number</th><th>Face value per unit</th><th>Name of the Company</th></tr> </thead> <tbody> <tr> <td>10,000 (10000)</td><td>Rs 10</td><td>AKK Mercantile Pvt. Ltd. (Fully paid Equity Shares)</td></tr> </tbody> </table>	Number	Face value per unit	Name of the Company	10,000 (10000)	Rs 10	AKK Mercantile Pvt. Ltd. (Fully paid Equity Shares)	1.00	1.00
Number	Face value per unit	Name of the Company						
10,000 (10000)	Rs 10	AKK Mercantile Pvt. Ltd. (Fully paid Equity Shares)						
Figures in brackets reflects the figures of Last Financial Year	1.00	1.00						
<b>CURRENT ASSETS</b>								
<b>11. INVENTORIES (As taken, valued and certified by the Management)</b>								
Raw Materials (Cost or Market Price whichever is lower)	2,123.03	2,443.70						
Work-in-progress (At Estimated Cost)	1,571.23	1,695.54						
Finished Goods (At Cost or Net realizable value whichever is lower)	6,760.82	5,543.09						
Stores & Spares (At Weighted Average Cost)	201.21	173.67						
	<b>10,656.29</b>	<b>9,856.00</b>						
<b>12. TRADE RECEIVABLES</b>								
Unsecured (Considered Good)								
Trade Receivables	2,917.71	2,017.46						
	<b>2,917.71</b>	<b>2,017.46</b>						

Trade Receivables (Ageing)	As at 31.03.2022					
Particulars	Less than 6 months	6 months - 1 Year	1 - 2 Year	2-3 years	More than 3 years	Total
Undisputed Trade Receivable						
- Considered Good	2,594.83	8.73	314.15		-	2,917.71
- Considered Doubtful	-	-	-		-	-
Disputed Trade Receivable						
- Considered Good	-	-	-		-	-
- Considered Doubtful	-	-	-		-	-
<b>Total</b>	<b>2,594.83</b>	<b>8.73</b>	<b>314.15</b>	<b>-</b>	<b>-</b>	<b>2,917.71</b>

Trade Receivables (Ageing)	As at 31.03.2021					
Particulars	Less than 6 months	6 months - 1 Year	1 - 2 Year	2-3 years	More than 3 years	Total
Undisputed Trade Receivable						
- Considered Good	1,711.33	306.13	-		-	2,017.46
- Considered Doubtful	-	-	-		-	-
Disputed Trade Receivable						
- Considered Good	-	-	-		-	-
- Considered Doubtful	-	-	-		-	-
<b>Total</b>	<b>1,711.33</b>	<b>306.13</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,017.46</b>



# BALLY JUTE COMPANY LIMITED

Notes to the Financial Statement as at 31st March, 2022

(Rs.in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>13. CASH &amp; CASH EQUIVALENTS</b>		
In Current Accounts with Schedule Bank	30.38	7.85
Cash in hand	13.97	15.32
<b>OTHER BANK BALANCES</b>		
Fixed Deposit with Bank (Maturity less than 12 months) (Margin against BG/LC)	257.46	171.31
	<b>301.81</b>	<b>194.48</b>
<b>14. SHORT TERM LOANS AND ADVANCES</b> (Unsecured, Considered good)		
<b>Advances Recoverable in cash or kind or for value to be received</b>		
Advances to Employees	59.65	71.14
Advances to Suppliers	188.93	110.11
Advances to Others	33.25	172.52
Deposits	122.60	82.24
	<b>404.43</b>	<b>436.01</b>
<b>15. OTHER CURRENT ASSETS</b>		
Deposits/Balances with statutory authorities	12.37	12.37
Advance Income Tax ( Including Tax deducted at source)	199.48	170.74
Balance with Government authorities	185.56	164.57
Other Current Aseets	90.56	67.82
	<b>487.97</b>	<b>415.50</b>





# BALLY JUTE COMPANY LIMITED

Notes to the Financial Statement for the year ended 31st March, 2022

(Rs.in Lakhs)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
<b>16. REVENUE FROM OPERATIONS</b>		
Sales of Jute Goods		
i.) Domestic	32,879.80	21,780.14
ii.) Export	2,303.88	951.72
Sale of Import Licence	-	8.94
Duty Drawback on Export	22.35	12.37
Revenue from operations (Net)	<b>35,206.03</b>	<b>22,753.17</b>
<b>17. OTHER INCOME</b>		
Interest Income	5.64	8.72
Rent Income	1.68	1.36
	<b>7.32</b>	<b>10.08</b>
<b>18. COST OF MATERIALS CONSUMED</b>		
Opening stock	2,443.70	2,847.48
Add :- Purchases	20,766.30	14,730.05
Less : Sale of Raw Jute	-	36.04
Less : Closing Stock (Refer Note No.11)	2,123.03	2,443.70
	21,086.97	15,097.79
Less : Insurance Claim	-	32.25
	<b>21,086.97</b>	<b>15,065.54</b>
<b>19. CHANGES IN INVENTORIES OF FINISHED GOODS WORK-IN-PROGRESS AND STOCK-IN-TRADE</b>		
Closing Stock in Progress	1,571.23	1,695.54
Closing Stock - Finished Goods	6,760.82	5,543.09
	<b>8,332.05</b>	<b>7,238.63</b>
Opening Stock in Progress	1,695.54	979.85
Opening Stock - Finished Goods	5,543.09	3,295.98
	<b>7,238.63</b>	<b>4,275.83</b>
(Increase)/ Decrease in Stocks	(1,093.42)	(2,962.80)
<b>20. EMPLOYEE BENEFITS EXPENSES</b>		
Salaries, Wages, Allowances & Bonus	5,786.76	4,958.87
Contribution to Provident & Other fund	428.41	367.84
Staff Welfare Expenses	133.09	78.18
Director Remuneration	-	1.42
	<b>6,348.26</b>	<b>5,406.31</b>



# BALLY JUTE COMPANY LIMITED

Notes to the Financial Statement for the year ended 31st March, 2022

(Rs.in Lakhs)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
<b>21. FINANCE COST</b>		
Interest Expenses	853.22	711.99
Net gain on Foreign Currency Transaction	(51.90)	-
	<b>801.32</b>	<b>711.99</b>
<b>22. OTHER EXPENSES</b>		
Stores & Spares consumed	1,378.47	1,024.43
Power & Fuel	1,156.32	1,045.69
Freight on Govt. Supplies	598.63	385.65
Repairs to Building	50.61	46.99
Repairs to Machinery	22.15	13.25
Insurance Premium	186.28	173.28
Bank Charges	86.26	41.15
Rates & Taxes	8.63	27.10
Brokerage & Commission	84.80	85.24
CSR Expenses	8.46	6.64
<b>Payment to Auditors</b>		
As Auditor		
Statutory Audit	3.30	3.30
Tax Audit	1.00	1.00
Miscellaneous Expenses	904.08	427.65
	<b>4,488.99</b>	<b>3,281.37</b>





# Notes to the Financial Statement

## 23 Financials Ratios

Financials Ratios			2021-22	Change in ratio by more than 25% as compared to preceding year	2020-21
Particulars	Items included in numerator	Items included in denominator	Ratio		Ratio
a Current Ratio	Current Assets	Current Liabilities	1.34	No	1.44
b Debt Equity Ratio	Long Term Debt + Short Term Debt	Shareholder equity			
c Debt Service Coverage Ratio	Earning Before Interest, tax, Depreciation & Amortisation	Total principal + Interest on Borrowings	1.24	Yes	0.93
d Return on Equity Ratio	Earning After Interest, tax, Depreciation & Amortisation	Average Shareholders Equity	1.27	Yes	1.76
e Inventory Turnover Ratio	Turnover	Average Inventory	3.81%	No	3.68%
f Trade Receivable Turnover Ratio	Net Credit Sales	Average Trade Receivable	3.43	Yes	2.65
g Trade Payables Turnover Ratio	Net Credit Purchase	Average Trade Payable	14.27	Yes	10.53
h Net Capital Turnover Ratio	Total Sales	Shareholder Equity	21.04	Yes	12.00
i Net Profit Ratio	Net Profit	Net Sales	9.16	Yes	6.88
j Return on Capital Employed	Earning Before Interest & tax	Total Assets-Current Liabilities	1.09%	Yes	1.57%
k Return on Investment	Income earned	Avg value of investment	5.65%	No	6.20%
			-	No	-
<b>Ratio</b>					
<b>Reason for change</b>					
Debt Equity Ratio	Ratio has increased due to increase in debt for managing fund requirements for increase in operating activity.				
Debt Service Coverage Ratio	Ratio has improved due to increase in operating profit of the company.				
Inventory Turnover Ratio	Ratio has improved due to increase in sales of the company				
Trade Receivables Turnover Ratio	The company has been good in receiving payments from its customer, the ratio has improved because of such timely receipt of payments.				
Trade Payables Turnover Ratio	The company has made payment to creditors in order to gain advantage of prices & discounts. Consequently, debt has also been increased.				
Net Capital Turnover Ratio	Production/Sales of the company has increased.				
Net Profit Ratio	Ratio has improved due to increase in operating profit of the company.				



**Bally Jute Company Limited**  
**Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2022.**

**Additional Notes in relation to Financial Statements**

24. Contingent Liability not provided in respect of

- i. Bank Guarantee given by the Company's Bankers amounting to Rs.383.91 Lakhs- (Previous year Rs.363.91 Lakhs)).
- ii. Claim not acknowledged by the Company for sales tax demand for various financial year under appeal Rs. 171.49 Lakhs (P.Y Rs. 289.39 Lakhs).
- iii. The Company paid Rs 4.55 (P.Y Rs. 4.55 Lakhs) for liability of Rs.4.55 Lakhs (P.Y Rs. 4.55 Lakhs) against Payment of Gratuity Act 1972, matter is pending under appeal with the appellate Authority.
- iv. The Company paid an Advance of Rs 7.82 Lakhs (P.Y Rs 7.82 Lakhs) against the demand raised by E.S.I.C of Rs.38.46 Lakhs (Rs.38.46 Lakhs) for which the Company made an appeal.

25. Liability of Gratuity has been determined on the basis of Actuarial valuation as per revised AS-15 as on 31.03.2022 Rs. 1530.99 Lakhs (P.Y. RS. 1528.59 Lakhs). The same will be accounted for as and when paid.

26. Auditors Remuneration consists of:

(Excluding G.S.T.)

Particulars	Year 2021-22	Year 2020-21
Audit Fees	3.30	3.30
Tax Audit Fees	1.00	1.00
Total	4.30	4.30

27.(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.

28) A Sum of Rs. 81.03 Lakhs (P.Y 6.00 Lakhs) is payable to Micro & Small Enterprises which are outstanding as on 31st March, 2022. This information as required to be disclosed under the Micro and Small Enterprises Development Act' 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.





**Bally Jute Company Limited**  
**Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2022.**

**Additional Notes in relation to Financial Statements**

24. Contingent Liability not provided in respect of

- i. Bank Guarantee given by the Company's Bankers amounting to Rs.383.91 Lakhs- (Previous year Rs.363.91 Lakhs)).
- ii. Claim not acknowledged by the Company for sales tax demand for various financial year under appeal Rs. 171.49 Lakhs (P.Y Rs. 289.39 Lakhs).
- iii. The Company paid Rs 4.55 (P.Y Rs. 4.55 Lakhs) for liability of Rs.4.55 Lakhs (P.Y Rs. 4.55 Lakhs) against Payment of Gratuity Act 1972, matter is pending under appeal with the appellate Authority.
- iv. The Company paid an Advance of Rs 7.82 Lakhs (P.Y Rs 7.82 Lakhs) against the demand raised by E.S.I.C of Rs.38.46 Lakhs (Rs.38.46 Lakhs) for which the Company made an appeal.

25. Liability of Gratuity has been determined on the basis of Actuarial valuation as per revised AS-15 as on 31.03.2022 Rs. 1530.99 Lakhs (P.Y. RS. 1528.59 Lakhs). The same will be accounted for as and when paid.

26. Auditors Remuneration consists of:

(Excluding G.S.T.)

Particulars	Year 2021-22	Year 2020-21
Audit Fees	3.30	3.30
Tax Audit Fees	1.00	1.00
Total	4.30	4.30

27.(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.

28) A Sum of Rs. 81.03 Lakhs (P.Y 6.00 Lakhs) is payable to Micro & Small Enterprises which are outstanding as on 31st March, 2022. This information as required to be disclosed under the Micro and Small Enterprises Development Act' 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.



**Bally Jute Company Limited**  
**Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2022.**

- 29) The Company has decided voluntary delisting of equity shares of the company from Calcutta Stock Exchange Ltd., as per the resolution passed in the Board Meeting held on 13<sup>th</sup> March, 2020. Accordingly, the company has already applied for its delisting under the SEBI (Delisting of Equity Shares) Regulations 2009 on 6<sup>th</sup> August, 2020. Necessary approval is pending to be received from SEBI. Since the company is under process of delisting hence financial statement has not been prepared as per the requirement of Ind-AS. The impact of the same on the reported financials remains unascertained.

30) 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.

31) 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 31/3/2022 (Rs.)
Company Having Significant Influence	Bally Jute Mills Employee's Provident Fund Trust	P.F.Loan	Rs.1.30 Lakhs (P.Y.9.37 Lakhs)	Rs. 37.37 Lakhs (P.Y. 36.07 Lakhs)
Key Managerial Personnel	Mr. J.K.Kapila (Manager cum Director)	Remuneration	Rs. NIL (P.Y. 1.43 Lakhs)	-
Key Managerial Personnel	Mr. Satyananda Saho (Chief Financial Officer)	Remuneration	Rs.10.89 Lakhs (P.Y. 10.55 Lakhs)	-
Key Managerial Personnel	Mr. Sashi Prakash Purohit (Manager)	Remuneration	Rs.14.57 Lakhs (P.Y. 13.48 Lakhs)	-
Key Managerial Personnel	Mr.M.R.Yagnik (Executive Director)	Remuneration	Rs. 27.54 Lakhs (P.Y. 21.86 Lakhs)	-
Key Managerial Personnel	Mr.S.K.Agarwal General Manager (F&A) & Secretary	Remuneration	Rs. 19.26 Lakhs (P.Y. 18.19 Lakhs)	-
Control by Shareholder	Ambica Capital Markets Limited	Loan Taken	Rs. 148.00 Lakhs (P.Y. 12.00 Lakhs)	Rs. 609.00 Lakhs (P.Y Rs.461.00 Lakhs).





**Bally Jute Company Limited**  
**Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2022.**

**32) 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.

Particulars	31.03.2022	31.03.2021
Nominal Value per share (in Rs.)	10	10
Profit after Taxation (Rs. In Lakhs)	382.95	356.76
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 (in Rs.)	2.97	2.76
Diluted Earning per Share (in Rs.)	2.97	2.76

**33) DEFERRED TAXATION**

In view of Accounting Standards 22 "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India Deferred tax Liability for the year amounting to Rs. 50.93 Lakhs (P.Y 41.18 Lakhs) has been recognized in the Statement of Profit & Loss.

The deferred Tax Assets & Liabilities comprise of tax effect of following timing differences

Particulars	2021-22 (Rs)	2020-21 (Rs)
Depreciation as per Income Tax Act	641.87	568.78
Depreciation as per Companies Act	439.50	405.18
Differential depreciation	202.37	163.61
Deferred Tax Liability @ 25.168%	50.93	41.17
Opening Balance of Deferred Tax Liability	233.39	192.21
Less: Deferred Tax Liability	50.93	41.18
Closing Balance of Deferred Tax Liability	284.32	233.39



**Bally Jute Company Limited**  
**Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2022.**

34) QUANTATIVE DETAIL

(Rs. In Lakhs)

Sl.No	Particulars	Value 2021-22	%	Value 2020-21	%
i.	Value of Imported and Indigenous Raw Material & Stores (including Components & Spare Parts) consumed				
	<b>Raw Material :</b>				
	Imported	632.48	2.99%	366.24	2.43%
	Indigenous	20454.49	97.01%	14699.30	97.57%
	<b>TOTAL</b>	<b>21086.97</b>	<b>100%</b>	<b>15065.54</b>	<b>100%</b>
	<b>Stores:</b>				
	Imported	-	-	-	
	Indigenous	1378.47	100%	1024.43	100%
	<b>TOTAL</b>	<b>1378.47</b>	<b>100%</b>	<b>1024.43</b>	<b>100%</b>
li	<b>Earning in Foreign Currency</b>				
	Export of goods calculated on F.O.B. Basis	2211.83	-	951.72	-
lii	<b>Expenditure in Foreign Currency</b>				
	Import of Raw Jute	632.48	-	366.24	-
	Import of Flax	2095.60	-	-	-
	Travelling Expenses	41.42	-	3.62	-

35) During the year, the company has incurred a loss of inventory valuing **Rs. 128.32 lakhs** due to **fire broke out at mill** on the 10th day of January 2022 and the same has been adjusted with the raw materials consumed. The company has lodged a claim with insurance company and is in regular follow up in the said matter.





**Bally Jute Company Limited**  
**Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2022.**

36) During the year, an employee of the company has misappropriated a sum of **Rs.54.93 Lakhs** of the company in the manner of cash embezzlement. The employee has absconded and necessary legal action has been initiated by the Company. The Management considers the same as irrecoverable. Hence necessary accounting treatment has been made in the financial statement.

**37) Corporate Social Responsibility (CSR) expenditure:**

The Company has taken steps for hunger eradication in the local area, towards CSR expenses. The details are as under:

(Rs. In Lakhs)			
SI No.	Particulars	Year ended 31 <sup>st</sup> March 2022	Year ended 31 <sup>st</sup> March 2021
1	Amount required to be spent by the company during the year	8.31	6.58
2	Amount of expenditure incurred on Hunger Eradication.	8.46	6.64
3	Shortfall at the end of the year	-	-
4	Total of previous years shortfall	-	-
5	Reason for shortfall	NA	NA
6	Nature of CSR activities	Hunger Eradication	
7	Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard :	Nil	Nil

38) Goods & Service tax balances, as appearing in financial statements are subject to reconciliation and annual return. However, in the view of the management there is no material impact of the same.

39) Figures are rounded off to the Rupees in Lakhs and decimals thereof, unless otherwise stated.

40) 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**

**CA Sudhanshu Sen**

**M No. 306354**

**Partner**



**Manager**

**G. M. (F&A) & Secretary**

**FOR & ON BEHALF OF BOARD**

**(S.N.Sahoo)**

**DIRECTOR**

**DIN - 06729238**

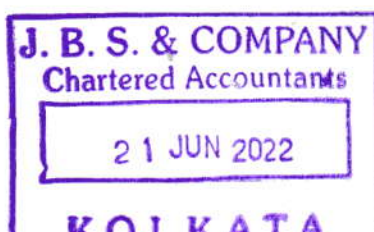
**DIRECTOR**

**DIN - 06763614**

**C.F.O.**

**Place : Kolkata**

**Dated :**



**BALLY JUTE COMPANY LIMITED**

**Regd Offc: 5, SREE CHARAN SARANI, BALLY, HOWRAH- 711201**

**CIN: L51909WB1982PLC035245**

**E Mail Id: sanjay.agarwal@kankariagroup.com**

**BOARD'S REPORT**

**To,  
The Members,**

Your directors have pleasure in presenting their 40<sup>th</sup> Annual Report on the business and operations of the company together with the Audited financial statement on standalone basis for the financial year ended 31st March 2022.

**1. FINANCIAL SUMMARY OR HIGHLIGHTS**

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

(Rs in Lacs)

<b>Particulars</b>	<b>For the year ended 31<sup>st</sup> March 2022</b>	<b>For the year ended 31<sup>st</sup> March 2021</b>
<b>Revenue from Operations</b>	<b>35206.03</b>	<b>22753.17</b>
Profit before finance charges, Tax, Depreciation/Amortization	1755.65	1598.14
Less: finance Charges	801.32	711.99
Profit before Tax, Depreciation/Amortization	954.33	886.15
Less: Depreciation	439.50	405.18
<b>Net Profit before Taxation</b>	<b>514.83</b>	<b>480.97</b>
Tax expenses	131.88	124.22
<b>Profit/(Loss) after tax</b>	<b>382.95</b>	<b>356.75</b>

**2. 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, 2022.

**3. CHANGE IN NATURE OF BUSINESS, IF ANY**

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

**4. OPERATIONS AND STATE OF COMPANY'S AFFAIRS**



During the year 2021-22 under review, the company has achieved higher sales of Rs. 352.06 crores vis-a-vis sales of Rs. 227.53 crores during the corresponding previous year 2020-21 and earned higher profit before tax of Rs. 514.83 lakhs vis-à-vis profit before tax of Rs. 480.97 lakhs in the corresponding previous year 2020-21 respectively. The production and sales during the year under review were higher in volume terms over corresponding previous year. The domestic market during the year was robust with government orders. The year under review was affected due to shortage of raw jute and ascending raw jute prices coupled with government intervention.

## **5. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### **A. INDUSTRY STRUCTURE AND DEVELOPMENT**

The Central government under Jute Packaging Materials (Compulsory use in packing commodities) Act 1987 continued with reservation norms order for compulsory packaging of foodgrain and sugar. The jute Industry was impacted with rise in raw jute prices amidst physical shortage of raw jute owing to adverse climatic conditions. The end users of jute products have restricted applications in view of increased prices of finished products. However, despite high prices, the demand from government sector for meeting packaging needs during the year was robust in view of mandatory packaging order and alternative usage of jute products are likely to pick up.

### **B. OPPORTUNITIES AND THREADS**

#### **OPPORTUNITIES**

- The environment friendly natural fibre jute has always been preferred by ecological conscious end users and more and more usage is being promoted worldwide.
- The government is sympathetic towards jute considering the livelihood of workers and farmers associated with the jute sector and the continuance of mandatory order for meeting packaging requirements seems perennial.

#### **THREATS**

- i) The shortage and ascending raw jute prices call for government intervention as jute is an essential commodity. The curtailed production owing to shortage and government intervention led to government orders being shifted to

plastics in absence of stable supplies of jute bags for meeting food procurement needs of Government of India. However, the demand is robust for food procurement government programme benefiting Jute Industry and expected good monsoon will sober the raw jute prices.

- ii) 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.
- iii) In view of high prices of raw jute export markets for finished products could be impacted.
- iv) The fluctuation in crop size is a function of weather conditions coupled with area under cultivation and the same governs the raw material prices. The availability of raw jute has been an area of concern impacting production.

### **C. SEGMENTWISE OR PRODUCTWISE PERFORMANCE**

The Company is engaged in single business segment i.e. manufacture and sale of jute goods. Hence, disclosure requirement in respect of business segment is not applicable under accounting standard AS- 17 issued by the Institute of Chartered Accountants of India.

### **D. OUTLOOK :**

The anticipated problem of raw jute shortage seems to subside with the arrival of new raw jute crop and expected normal monsoon conditions. Reports of sowing of new crop for the jute year 2022-23 has been encouraging and favorable weather conditions could propel significant jump in the crop size. The outlook of industry is bright owing to jute being a natural fibre with bio-degradable characteristics. The Government policy has been supportive and government orders continue to remain buoyant in the domestic market. The demand for jute goods is expected to rise in view of increasing plastic ban around the world due to ecological concerns.

### **E. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:**

The internal controls of the company has been strengthened with higher frequency of internal checks and balances so as to provide desired timely alert signals. The said



upgraded internal controls coupled with the existing installed ERP system will help in meeting the desired results. 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.

### **FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:**

The following are the significant areas of financial performance:

Particulars	(Rs. In lacs)	
	2021-2022	2020-2021
Revenue from Operations (Net)	35206.03	22753.17
Cost of Material Consumed	21086.97	15065.53
Finance Cost	801.32	711.98
Profit After Tax	382.95	356.75
Inventory	10656.29	9856.00

### **F. HUMAN RESOURCES**

The industrial Relations of the production unit of the Company during the financial year 2021-2022 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.

### **G. 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.

### **6. CORPORATE GOVERNANCE**

In terms of Regulation 34(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate report on

corporate governance together with a certificate from M/s PRAMOD AGARWAL & CO., a firm of practising company secretaries, confirming compliance thereof is given in ANNEXURE-I forming part of this report.

#### **7. ANNUAL RETURN**

The Annual Return of the Company is available on the Company's website: <http://www.ballyjute.com/>.

#### **8. NUMBER OF BOARD MEETINGS**

Eleven Meetings of the Board were held during the financial year ended on 31.03.2022. For details of the meeting of the Board, please refer to the corporate governance report, which forms the part of this report.

#### **9. 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.

#### **10. 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 31<sup>st</sup> March 2022.

#### **11. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES :**

As required under the SEBI (LODR) Regulations, 2015, related party transactions are placed before the Audit Committee for approval. Wherever required, prior approval of the Audit Committee is obtained on an omnibus basis for continuous transactions and the corresponding actual transactions become a subject of review at subsequent Audit Committee Meetings.

All the related party transactions that were entered into during the financial year were on an arm's length basis and in the ordinary course of business and in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015 there were no materially significant related party transaction which may have conflict with interest of the company or which are required to be reported in form AOC 2.

The disclosures as required AS - 18 have been made in Notes to Accounts of the Financial Statements for the year ended 31<sup>st</sup> March, 2022.

#### **12. AUDITORS' REPORT**

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



### **13. 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.

### **14. 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 -2** of this report.

### **15. 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.

### **16. DIRECTORS**

During the year under review, there is no change in director & Key managerial personnel (KMP) of the Company.

Mrs. Shyam Sundar Singh, (holding DIN-06763614) shall retire by rotation at the ensuing annual general meeting and, being eligible, offers himself for re-appointment.

The information about the director seeking re-appointment as required by Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings have been given in the notice convening the ensuing annual general meeting

### **16. DECLARATION BY INDEPENDENT DIRECTOR**

All the independent directors have declared that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 read with Regulation 16(1)(b) and Regulation 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In the opinion of the Board of Directors, there has been no change in the circumstances which may affect their status as independent directors of the Company and the Board of Directors are satisfied of the integrity, expertise, and experience of all the independent directors on the Board of Directors. All the independent directors have registered themselves on **INDEPENDENT DIRECTORS DATABANK**.

#### **17. KEY MANAGERIAL PERSONNEL**

During the year under review, there is no changes in Key Managerial personnel (KMP) as per provision of Companies Act, 2013 and SEBI (LODR) Regulation, 2015.

#### **18. PUBLIC DEPOSITS**

The Company has not accepted deposits from public within the meaning of Section 73 of the Companies Act, 2013 read with Rules framed there under. Further, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

#### **19. SECRETARIAL AUDIT**

The Board of Directors have appointed M/s Rakesh Agarwal & Co., a firm of practising company secretaries (COP 9014) to carry out the Secretarial Audit under the provisions of Section 204 of the Companies Act, 2013. The report from the secretarial auditor in Form MR-3 for the financial year 2021-22 does not contain any qualification, reservation or adverse remarks. The secretarial audit report is enclosed as **ANNEXURE-III** to this report.

#### **20. ANNUAL SECRETARIAL COMPLIANCE**

In compliance to SEBI circular no. CIR/CFD/CMD1/27/2019 dated 08<sup>th</sup> February, 2019 Annual Secretarial Compliance was conducted by M/s S. Dalmiya & Associates., practicing company secretary. The Annual Secretarial Compliance Report in prescribed format under Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given as **ANNEXURE- IV** which forms the part of this report. The observations made in the report are self explanatory.

Further, the Company has filed the Annual Secretarial Compliance Report for the year ended 31st March, 2022 issued by the secretarial auditor with CSE Limited on 23<sup>rd</sup> May, 2022.

#### **21. CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

In compliance to SEBI (Listing Obligations and Disclosure Requirements) (Amendment) 2018 dated 09<sup>th</sup> May, 2018, Certificate from Non-Disqualification of Directors was given by M/s S. Dalmiya & Associates., practicing company secretary. The Certificate from Non-Disqualification of Directors in prescribed format under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations is given as



**ANNEXURE- V** which forms the part of this report. The observations made in the report are self explanatory.

## **22. CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY**

During the year ended 31st March, 2022, your Company has spent Rs.846,000/- on various CSR activities as per laid down under schedule VII of section 135 of the Companies Act, 2013. The annual report on CSR activities, in terms of Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014, is provided in **ANNEXURE-VI** forming part of this report. During the year under review, our CSR programs were oriented toward various activities for hunger, Poverty & Malnutrition, Promotion education to children and other various allied activities. The Corporate Social Responsibility Policy of the Company as adopted by the Board of Directors is available on Company's website (<http://www.ballyjute.com/>). The composition of CSR Committee is disclosed in the report on corporate governance forming part of this report.

## **23. AUDIT COMMITTEE**

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

## **24. 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.

## **25. 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.

## **26. 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.

## **27. REMUNERATION POLICY**

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

## **28. CREDIT RATING**

India Ratings & Research (Ind-Ra) has affirmed long-term issuer rating at "IND BBB". The outlook is stable. The instrument-wise rating actions are as follows:-

<b><u>Instrument Type</u></b>	<b><u>Rating/Outlook</u></b>	<b><u>Rating action</u></b>
Fund based Limit	IND BBB/Stable	Affirmed
Non-Fund-based Limit	IND A3+	Affirmed
Term Loan	IND BBB/Stable	Affirmed
Term Loan	IND BBB/Stable	Assigned

## **29. 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](http://www.ballyjute.com))

## **30. 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.

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

The Company has zero tolerance for sexual harrasement 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 harassment of women at workplace (prevention, prohibition and redressal) Act, 2013 and Rules thereunder. An Internal Compliance Committee, Known as the prevention of sexual harassment (POSH) committee was constituted to inquire into the complaints of sexual harassment & recommend appropriate action. Further, the Company has not received any complaint of sexual harassment during financial year 2021-2022.

### **32. STATUTORY AUDITORS**

As per the provisions of section 139 read with section 141 of the Companies Act, 2013 and Rules made there under of the Act, the period of office of M/s. J.B.S & Co., Chartered Accountants, (FRN: 323734E) Statutory Auditors of the Company expired at the conclusion of forthcoming Annual General Meeting. The audit committee and board of director has recommended to appoint M/s. R. Kothari & Co.LLP, Chartered Accountants, (FRN: 307069E/E300266) as the Statutory Auditor of the Company for a term of 5 (Five) consecutive years (i.e. 01st April, 2022 to 31st March, 2027) on such remuneration as may be determined by the Board of Directors based on the recommendation of the Audit Committee and mutually agreed by the Statutory Auditor and Management of the Company in addition to the reimbursement of out of pocket expenses as may be incurred by them for the purpose of audit.

Further, M/s. R. Kothari & Co.LLP, Chartered Accountants, (FRN: 307069E/E300266) have confirmed their eligibility and qualification required under the Act for holding the office, as the Statutory Auditor of the Company.

### **33. INTERNAL AUDITORS**

The Company has appointed M/s Srimal Jain & Co. as the Internal Auditors in the year in 2018 for undefined period.

### **34. 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 2022-23. 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.

### **35. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES**

There is no company which has become or ceased to be the Company's subsidiary, joint venture or associate company during the year. The Company does not have any subsidiary, joint venture or associate company as on 31st March, 2022.

**36. FRAUD REPORTING (REQUIRED BY THE COMPANIES AMENDMENT ACT, 2015)**

The Company has adopted best practices for fraud prevention and it follows confidential, anonymous reporting about fraud or abuse to the appropriate responsible officials of the Company. During the year, an employee of the Company has misappropriated a sum of Rs. 54,93,000 (approx) of the Company in the manner of cash embezzlement. The employee has absconded and necessary legal action has been initiated by the company.

**37. 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, 2022, 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, 2022 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.

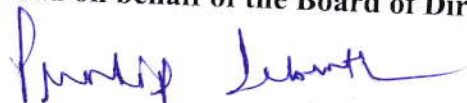
### **ACKNOWLEDGEMENT**

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 – 04.07.2022

**For and on behalf of the Board of Directors**



**(Chairman)**

**(06729238)**

## **ANNEXURE- I TO THE BOARD'S REPORT**

### **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:**

**BALLY JUTE COMPANY LTD "THE COMPANY"** believes in cultivating the virtues of good corporate governance across the organization to attain sustained growth through fair and ethical dealing. In pursuit to this objective, the Company is guided by a strong emphasis to uphold the integrity, transparency and accountability in all its affairs. The Company's code of corporate governance is aimed to protect the long term interest of all its stakeholders.

#### **2. BOARD OF DIRECTOR :**

##### **a) Composition of the Board**

The composition of Board of Directors of the Company has an optimum combination of non-executive directors in conformity with Section 149 of the Companies Act, 2013 (hereinafter referred to as "the Act") and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI Listing Regulations"). Presently, the Board of Directors consists of 4 (Four) Directors with 2 (Two) Non-Executive (Independent) Directors, 1 (One) Non-Executive Director, 1 (One) Non-Executive woman Director.

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.



## **ANNEXURE- I TO THE BOARD'S REPORT**

### **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:**

**BALLY JUTE COMPANY LTD "THE COMPANY"** believes in cultivating the virtues of good corporate governance across the organization to attain sustained growth through fair and ethical dealing. In pursuit to this objective, the Company is guided by a strong emphasis to uphold the integrity, transparency and accountability in all its affairs. The Company's code of corporate governance is aimed to protect the long term interest of all its stakeholders.

#### **2. BOARD OF DIRECTOR :**

##### **a) Composition of the Board**

The composition of Board of Directors of the Company has an optimum combination of non-executive directors in conformity with Section 149 of the Companies Act, 2013 (hereinafter referred to as "the Act") and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI Listing Regulations"). Presently, the Board of Directors consists of 4 (Four) Directors with 2 (Two) Non-Executive (Independent) Directors, 1 (One) Non-Executive Director, 1 (One) Non-Executive woman Director.

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 31<sup>st</sup> March 2022.**

Name of the Directors	Position	Attendance Particulars		No. of other directorship(s) and other Board committee membership(s) / chairmanship(s) held		
		At Board Meeting (s)	At last AGM held on 06/09/2021	Other Directorship(s)	Committee Membership(s)	Committee Chairmanship(s)
Pradip Debnath	ID (NED)	11	Yes	Nil	2	2
Nibedita Majumdar	NED	11	Yes	Nil	2	Nil
Dipankar Sarkar	ID (NED)	11	Yes	1	2	Nil
Shyam Sundar Singh	NED	11	Yes	7	Nil	Nil

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

\*\*The directors of the Company does not hold directorship in any other listed entity.

**c) Expertise and Skills of the Board of Directors**

The Board of Directors of the Company are required to uphold ethical standards of integrity and probity and are required to have expertise, experience and core knowledge in the sectors relevant for the growth of the Company.

The Board members of the Company are holding such skills, expertise and competencies that allow them to make effective contribution to the Board and its Committees.

Finance	Leadership in Corporate/ business finance is an important and inevitable function and efficient financial management is crucial for success and sustenance. It results in proficiency in financial management, procurement and utilisation of funds and controlling the financial activities and management of financial resources of the Company.
Strategy and Planning	Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments.
Global Business	Understanding, of global business dynamics, across various geographical markets with an understanding of industry verticals, regulatory jurisdictions, economic conditions, cultures and a broad perspective on global market opportunities.
Leadership	Leadership experience leads to maximize efficiency and to achieve Company goals by understanding the opportunities and threats, processes, strategic planning and risk management and discussing the financial performance and long-term growth.



Procurement, Sales and Marketing	Experience in procurement of raw materials, production aspects, marketing technical aspect of production, quality control, purchase management and developing strategies to grow sales and market share, build brand awareness and enhance Company reputation.
Governance	Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building longterm effective stakeholder engagements, driving corporate ethics and values and observing appropriate governance practices.
Administration	Leadership in administration of a Company, results in long-term growth by planning, organising, directing and controlling the operations, creating rules and regulations and making decisions towards achieving a common goal or objective of the Company

The Board has identified the following skills/expertise/ competencies fundamental for the effective functioning of the Company which are currently available with the Board:

**d) Number of Board meetings held and dates on which held:**

During the year ELEVEN Board meetings were held on 13<sup>th</sup> May'2021, 15<sup>th</sup> June'2021, 29<sup>th</sup> June'2021, 20<sup>th</sup> July'2021, 12<sup>th</sup> August'2021, 30<sup>th</sup> August'2021, 29<sup>th</sup> October'2021, 12<sup>th</sup> November'2021, 20<sup>th</sup> December'2021, 11<sup>th</sup> February'2022 & 15<sup>th</sup> March'2022.

**e) Responsibilities**

The Board's prime concentration is on strategy, policy and control, delegation of power and specifying approvals that remain in the Board's domain besides review of corporate performance and reporting to shareholders.

**f) Disclosure of relationships between directors inter-se:**

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

**g) Board Committees:**

The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by members of the Board as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The minutes of the meetings of all Committees were placed before the Board, and were duly taken on record.

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

None of the directors holds any shares or convertible instruments in the Company.

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

The Company has a familiarization programmes for independent directors and the same is available on the website of the Company ([www.ballyjute.com](http://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.

**j) Other provisions:**

It is hereby confirmed that in the opinion of the Board of Directors, the independent directors fulfill the conditions specified in the SEBI Listing Regulations and are independent of the management. None of the independent directors have resigned before the expiry of their tenure of appointment. The Company has developed proper systems to enable the Board of Directors to periodically review compliance reports prepared by the Company in respect of laws applicable to the Company. Corrective steps are taken by the Company to rectify any instance of non-compliance. The Board of Directors have devised plans for orderly succession for appointments to the Board and to senior management level.

**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 14<sup>th</sup> January 2022 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. Dipankar Sarkar and Mr. Pradip Debnath attended the Meeting of Independent Directors. Mr. Pradip Debnath chaired the meeting.

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



### 3. AUDIT COMMITTEE:

#### a) Brief Description of 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. Pradip Debnath (Chairman)	Independent Director	6
Mrs. Nibedita Majumder (Member)	Non Executive Director	6
Mr. Dipankar Sarkar (Member)	Independent Director	6

#### c) MEETINGS

During the year Six Audit Committee meetings were held on 05<sup>th</sup> May 2021, 07<sup>th</sup> June 2021, 12<sup>th</sup> July 2021, 05<sup>th</sup> November 2021, 04<sup>th</sup> February 2022, 07<sup>th</sup> March 2022.

#### 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) Brief Description of 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. Dipankar Sarkar, (Member)	Independent Director	1
Mr. Pradip Debnath,(Chairman)	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 12<sup>th</sup> July, 2021.



#### **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 & Sitting fees**

The Non-Executive Directors are remunerated by way of sitting fees. The sitting fees payable to the Non-Executive Directors is based on the number of meetings of the Board attended by them. Directors of the Company were paid a sitting fee as under during the Financial Year 2021-22 for each meeting of the Board attended by them.

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. Pradip Debnath (chairman)

Mrs. Nibedita Majumder (member)

Mr. Dipankar Sarkar (member)

During the year One Stake holders Relationship Committee meetings were held on 10<sup>th</sup> July, 2021.

**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 and re-constituted thereafter to borrow money up to the extent of Rs.150 crores and to give guarantee or provide security in respect of loan taken by others up to the limit of Rs.150 crores. The Committee was constituted to align with the requirements of Companies Act 2013. The Committee was re-constituted with effect from 12<sup>th</sup> March, 2021 with members as Mr. Shyam Sundar Singh and Mr. Pradip Debnath. The compositions of the committee are:-

Mr Shyam Sundar Singh (Member)

Mr. Pradip Debnath (Member)

The Committee met seven times during the year under report on 04/06/2021, 01/09/2021, 18/10/2021, 20/12/2021, 18/01/2022, 09/02/2022 and 25/03/2022.

**8. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR)**

**a) Composition, name of members and chairperson**

The details of composition of Corporate Social Responsibility (CSR) Committee with name of members and chairperson are as follows:

Mr. Pradip Debnath (chairman)

Mrs. Nibedita Majumder (member)



Mr. Dipankar Sarkar (member)

Mr. Sanjay Kr. Agarwal (Secretary)

During the year One Corporate Social Responsibility Committee meetings were held on 01<sup>st</sup> June, 2021.

## 9. GENERAL BODY MEETINGS

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

Financial Year	Location	Date	Time	Special Resolution
2018-19	- do-	26.09.2019	10.00 A. M	None
2019-20	-do-	26.09.2020	10.00 A. M	None
2020-21	-do-	06.09.2021	11.00 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.

## 10. 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 2021-22. A declaration to this effect duly signed by manager forms part of this Annual Report.

## 11. 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](http://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.

## **12. GENERAL SHAREHOLDER INFORMATION**

### **a) Annual General Meeting**

40<sup>th</sup> Annual General Meeting will be held on 5<sup>th</sup> September '2022 at 10.00 A.M. at its Registered Office at 5, Sree Charan Sarani, Bally, Howrah – 711 201.

### **b) Financial Calendar (2022-2023):** (tentative)

Quarter ending June 30, 2022	: On or before 14 <sup>th</sup> August, 2022
Quarter ending September 30, 2022	: On or before 14 <sup>th</sup> November, 2022
Quarter ending December 31, 2022	: On or before 14 <sup>th</sup> February, 2023
Quarter ending March 31, 2023	: On or before 14 <sup>th</sup> May, 2023

### **c) Date of Book Closing :**

30<sup>th</sup> August, 2022 to 05<sup>th</sup> September, 2022 (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. (Intimation to stock Exchange for delisting of shares vide its letter dated 06.08.2020 and subsequent submission on various dates)

### **f) Demat ISIN**

- Not Allotted

### **g) Registrar and Share Transfer Agent :**

ABS Consultants Pvt. Ltd.  
"Stephen House", Room No.99  
6<sup>th</sup> Floor, 4, B.B.D. Bag (East),  
Kolkata-700 001.

### **h) Status of Dematerialization of Shares as on 31st March, 2022.**

As on 31<sup>st</sup> March, 2022, entire Equity Shares of the Company are being held in physical Form by the Shareholders.



i) **Distribution of Shareholding as on 31st March, 2022**

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, 2022.**

Category	No. of Shares	% of Shareholdings
Promoters	12882556	99.81
Institutional Investors	-	-
Body Corporate	-	-
Indian Public	25103	0.19
NRI's / 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 31<sup>st</sup> March, 2022.

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

n) **Plant Location** : -do-

o) **Address for correspondence** : -do-

### 13. CEO / CFO CERTIFICATION

As required under Regulation 17(8) of the SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015, the Managing Director/Manager and Chief Financial Officer of the Company have certified to the Board regarding review of financial statement for the year under review, compliance with the accounting standards and applicable laws and regulations, maintenance of internal control for financial reporting and accounting policies.

#### 14. WHISTLE BLOWER POLICY / VIGIL MECHANISM

The Company has an established mechanism for Directors / Employees to report concerns about unethical behavior, actual or suspected fraud, or violation of the Code of Conduct or Ethics Policy. It also provides for adequate safeguards against victimization of Directors/ employees who avail the mechanism.

None of the employee(s) has been denied access to the Audit Committee.

#### 15. CREDIT RATING

India Ratings & Research (Ind-Ra) has affirmed long-term issuer rating at "IND BBB" The outlook is stable. The instrument-wise rating actions are as follows:-

<u>Instrument Type</u>	<u>Rating/Outlook</u>	<u>Rating action</u>
Fund-based limit	IND BBB/Stable	Affirmed
Non-fund based limit	IND A3+	Affirmed
Term loan	IND BBB/Stable	Affirmed
Term Loan	IND BBB/ Stable	Assigned

#### 16. OTHER DISCLOSURES

- a) As required under the SEBI (LODR) Regulations, 2015, related party transactions are placed before the Audit Committee for approval. Wherever required, prior approval of the Audit Committee is obtained on an omnibus basis for continuous transactions and the corresponding actual transactions become a subject of review at subsequent Audit Committee Meetings.

All the related party transactions that were entered into during the financial year were on an arm's length basis and in the ordinary course of business and in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015 there were no materially significant related party transaction which may have conflict with interest of the company or which are required to be reported in form AOC 2.

The Company has formulated a policy on related party transactions for purpose of identification and monitoring of such transactions. The said policy and other policies and code of conduct adopted by the Board are displayed on the website of the Company ([www.ballyjute.com](http://www.ballyjute.com)).

Disclosures as required under AS-18 have been made in Note 31 to the financial statements for the year ended 31st March, 2022.



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

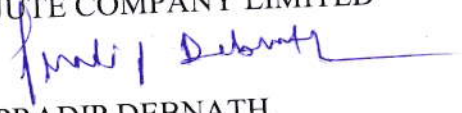
c) **Disclosure of compliance with mandatory and non-mandatory corporate governance requirements:**

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.

Place: Bally  
Date : 04.07.2022

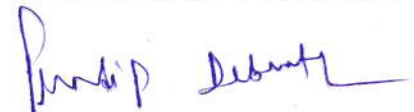
For and on behalf of the Board  
BALLY JUTE COMPANY LIMITED

  
PRADIP DEBNATH  
DIRECTOR  
DIN: 06729238

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

In terms of the Listing Regulations, I hereby confirm and declare that, all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the respective Code of Conduct, as applicable to them for the year ended 31st March, 2022.

For and on behalf of the Board  
BALLY JUTE COMPANY LIMITED



PRADIP DEBNATH  
DIRECTOR  
DIN: 06729238

Place: Bally  
Date: 04.07.2022



### COMPLIANCE CERTIFICATE

**[Pursuant to Regulation 17(8) read with Part B of Schedule II of SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015]**

### CERTIFICATION FROM MANAGER & CFO OF THE COMPANY


To  
The Board of Directors  
Bally Jute Company Ltd.


We, Shashi Prakash Purohit, 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 31.03.2022 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: 04.07.2022

  
Shashi Prakash Purohit  
(Manager)

  
Satyananda Sahoo  
(Chief Financial Officer)



**PRAMOD AGARWAL & CO.**  
**Practising Company Secretaries**

**BAGRI MARKET**  
**71, CANNING STREET**  
**4<sup>TH</sup> FLOOR, ROOM NO.C459**  
**KOLKATA-700001**  
**☎09830107160**  
**E-MAIL:pramod.agarwal2677@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, 2022, 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 : 04.07.2022

For Pramod Agarwal & Co.  
Company Secretaries  
  
Pramod Agarwal  
(Proprietor)  
C. P. No. : 4193  
**UDIN : F005895D000560680**

## **ANNEXURE -II TO THE BOARD'S REPORT**

**[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 2211.83/-
Outgo	Rs 2769.50/-



# Rakesh Agrawal & Co.

Todi Mansion, 1, Lu Shun Sarani  
(Near Poddar Court), 11th Floor,  
Room No. 1111, Kolkata - 700073  
Ph. : +91 8100414920  
M. : +91 98312 14920  
E-mail : rakesh220466@yahoo.co.in

**Company Secretary In Practice**

**Form No. MR-3**

**ANNEXURE - III**

## SECRETARIAL AUDIT REPORT

**FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2022**

*[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 LIMITED**

**(CIN: L51909WB1982PLC035245)**

**5, SREE CHARAN SARANI, BALLY,**

**HOWRAH- 711201, WEST BENGAL**

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practices by **BALLY JUTE COMPANY LIMITED** (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 company's relevant books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided to me by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to me and the representation made by the Management and considering the relaxation granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of COVID-19 Pandemic, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2022, generally complied with the provisions of Acts, Rules, Regulations, Guidelines, Standards listed hereunder subject to the reporting made hereinafter:

I have examined the books, registers, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2022, 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 Investments, Overseas Direct Investments and External Commercial Borrowing - 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 (Prohibition of Insider Trading) Regulations, 2015;





- b. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015- **The Company is listed with Calcutta Stock Exchange Ltd.**
- c. 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 an Issue or Share Transfer Agent, ABS consultants Private Ltd provides services to the Company as its Registrar and Share Transfer Agent)**
- d. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009:- **Intimation has been given to Calcutta Stock Exchange Ltd for delisting of its shares.**
- e. 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)**

However following are not applicable to the Company during the reporting period:-

- a. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- b. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- c. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- d. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- e. Other Acts- **As per the information provided by the Company, its officers and authorize representative there is no such other act /s applicable specifically to the Company.**

I have also examined compliance with the applicable clauses of the Secretarial Standards 1 and 2 issued by The Institute of Company Secretaries of India.

I report that during the period under review the Company has substantially complied with the provisions of the Laws, 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 Quarterly Compliance Report by respective department heads/Company Secretary/CEO 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 Labour Law and Environmental Laws. However, it is reported **that there is fraud from an employee of the Company who withdrew an amount of Rs. 54,93,964/- by way of theft.** Necessary legal action has been initiated by the Company.

**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. During the year, **appointment of Mr. Shyam Sunder Singh (DIN:06763614) was regularized as non-executive director and appointment of Mr. Shashi Prakash Purohit was regularized as Manager.** The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board/Committee 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. None of the members has given dissenting view as per minutes.

I further report that there are adequate systems and processes in the company that 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 not undertaken any such specific event / actions that can have a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

This report is to be read with our letter of even date which is annexed as 'Annexure-A' and forms an integral part of the report.

Place: Kolkata  
Date: 04.07.2022



For Rakesh Agrawal & Co.  
(Practicing Company Secretaries)

*(Signature)*  
(Prop: Rakesh Agrawal)

M No- F8792

CP No- 9014

UDIN: F008792D000559760





**ANNEXURE - A" to the Secretarial Audit Report**

To,  
The Members,  
**BALLY JUTE COMPANY LIMITED**  
(CIN: L51909WB1982PLC035245)  
5, SREE CHARAN SARANI, BALLY,  
HOWRAH- 711201, WEST BENGAL

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. Our audit was based on the examination of books and records maintained by the Company.
4. Our Audit examination was restricted to legal compliances of the applicable laws to be done by the Company; we have not checked the operational and business aspects relating to the same.
5. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company as well as correctness of the values and figures reported in various disclosures and returns as required to be submitted by the Company under the specified laws, though we have relied to a certain extent on the information furnished in such returns.
6. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
7. 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 and sample basis.
8. Due to the inherent limitations of an audit including internal, financial, and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with audit practices.
9. 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.

For Rakesh Agrawal & Co.  
(Practicing Company Secretaries)



*(Signature)*  
(Prop: Rakesh Agrawal)

Place: Kolkata  
Date: 04.07.2022

M No- F8792  
CP No- 9014

UDIN: F008792D000559760



***S. Dalmiya & Associates***  
***Company Secretaries***

**SECRETARIAL COMPLIANCE REPORT OF**  
**BALLY JUTE COMPANY LIMITED**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

I, M/s. S. Dalmiya & Associates, Practising Company Secretaries have examined:

- (a) all the documents and records made available to me and explanation provided by M/s. Bally Jute Company Limited ("the listed entity"),
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the year ended 31<sup>st</sup> March, 2022 ("Review Period") in respect of compliance with the provisions of:

- (a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
- (b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; **(Not attracted during the year under review)**
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not attracted during the year under review)**
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not attracted during the year under review)**
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not attracted during the year under review)**
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not attracted during the year under review)**
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable)**
- (g) Securities and Exchange Board of India (Issue and Listing of Non Convertible and Redeemable Preference Shares) Regulations, 2013; **(Not applicable)**



(h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; (Not attracted during the year under review)

(i) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 (Not attracted during the year under review)

and circulars/ guidelines issued thereunder;

and based on the above examination, I hereby report that, during the Review Period:

(a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

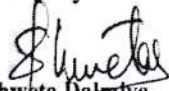
Sr. No.	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
NIL	NIL	NIL	NIL

(b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my examination of those records.

(c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended... (The years are to be mentioned)	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
NIL	NIL	NIL	NIL	NIL

For S. Dalmiya & Associates  
Company Secretaries

  
Shweta Dalmiya

Proprietor

Membership No. 38153

COP No. 19603

Place: Kolkata

Date: 18.05.2022

UDIN: A038153D000337641





## S. Dalmiya & Associates

### Company Secretaries

#### **CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members of  
Bally Jute Company Limited  
5, Sree Charan Sarani,  
Bally, Howrah- 711201


I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Bally Jute Company Limited** having CIN **L51909WB1982PLC035245** and having registered office at 5 Sree Charan Sarani Bally Howrah-711201 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal ([www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, Kolkata or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Nibedita Majumder	07168214	04/05/2015
2.	Shyam Sundar Singh	06763614	05/03/2021
3.	Dipankar Sarkar	08708069	26/02/2020
4.	Pradip Debnath	06729238	08/11/2013

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For S. Dalmiya & Associates  
Company Secretaries

  
Shweta Dalmiya

Proprietor

Membership No. 38153

COP No. 19603

Place: Kolkata

Date: 18.05.2022

UDIN: A038153D000337683





**ANNEXURE -VI TO THE BOARD'S REPORT****REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES**  
(Pursuant to section 135 of the Companies Act, 2013 ("the act") read with rule 8 of Companies (CSR) Rules, 2014)

1. A brief outline of the company's CSR policy, including overview of projects or programmes proposed to be undertaken. We believe in a responsible shared value approach to augment industrial growth together with actions directed to create prosperity among all our stakeholders, employees and the community at large. During the year, our CSR programs were oriented towards various activities such as Eradicating hunger, poverty & malnutrition.

The CSR activities of the Company are aligned with the activities specified in Schedule VII of the Companies Act, 2013.

2. The Composition of the CSR Committee:

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year.
1	Mr. Pradip Debnath	Independent Non-Executive Director - Chairman	1	1
2	Mr. Dipankar Sarkar	Independent Non-Executive Director	1	1
3	Mrs. Nibedita Majumdar	Non-Executive Director	1	1
4	Mr. Sanjay Kr. Agarwal	Secretary	1	1

3. Provide the web-link where composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company : <http://www.ballvjute.com>
4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report) : Not Applicable.

5. Details of the amount available for set-off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any.

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs.)	Amount required to be set-off for the financial year, if any (in Rs.)
- Not Applicable as no amount is required to be set-off -			

6. Average net profit of the Company for last three financial years for the purpose of computation of CSR [as per Section 135 (5)]: Rs. 41,531,971.33/-

7. Prescribed CSR Expenditure (two percent of the amount as in item 6 above) : Rs. 8,30,639/- (approx)

8. Details of CSR spent for the financial year : Rs. 8,46,000/-

- a. Total amount spent for the financial year: Rs. 8,46,000/-\*\*

\*\* Note: - Company spent in CSR more than 2% i.e. 8,46,000/- during the current financial year & it is in excess of Rs. 15,361/- (Rs. 8,46,000 - Rs. 8,30,639). Therefore, whole amount to be considered as an expense and it is not carry forward to the next year.

- b. Amount unspent : NIL

- c. Manner in which the amount spent during the financial year : As per CSR Policy.

- d. CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
8,46,000/-	Nil	---N. A. -	---N. A. --	Nil	---N. A. -

9. In case the company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report. N.A.



**11. A responsibility statement of the CSR committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the Company.**

We hereby declare that implementation and monitoring of the CSR policy are in compliance with CSR objectives and policy of the Company.

Date :- 04.07.2022

A handwritten signature in blue ink, appearing to read 'Ranjit Desai', is written over the printed name.

Chairman of CSR Committee