

Bally Jute Company Limited

**Annual Reports
With
Accounts**

2011-12

Bally Jute Company Limited

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With
Accounts**

2011-12

BALLY JUTE COMPANY LIMITED

Board of Directors	:	Sri A. K. JAIN Sri S.K. DEY SRI J.K. KAPILA
Manager	:	SRI J.K. KAPILA
Auditors	:	R. KOTHARI & COMPANY 16A, SHAKESPEARE SARANI KOLKATA - 700 071
Banker	:	CANARA BANK PRIME CORPORATE BRANCH KOLKATA
Registered Office	:	5, SREE CHARAN SARANI BALLY, HOWRAH

Bally Jute Company Limited

DIRECTORS' REPORT TO THE MEMBERS

Your Directors have great pleasure in presenting their 30th Annual Report on the business and operations of the company and audited annual accounts for the financial year ended 31st March, 2012.

Financial Result

	Rs. in Lacs	Year Ended 31.03.2012 Rs. in Lacs
		1015.93
Profit before Interest		
Depreciation	469.90	
Less : (a) Interest	392.22	862.12
(b) Depreciation		153.81
Profit before taxation		
Less : Provision for taxation	58.06	
Current Tax	12.39	70.45
Deferred Tax		83.36
Profit/(Loss) after Tax		570.85
Balance brought forward from previous year		654.21
Balance Carried to Balance Sheet		

OPERATIONAL PERFORMANCE :

During the year under review there was a marginal fall in production compared to the corresponding previous year as the production decreased from 27968 M.T. to 27528 M.T. However, the sales increased from Rs. 151.35 crores to Rs. 160.22 crores during the same period. During the year under review the company has earned profit before tax and depreciation of Rs. 5.46 crores as against Rs 5.31 crores in the previous year.

EXPORTS :

During the year under review the exports have shrunk from 19.46 crores to 7.76 crores largely on account of reduced orders in view of global recession.

OUTLOOK:

The company is in constant touch with overseas buyers and as the market has shown signs of improvement, it is expected that exports orders will pick up soon. Moreover, the demand for jute goods in domestic market is robust and is expected to remain firm. The prices of raw jute presently moving in a narrow range despite steep increase in Minimum Support Prices by the Government of India and it is expected that the prices will be stable in the year 2012 - 13. The company is making sincere efforts to explore new areas where usage of jute goods could be successfully introduced.

Bally Jute Company Limited

ISO CERTIFICATE :

Your Company continues to maintain the Certificate under IS/ISO 9001: 2008,

The Jute Mill of your company is running in an eco-efficient manner with a clear focus on work place health and safety. During the year your company has received ISO 14001 : 2004 certification for Environment Management system and B.S.OHSAS 18001 : 2007 for Occupational Health & Safety Assurance Series from MS CERT as per standards of JAS - ANZ, Canberra, Australia.

DIRECTORS :

The Directors regret to report the said demise of Sri Chinmoy Kumar Bose, Director of the Company while expressing profound sorrow, the board place on record its sincere appreciation for the valuable contribution made by him towards the growth and development of your Company

In terms of Section 262 of the Companies Act, 1956, Sri Swapan Kumar Dey was appointed as Director on the casual vacancy caused by the death of Sri Chinmoy Kumar Bose w.e.f. 01.06.2012 and shall hold office up to the date of the forthcoming Annual General Meeting. The Company has received a notice from a member signifying his intention to propose Mr. Swapan Kumar Dey as candidate for the office of Director.

Sri Ajit Kumar Deb has resigned as director of the company on 24.03.2012. Your director place their gratitudes for the services rendered by them during their tenure as director of the Company.

Mr. Ajit Kumar Jain, Director, retire by rotation and if eligible offer himself for re-appointment.

CORPORATE GOVERNANCE :

A report on Corporate Governance along with the Auditor's Certificate regarding Compliance of the conditions of Corporate Governance as also a Management Discussion and Analysis Report pursuant to clause 49 of the Listing Agreement are annexed hereto.

AUDITORS

M/s. R. Kothari & Company, Chartered Accountants, would retire on conclusion of forthcoming Annual General Meeting and are eligible for re-appointment.

INDUSTRIAL RELATIONS

During the year under review Industrial Relation were cordial and the continued support rendered by the executives, staff and workmen of the company throughout the year is appreciated.

PARTICULARS OF EMPLOYEES

The information in accordance with the Provisions of Section 217 (2A) of the Companies Act, 1956 read with the Company (particulars of Employees) rules 1975, as amended from time to time, is NIL for the report year.

Bally Jute Company Limited

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

As required by the Companies (Disclosure of particulars in Report of Directors Rule, 1988 the relevant data pertaining to the conservation of energy etc. are given in Annexure – "A" of this report. Research & Development is being given due importance by the Company and efforts are being made for improvement in productivity and reduction in waste. The information in regard to Foreign Exchange earnings and outgo are as follows:

i) Earning in Foreign Currency : Export of goods calculated on F.O.B. Basis	7,76,55,869/-
ii) Expenditure in Foreign Currency : Import of Raw Jute Travelling Expenses	8,28,77,730/- 86,825/-

DIRECTORS RESPONSIBILITY STATEMENT :

As required under Section 217 of the Companies Act, the Directors hereby confirm that :

- 1) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- 2) The Directors have selected such accounting policies and applied them consistently and made Judgement and estimates that are responsible and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period.
- 3) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities to the best of their knowledge and ability.
- 4) The Directors have prepared the Annual Accounts on a going concern basis.

ACKNOWLEDGEMENT :

Your Directors are grateful to all concerned who have contributed towards the progress and achievement of the Company.

For and on behalf of the Board

Registered Office :
5, Sree Charan Sarani,
Bally, Howrah
Dated ; 02.07.2012

J.K. Kapila
CHAIRMAN

Annexure "A" To the directors' report
Form - "A"

	2011-2012 Rs.	2010-2011 Rs.
<u>Power & Fuel Consumption :</u>		
<u>Electricity :</u>		
A) Purchased Units [in hundred]	143,524	146,172
Total Amount [Rs. in thousand]	85,265	77,042
Rate / Unit [Rupees]	5.94	5.27
B) Own Generation :		
Through Diesel Generator Unit		
[in hundred]	233	691
Unit per Litre of Diesel	2.38	2.83
Cost / Unit [Rupees]	9.48	11.78
<u>Coal :</u>		
[Coal is used for generation of Steam in boiler]		
Quantity [Tonnes]	0.42	2.14
Total Cost [Rs. in thousand]	3.00	9.53
Average Rate [Rupees]	7.12	4.45
<u>Consumption Per unit of Production :</u>		
Production : Jute Goods [Tonnes]	27528	27968
Electricity Unit per M.T.	521	523
Coal per M. Ton of Production	0.001	0.007

Bally Jute Company Limited

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE :

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

2. BOARD OF DIRECTORS :

a) Composition

As on 31st March, 2012, the Board of Directors had 4 members comprising of Director cum Manager and three Non-Executive Directors. The Chairman of the Board is Director Cum Manager.

The Directors are liable to retire by rotation.

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 is a Director. The composition of the Board of Directors, membership of the Directors in other Board and Board Committees are as follows.

Name	Category of Directorship	No. of other Directorships (including Pvt. Ltd. Company	No. of other Board Committee(s) of which he is a member*	No. of other Board Committee(s) of which he is a Chairman
Mr. A.K.Deb	Independent & Non Executive	4	4	4
Mr. C.K.Bose	-do-	1	4	-
Mr. J.K.Kapila	Director Cum Manager	8	1	-
Mr. Ajit Kumar Jain	Independent & Non Executive	4	4	-

During the year Thirteen Board Meetings were held on 30th April '2011, 19th May '2011, 21st May '2011, 21st June '2011, 15th July '2011, 20th July '2011, 30th July '2011, 23rd August '2011, 31st October '2011, 19th December '2011, 21st December '2011, 30th January '2012 and 24th March '2012.

Bally Jute Company Limited

Name	No. Of Board Meeting Attended	Attendance at last AGM held on
Mr. A.K.Deb	13	Present
Mr. C.K.Bose	13	Present
Mr. J.K.Kapila	13	Present
Mr. A.K.Jain	13	Present

None of the Non-Executive Directors of the Company have any Material pecuniary relationship or transactions with the Company.

3.AUDIT COMMITTEE**Terms of Reference**

The terms of reference of the Audit Committee are in line with the revised provisions of clause 49 of the Listing Agreement. The board terms of reference of the Audit Committee are to revised with the Management and/or Internal Auditors and/or Statutory Auditors in the following areas :

- (i) Overview of the Company's financial reporting process and financial information disclosures.
- (ii) Compliance with the (1) Accounting Standards and (2) Listing and other legal requirements concerning financial statements.
- (iii) Recommending the appointment and removal of auditors and fixing their remuneration.
- (iv) Review with the Management the annual, half-yearly and quarterly financial statements before submission to the Board.

(a) Composition, Name of Members and Chairman,

The composition of the Audit Committee is given below :

Name & Designation	Category	No. of Meeting Attended
Chairman / Member Director	Independent & Non Executive	
Mr. A.K.Deb, Director	Chairman	4
Mr. C.K.Bose, Director	Member	4
Mr. A.K.Jain, Director	Member	4
Mr. J.K.Kapila, Director cum Manager	Member	1

Bally Jute Company Limited

Sri S. K. Agarwal, General Manager cum Company Secretary is the secretary to the Audit Committee. Four meetings of the Audit Committee were held during the Financial Year 2011-12.

4. Remuneration of Directors

The Board has not constituted a Remuneration Committee. All matters relating to the terms of appointment of the Executive and Non-Executive Directors are considered by the Board subject to the confirmation by Shareholders, if necessary.

The Company has also paid remuneration of Rs. 3,32,000/- P.A. along with other perquisites to Sri J.K. Kapila as Director cum Manager during the period under report as admissible within the overall limits specified under Schedule XIII of the Companies Act, 1956 and as approved by the Shareholders. Non-Executive Directors are not paid any remuneration or sitting fees.

5. Shareholders / Investors Grievance Committee

The Shareholders' / Investors' Grievance Committee comprising the following Directors.

<u>Name</u>	<u>Category</u>
Mr. C.K. Bose	Member
Mr. A.K. Jain	- do -
Mr. J.K. Kapila	Chairman

The details relating to the number of complaints received, number solved to the satisfaction of the shareholders and number of pending complaints have been provided in the shareholders' information section.

6. GENERAL BODY MEETINGS

Details of the last three Annual General Meetings were held as under :

<u>Financial Year</u>	<u>Location</u>	<u>Date</u>	<u>Time</u>
2008 - 2009	5, Sree Charan Sarani Bally, Howrah	06.11.2009	12.30 P.M.
2009 - 2010	- do -	30.09.2010	12.30 P.M.
2010 - 2011	- do -	30.09.2011	03.30 P.M.

7. Disclosures

- The particulars of transaction between the Company and its related Parties as per the Accounting Standard (As-18) are set out in Note No.33 in the notes of the Accounts for the year.
- No penalties / strictures have been imposed on the Company by the Stock Exchange / SEBI / Statutory Authorities on any matter related to Capital markets during the last three years.

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c) **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 2011 - 12.

d) **Whistle Blower Policy :**

The Company at present does not have any Whistle Blower Policy.

Certificate from the Manager cum Director

I, J.K.Kapila, Director cum Manager do hereby declare that pursuant to the provisions of Clause 49 of the Listing Agreement, all the members of the Board and Senior Management Personnel of the Company have furnished their affirmation of compliance with the Code of Conduct of the Company.

Place : Howrah
Date : 02.07.2012

Sd/- J.K.KAPILA
Chairman

e) **Means of Communication :**

The Company has 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 Leading National News Papers. At present, half yearly report on accounts is not being sent to the Shareholders. No presentations were made to the institutional investors or analysts during the period under review.

Management discussion and analysis forms part of the Annual Report.

8. GENERAL SHAREHOLDER INFORMATION

a. **Annual General Meeting :**

30th Annual General Meeting will be held on 29th September, 2012 at 10.30 A.M. at its Registered Office at 5, Sree Charan Sarani, Bally, Howrah - 711 201.

b. **Date of Book Closing :**

24th September, 2012 To 29th September, 2012 (both day inclusive)

c. **Listing of Stock Exchange :** 1) The Calcutta Stock Exchange Ltd.

d. **Demat ISIN in** - Not Allotted

f. **Register and Share Transfer Agent :**

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

g. **Status of Dematerialization of Shares as on 31st March, 2012.**

As on 31st March, 2012, entire Equity Shares of the Company are being held in physical Form by the Shareholders.

Bally Jute Company Limited

Distribution of Shareholding as on 31st March, 2012

Slab of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 - 500	33	58	1228	0.01
501 - 1000	--	--	--	--
1001 - 2000	--	--	--	--
2001 - 3000	12	21	31375	0.24
3001 - 4000	--	--	--	--
4001 - 5000	--	--	--	--
5001 - 10000	--	--	--	--
10001 and above	12	21	12875056	99.75
Total	57	100	12907659	100

Category of Shareholders as on 31st March, 2012.

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

Stock Market Data - There was no trading during the year review and thus High / Low market price data for Stock performance in comparison to the indicators cannot be made.

During the period under review, no complaint were received from the shareholders. No share transfer were pending as on 31st March, 2012.

Registered Office

5, Sree Charan Sarani, Bally, Howrah

Plant Location

-do-

Address for correspondence

-do-

8) **BOARD MEETING HELD ON :**

30.04.2011, 19.05.2011, 21.05.2011, 21.06.2011, 15.07.2011, 20.07.2011, 30.07.2011, 23.08.2011, 31.10.2011, 19.12.2011, 21.12.2011, 30.01.2012, 24.03.2012

Bally Jute Company Limited

Auditor's Report

To
The Members of
BALLY JUTE COMPANY LTD.

We have audited the attached Balance Sheet of **BALLY JUTE COMPANY LTD.** as at 31st March, 2012 and also the Profit & Loss Account and the Cash Flow Statement of the company for the year ended on that date annexed thereto. These financial statements are the responsibilities of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosure in financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We report as follows :

1. As required by the Companies (Auditor's Report) Order, 2003 (as amended) issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, and on the basis of such checks as we considered appropriate, and according to the information and explanation given to us. We enclose in the Annexure a Statement on the matters specified in paragraphs 4 and 5 of the Order.
2. Further to our Comments in the Annexure referred to in paragraph (1) above :
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) The said Balance Sheet, Statement of Profit & Loss and Cash Flow Statement dealt with by this report are in agreement with the Books of accounts;
 - (d) In our opinion the Balance Sheet, Statement of Profit & Loss and Cash Flow Statement dealt with by this report comply with the Accounting Standard referred to in Sub-Section (3C) of Section 211 of the Companies Act, 1956 except Note No. 24 regarding non provision of gratuity liability contrary to Revised AS-15, Note No. 28 regarding valuation of closing stock of Finished Goods contrary to AS-2.
 - (e) On the basis of written representation received from the Directors and taken on record by the Board of Directors we report that no Director is disqualified from being appointed as a Director of the Company under Clause(g) of Sub-section 1 of Section 274 of the Companies Act, 1956.
 - (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts subject to
 - a) Note No. 22-A regarding treatment of certain items on Cash Basis.
 - b) Note No. 24 regarding non provision of gratuity liability amounting Rs.17,13,55,334/-.
 - c) Note No. 28 regarding valuation of closing stock contrary to AS-2.
 - d) Note No. 29 regarding parties balance remains unconfirmed.

read together with the other notes to the Accounts in relation to financial statement annexed give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.

Bally Jute Company Limited

- i) In the case of Balance Sheet of the state of the affairs of the company as at 31st March, 2012;
AND
- ii) In the case of the Statement of Profit & Loss of the PROFIT of the Company for the year ended on that date.
AND
- iii) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

Place : Kolkata
Dated : 2nd July, 2012

For R. Kothari & Company
(Chartered Accountants)
F.R No.307069 E
K.C.Soni
Partner
Membership No.- 057620

Annexure to the Auditors' Report

Referred to in Paragraph 1 of our Report of even date.

With reference to the annexure referred to in paragraph (1) of the Auditors' Report to the Members of **Bally Jute Company Limited** on the financial statements for the year ended 31st March, 2012, We Report the following :

- (i) (a) The Company has generally maintained proper records showing particulars including quantitative details and situation of its fixed assets.
(b) The Fixed Assets have been physically verified by the management according to regular programme of periodical verification in phased manner which in our opinion is reasonable having regard to size of the company and nature of its business. In our opinion and according to the information and explanation given to us in respect of Assets physically verified discrepancies noticed were not material and have properly dealt with in the Books of Account.
(c) During the year the Company has not disposed substantial part of Fixed Assets which would affect its going concern concept.
- (ii) (a) In our opinion and according to information and explanation given to us the inventory of finished goods, processed stock and raw material & stores & spares have been physically verified by the Management during the year.
(b) In our opinion and according to informations and explanation given to us, the procedures of physical verification of inventories followed by the Management are reasonable and adequate in relation to the size of the Company and nature of its business.
(c) In our opinion and according to the information and explanations given to us the Company has maintained proper record of inventory and no material discrepancies were noticed on physical verification.
- (iii) (a) The Company has taken Unsecured loan from one party covered in the register maintained under section 301 of the Companies Act, 1956.
(b) The Company has not given any loan to parties covered in the register maintained under section 301 of the Companies Act, 1956.
- (iv) In our opinion and according to the information and explanations given to us, that there are generally adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and the sale of goods. During the course of our Audit, we have not observed any continuing failure to correct major weaknesses in internal control.

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- (v) (a) To the best of our knowledge and belief and according to the information and explanations given to us we are of the opinion that the transactions that need to be entered into the Register required to be maintained under Section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- (vi) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public and consequently the directives issued by Reserve Bank of India and provisions of Section 58A and Section 58AA of the Companies Act, 1956 and the rules framed there under are not applicable.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) To the best of our knowledge and according to the information given to us, the Central Government has prescribed maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 for the product of the Company.
- We have broadly reviewed the books of account maintained by the company in respect of manufacture of Jute goods pursuant to the Rules made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956, and we are of the opinion that prima-facie, the prescribed accounts and records have been made and maintained. We have not however made a detailed examination for the records with a view to determining whether they are accurate and complete.**
- (ix) (a) According to the information and explanation given to us, the Company is regular in depositing with appropriate authorities undisputed statutory dues in respect of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Excise Duty, Service Tax, Cess and other materials statutory dues as applicable to it.
- (b) According to the information and explanations given to us, there is no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Custom Duty, Excise Duty and Cess were in arrears, as at 31st March, 2012 for a period of more than six months, from the date they became payable except Sales Tax Demand under Appeal amounting Rs. 6,20,193/-.
- (c) According to the information and explanations given to us, there are no dues of sales tax, income tax, custom duty, wealth tax, excise duty and cess which have not been deposited on account of any dispute.
- (x) The company does not have any accumulated losses. The company has not incurred any cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial Institutions or Banks. The Company has not issued debenture.
- (xii) According to the information and explanations given to us and on the basis of our examination of the books of accounts, the Company has not granted loans and advances on the basis of security by way of pledge of share, debentures and other securities.
- (xiii) In our opinion, the company is not chit fund or nidhi/mutual benefit fund/society. Therefore the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.

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- (xiv) According to the information and explanations given to us, the company has maintained proper records of the investments in shares. The shares have been held by the company in its own name except to the exemption granted under Section 49 of the Companies Act, 1956.
- (xv) In our opinion, the terms and conditions on which the Company has given guarantees for loan taken by others from banks or financial institutions are not prejudicial to the interest of the Company.
- (xvi) In our opinion and according to the information and explanations given to us, the term loans availed by the Company are prima facie applied for the purpose for which they were raised.
- (xvii) According to the information and explanations given to us and on an overall examination of the Financial Statement of the company and after placing reliance on the reasonable assumptions made by the company for classification of long term usages of fund, we are of the opinion that the funds raised by the company on short term basis has not been used for long term investment.
- (xviii) The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xix) According to the information and explanations given to us, during the period covered by our audit report, the company has not issued any debentures hence clause 4 (xix) of the Companies (Auditor's Report) Order, 2003 is not applicable to the company.
- (xx) The company has not raised any money by public issues hence clause 4 (xx) of the Companies (Auditor's Report) Order, 2003 is not applicable to the company.
- (xxi) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the period.

For R. Kothari & Company
(Chartered Accountants)
F.R. No. 307069E

K.C.Soni
Partner
Membership No.- 057620

Place : Kolkata
Dated : 2nd July, 2012

Bally Jute Company Limited

BALANCE SHEET AS ON 31st MARCH, 2012

(In Rs.)

Particulars	Notes No.	As at 31st March, 2012		As at 31st March, 2011	
		Rs.	Rs.	Rs.	Rs.
I. EQUITY AND LIABILITIES					
Shareholders' Funds :					
Share Capital	1	129,076,590		129,076,590	
Reserves & Surplus	2	734,452,747	863,529,337	726,116,335	855,192,925
Non-current liabilities					
Long-term borrowings	3	115,863,167		141,862,785	
Deferred tax liabilities (Net)		30,122,664	145,985,831	28,882,960	170,745,745
Current liabilities					
Short-term borrowings	4	192,548,563		396,347,691	
Trade Payables		46,232,137		9,291,189	
Other Current liabilities	5	98,028,858		89,842,238	
Short-term provisions	6	20,610,735	357,420,293	14,804,875	510,285,993
Total			1,366,935,461		1,536,224,663
II. ASSETS					
Non-current assets :					
Tangible Assets	7	837,929,550		851,727,225	
Non-current investments	8	100,000		100,000	
Other non-current assets	9	23,442	838,052,992	31,256	851,858,481
Current Assets					
Inventories	10	390,953,037		546,005,785	
Trade receivables	11	74,430,478		71,306,507	
Cash & cash equivalents	12	2,933,977		2,334,641	
Short-term loans and advances	13	59,133,678		59,620,321	
Other Current assets	14	1,431,300	528,882,469	5,098,928	684,366,182
Total			1,366,935,461		1,536,224,663

Notes on Accounts & Significant Accounting Policies
The Note Nos. 1 to 38 are integrated part of these Financial Statement

As per our Report this date annexed

For R. Kothari & Co.
Chartered Accountants
K.C Soni
M. No. 057620
Place : Kolkata
Dated : 2nd July, 2012

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

J.K.Kapila
Director/Manager

A.K.Jain
Director

FOR & ON BEHALF OF BOARD

Bally Jute Company Limited

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31st MARCH, 2012

(In Rs.)

	Particulars	Notes No.	For the year ended 31st March, 2012	For the year ended 31st March, 2011
	REVENUE			
I	Revenue from Operations	15	1,602,185,852	1,513,507,921
II	Other Income	16	620,060	727,296
III	TOTAL REVENUE		1,602,805,912	1,514,235,217
IV	EXPENSES			
	Cost of Materials Consumed	17	778,587,309	909,561,497
	Purchase of Stock-in-trade		4,910,423	87,428,245
	Change in inventories of finished goods			
	Work-in-progress and Stock-in-Trade	18	125,537,279	(154,416,641)
	Employers benefits expenses	19	394,689,936	372,113,805
	Finance cost	20	46,990,110	40,698,813
	Depreciation & Amortisation Expense	7	39,221,916	38,992,318
	Other expenses	21	197,486,963	205,720,701
	TOTAL EXPENSES		1,587,423,936	1,500,098,738
V	Profit/(Loss) Before exceptional and extraordinary items and tax (III - IV)		15,381,976	14,136,479
VI	Exceptional Items		--	--
VII	Profit/(Loss) Before extraordinary items and tax (V - VI)		15,381,976	14,136,479
VIII	Extraordinary Items		--	--
IX	Profit/(Loss) before Tax (VII - VIII)		15,381,976	14,136,479
X	Tax Expense			
	- Current Tax		5,805,860	5,695,590
	- Deferred Tax		1,239,704	(384,494)
			7,045,564	5,311,096
XI	Profit/(Loss) for the period from continuing (IX-X)		8,336,412	8,825,383
XII	Profit/(Loss) form discontinuing operations			
XIII	Profit for the period (XI + XII)		8,336,412	8,825,383
	Equity Share			
	Basic		0.65	0.68
	Diluted		0.65	0.68

Notes on Accounts & Significant Accountintg Policies

The Note Nos. 1 to 38 are integrated part of these Financial Statement

As per our Report this date annexed

For R. Kothari & Co.
Chartered Accountants
K.C Soni

M. No. 057620

Place : Kolkata

Dated : 2nd July, 2012

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

J.K.Kapila
Director/Manager

A.K.Jain
Director

FOR & ON BEHALF OF BOARD

Bally Jute Company Limited

Notes to the Accounts		(In Rs.)	
Particulars	As at 31st March, 2012	As at 31st March, 2011	
1. SHARE CAPITAL			
Authorised :			
13000000 Equity Shares of Rs. 10/- each	130,000,000	130,000,000	
(Previous Year 13000000 Equity Shares of Rs. 10/- each)			
	130,000,000	130,000,000	
Issued, Subscribed			
12907659 Equity Shares of Rs. 10/- each	129,076,590	129,076,590	
(Previous Year 12907659 Equity Shares of Rs. 10/- each)			
	129,076,590	129,076,590	
Paid up			
12907659 Equity Shares of Rs. 10/- each	129,076,590	129,076,590	
(Previous Year 12907659 Equity Shares of Rs. 10/- each)			
	129,076,590	129,076,590	
<p>The paid up Share Capital includes 1431300 equity Shares of Rs. 10/- each fully paid up issued for consideration other than Cash pursuant to scheme of amalgamation approved by Hon'ble High Court Kolkata vide order d 06/07/09.</p> <p>The entire paid up Equity Share Capital represents to only one class of share having samr rights as dividend voting in General Meetings etc.</p> <p>The name of Shareholders holding more than 5% shares in the Company and their numbers are as follows :</p>			
NAME OF THE SHAREHOLDERS	No. Of Shares	As on 31/03/2012 %	No. of Shares As on 31/03/2011 %
Ambica Capital Marketing 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

2. RESERVE AND SURPLUS

Particulars	As at 31st March 2011	Additions Created during the year	Deductions during the year	As at 31st March 2012
Capital Reserve	17,076,393	--	--	17,076,393
Securities Premium Reserve	55,757,782	--	--	55,757,782
General Reserve	596,197,222	--	--	596,197,222
Surplus as per Profit & Loss Account (1)	57,084,938	8,336,412	--	65,421,350
Total	726,116,335	8,336,412	--	734,452,747

Notes	2012	2011
Profit for the year	8,336,412	8,825,383
	8,836,412	8,825,383

(In Rs.)

Particulars	As at 31st March, 2012	As at 31st March, 2011
NON-CURRENT LIABILITIES		
3. LONG-TERM BORROWINGS		
Secured		
Loan from Bank		
-Term Loans - Canara Bank	61,863,167	87,862,785
Less :		
Repayable within next 12 months transferred to "other Current Liabilities"	26,000,000	26,000,000
	35,863,167	61,862,785
Secured against 1st Charge on the existing Plant & Machinery and EMT of Land and Factory Buildings.		
Terms of Repayment		
Loan - I Sanctioned Rs 900 lacs Repayable in 27 Quarterly Installments of Rs. 32.00 lacs and final installment at Rs. 36 lacs starting from 31/10/2007 to 31/07/2014		
Loan - II Sanctioned Rs 632 lacs Repayable in 19 Quarterly Installments of Rs. 33.00 lacs and final installment at Rs. 5.24 lacs starting from 31/12/2009 to 30/09/2014		
Unsecured		
Loan from others		
Inter Corporate Deposit	80,000,000	80,000,000
	115,863,167	141,862,785

Bally Jute Company Limited

(In Rs.)

Particulars	As at 31st March, 2012	As at 31st March, 2011
CURRENT LIABILITIES		
4. SHORT-TERM BORROWINGS		
Secured		
Working Capital loans - Canara Bank	186,548,563	349,847,691
Secured by hypothecation of Raw Materials, Work-in-progress, Finished Goods, Stores & Spares and by way of 1st charge on all the present and future Book debts, outstanding and claim all mone recoverable.		
Personal Guarantee of Sri H.C.Kankaria and Sri A.K.Kankaria and Corporate Guarantee of Ambica Jute Mills Ltd.		
Unsecured		
Loan from Body Corporate	6,000,000	46,500,000
	192,548,563	396,347,691
5. OTHER CURRENT LIABILITIES		
Current Maturities of Long-term Debt - Term Loans	26,000,000	26,010,608
Other Payable-employees	5,061,255	4,542,294
Trade Deposits & Advances	2,600,517	3,391,632
Sales Tax Withholding taxes payable	2,634,839	2,502,400
Other Payables	61,732,247	53,395,304
	98,028,858	89,842,238
6. SHORT - TERM PROVISIONS		
Income Tax	20,610,735	14,804,875
	20,610,735	14,804,875

Bally Jute Company Limited

(In Rs.)

7. FIXED ASSETS - TANGIBLE

Name of the Assets	GROSS BLOCK-COST/BOOK VALUE					DEPRECIATION/AMORTISATION				NET BLOCK	
	Total as at 31st March 2011	Additions adjustment during the year	Deductions/ adjustment during the year	Impairment (reversal) during the year	Total as at 31st March 2012	Total as at 31st March 2011	Provided during the year	Deductions/ adjustment during the year	Total as at 31st March 2012	As at 31st March 2012	As at 31st March 2011
Land											
(a) Freehold	349,960,510	-	-	-	349,960,510	-	-	-	-	349,960,510	349,960,510
Building	135,505,214	5,001,171	-	-	140,506,385	33,524,048	4,340,666	-	37,864,714	102,641,671	101,981,166
Computer	28,901,439	-	-	-	28,901,439	23,734,588	3,703,952	-	27,438,540	1,462,899	5,166,851
Plant & Machinery	602,935,490	23,325,353	3,266,000	-	622,994,843	210,779,298	30,853,719	-	241,633,017	381,361,826	392,156,192
Vehicles	2,236,771	-	-	-	2,236,771	1,116,615	197,290	-	1,313,905	922,866	1,120,156
Office Equipments	1,427,824	315,087	-	-	1,742,911	450,634	69,528	-	520,162	1,222,749	977,190
Furniture & Fixtures	862,157	48,630	-	-	910,787	496,997	56,761	-	553,758	357,029	365,160
TOTAL	1,121,829,405	28,690,241	3,266,000	-	1,147,253,646	270,102,180	39,221,916	-	309,324,096	837,929,550	851,727,225
Previous Year :-	1,095,840,102	32,060,503	6,071,200	-	1,121,829,405	231,109,862	38,992,318	-	270,102,180	851,727,225	

Bally Jute Company Limited

(In Rs.)

Particulars			As at 31st March, 2012	As at 31st March, 2011
8. NON CURRENT INVESTMENT				
Non Trade Investment Unquoted				
Number	Face Value per unit	Name of the Company		
10000 (10000)	Rs. 10	AKK Mercantile Pvt. Ltd. (Fully paid Equity Shares)	100,000	100,000
			100,000	100,000
9. OTHER NON - CURRENT ASSETS				
<u>Unamortized Expenses</u>				
Preliminary Expenses				
Opening Balance			31,256	39,070
Less: Amotization during the year			7,814	7,814
(To be written off in next 12 months Rs. 7814/-)				
			23,442	31,256
CURRENT ASSETS				
10. INVENTORIES (As certified by Management)				
Raw Materials (Lower of Cost or Market Price)			189,714,344	221,896,093
Work-in-progress (At estimated Cost)			54,492,886	53,388,735
Finished Goods (At Estimated Cost or Net Realisable Value)			126,976,702	253,618,132
Stores & Spares (at weighted average cost)			19,769,105	17,102,825
			390,953,037	546,005,785
11. TRADE RECEIVABLE				
Unsecured (Considered Good)				
Over Six Month			18,169,446	209,964
Other Debts			56,261,032	71,096,543
			74,430,478	71,306,507
12. CASH AND CASH EQUIVALENTS				
In Current Accounts with Schedule Bank			848,860	644,917
Cheques/Drafts in hand			-	147,347
Cash in hand and as Imprest			1,202,099	759,151
OTHER BANK BALANCES				
Fixed Deposit as Margin Money with Bank			883,018	783,226
			2,933,977	2,334,641

Bally Jute Company Limited

(In Rs.)

Particulars	As at 31st March, 2012	As at 31st March, 2011
13. SHORT TERM LOANS AND ADVANCES (Unsecured, Considered good)		
Advances Recoverable in cash or kind or for value to be received		
Advances to Employees	12,690,556	11,885,515
Advance to Suppliers	2,604,508	9,382,837
Advances to Others	11,947,390	11,837,150
Deposits	9,413,862	9,722,431
Deposit/Balances with Excise/Sales Tax Authorities	38,099	37,842
Advance Payment of Income Tax/TDS	22,439,263	16,754,546
	59,133,678	59,620,321
14 OTHER CURRENT ASSETS		
Other Current Assets	1,431,300	5,098,928
	1,431,300	5,098,928
15. REVENUE FROM OPERATIONS		
Sale of Jute Goods	1,617,306,848	1,527,062,640
Less : Cess Duty	15,120,996	13,554,719
Net Sales	1,602,185,852	1,513,507,921
16. OTHER INCOME		
Dividend	3,459	2,836
Interest Income	294,091	168,780
Rent Income	300,000	550,000
Miscellaneous Income	22,510	5,680
	620,060	727,296
17. COST OF MATERIALS CONSUMED		
Opening Stock	221,896,093	227,563,585
Add : Purchase (Net of Sales)	746,405,560	903,894,005
Less : Closing Stock	189,714,344	221,896,093
	778,587,309	909,561,497
18. CHANGES IN INVENTORIES OF FINISHED GOODS WORK-IN-PROGRESS AND STOCK-IN-TRADE		
Closing Stock in Progress	54,492,886	53,388,735
Closing Stock - Finished Goods	126,976,702	253,618,132
	181,469,588	307,006,867
Opening Stock in Progress	53,388,735	43,533,209
Opening Stock - Finished Goods	253,618,132	109,057,017
	307,006,867	152,590,226
Increase / (Decrease) in Stock	(125,537,279)	154,416,641

Bally Jute Company Limited

(In Rs.)

Particulars	As at 31st March, 2012	As at 31st March, 2011
19. EMPLOYEE BENEFITS EXPENSES		
Salaries, Wages & Allowance	372,375,614	351,152,475
Contribution to Provident & Other Fund	20,382,468	18,997,364
Staff Welfare Expenses	1,931,854	1,963,966
	394,689,936	372,113,805
20. FINANCE COST		
Interest Expenses	46,967,712	40,698,813
Foreign Exchange Fluctuation	22,398	-
	46,990,110	40,698,813
21. OTHER EXPENSES		
Store & spares consumed	65,571,670	69,575,177
Power & Fuel	82,071,102	75,911,631
Rent	155,000	30,000
Repairs to Building	650,276	1,939,614
Repairs to Machinery	1,124,424	1,059,783
Insurance	11,380,530	10,590,241
Rates & Taxes	654,760	665,467
Brokerage & Commission	5,822,414	5,662,975
Auditors Remuneration	213,484	181,995
Miscellaneous Expenses	29,843,303	40,103,818
	197,486,963	205,720,701

Bally Jute Company Limited

NOTE NO. 22

Notes Forming Part of the Accounts for the year ended 31st March, 2012.

SIGNIFICANT ACCOUNTING POLICIES:

A. BASIS OF PREPARATION OF FINANCIAL STATEMENT:

During the year ended 31st March 2012 the revised Schedule VI notified under the Companies Act 1956, has become applicable to the company, for preparation and presentation of its financial statements. The company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

B. BASIS OF ACCOUNTING OF FINANCIAL STATEMENT:

The Financial statements have been prepared in accordance with historical Cost convention of a going concern on mercantile basis except for Insurance Claim, Dividend Income which are accounted for as and when received and in case of Payment of Gunny Claim and Export subsidy is accounted for as and when settled. Revenue subsidy provided on accrual basis and the same has been adjusted against revenue expenses. Capital subsidy received as per scheme of central and state govt. taken in the accounts on the basis of crystallizations. Power & Fuel is net of Electricity rebate accounted as and when received.

C. FIXED ASSETS AND DEPRECIATION:

- a) Fixed Assets of the Company have been stated at cost of acquisition, less accumulated depreciation. Cost includes all expenses incurred to bring the assets to its present location and condition.
- b) Depreciation is provided at the rates prescribed under schedule XIV of the companies Act, 1956 on Straight-line basis.

D. INVENTORIES:

Inventory of the Company have been valued as follows:

- | | |
|------------------------|---|
| a) Raw Material | At Cost or Market Price
whichever is lower. |
| b) Jute In Process | At Estimated Cost. |
| c) Stores & Spares | At Weighted average Cost. |
| d) Finished Goods | At estimated Cost or Net realisable value
Whichever is lower |
| e) Shares & Securities | At Lower of Cost or market price. |

E. SALES:

- a) Sales are Stated at net of cess duty, returns, Cash Discounts and claims. Raw material consumed are shown net of Sale of Raw Jute etc. Stores & Spares consumed are net of Sale of scrap.
- b) Consignment sales are accounted for on the basis of account sales received up to the date of report and balance of stock transfers are treated as consignment sale on the basis of Proforma Invoice considering net remittance receivable from Consignee. Adjustments, if required, are made on subsequent receipt of accounts sales.
- c) Exports Sales are accounted for on the basis of net Sales Proceeds received as per Bank advice.

Bally Jute Company Limited

F. INVESTMENT:

Investment is valued at cost and treated as long term investment.

G. BORROWING COST:

Borrowing Cost attributable to the acquisition of a qualifying asset, as defined in AS-16 on borrowing cost are capitalised as part of Cost of acquisition.

Other borrowing costs are expensed as incurred.

H. RETIREMENT BENEFITS:

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

I. CONTINGENT LIABILITY

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

J. 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 recognised 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.

Other Notes in relation to Financial Statements

- 23. Contingent Liability not provided in respect of Bank Guarantee Rs. 2,23,24,800/- (Previous year 1,91,74,000/-) and sales tax demand under appeal Rs. 6,20,193/-.
- 24. Liability of Gratuity has been determined on Actuarial basis as per revised AS-15 as on 31.03.2012 Rs. 17,13,55,334/- (P.Y. Rs.15,90,71,366/- (Revised). The same will be accounted for as and when paid.
- 25. Auditors Remuneration consists of:

(Excluding Service Tax)

Particulars	Year 2011-12	Year 2010-11
Audit Fees	Rs.1,40,000	1,25,000
Tax Audit Fees	Rs. 50,000	40,000

- 26. Raw Material Purchases include Purchase of Goods and direct attributable Expenses.
- 27. Cost of Raw Materials Consumed is shown after adjusting Jute Sales etc. Totaling to Rs. 5,76,15,588/- (P.Y. Rs. 5,35,06,570/-)

Bally Jute Company Limited

28. Liability for Cess Duty on Closing Stock of Finished Goods as per practice, has not been provided for. This non-provision is contrary to AS-2 issued by ICAI but has no effect on Profitability of the Company. The amount of such liability estimated at Rs. 13,07,860/- (P.Y. 26,12,267/-).
29. The Confirmation of balance of advances, Sundry Debtors, Consignment Parties & creditors is awaited.
30. Payment against supplies from Micro, Medium enterprises are made in accordance with agreed credit terms. To the extent ascertained available information, there was no overdue amounts outstanding at the end of the year.
31. As required under Accounting Standards -28, the carrying amount of asset does not exceeds its recoverable amount. Hence loss on account of impairment is not recognized.

32. 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 ICAI on segment reporting.

33. RELATED PARTY DISCLOSURE:

Name of the related Parties and relationship.

Relationship	Nature of Related Party	Nature of Transaction	Balance Outstanding(Rs)
Subsidiary Company	NIL	NIL	NIL
Associate Company	Ambica Capital Markets Limited	Loan taken	NIL
Key Management Personnel	M.R. Yagnik	Remuneration	Rs. 11,06,682/-/-

34. EARNING PER SHARE:

Earning 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	31.03.2012	31.03.2011
Basic Earning per share (RS.)	0.65	0.68
Diluted Earning per Share (RS.)	0.65	0.68
Nominal Value per share (RS.)	10	10
Profit after Taxation (RS.)	83,36,412	88,25,383
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

Bally Jute Company Limited

35. DEFERRED TAXATION:

In view of Accounting Standards 22 "Accounting for Taxes on Income" issued by the I.C.A.I., Deferred tax Liabilities for the year amounting to Rs. 12,39,704/- has been recognised in the statement of Profit & Loss.

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

Particulars	2011-12 (Rs.)	2010-11 (Rs.)
Opening Balance of Deferred Tax Assets/(Liabilities)	(2,88,82,960)	(2,92,67,454)
Add/Less : Deferred Tax Assets/(Liability) on account of Depreciation	(12,39,704)	3,84,494
Closing Deferred Tax Liability	(3,01,22,664)	(2,88,82,960)

36.

Sl. No.	Value	%	Value	%
i) Value of Imported and Indigenous Raw Material & Stores (Including Components & Spare Parts) Consumed				
Raw Material :—				
-) Imported	82,877,730	11%	--	0%
-) Indigenous	695,709,579	89%	909,561,497	100%
TOTAL	778,587,309	100%	909,561,497	100%
Stores :—				
-) Imported	--	--	--	--
-) Indigenous	65,571,670	100%	69,575,177	100%
TOTAL	65,571,670	100%	69,575,177	100%
ii) Earning in Foreign Currency :				
Export of goods calculated on F.O.B. Basis	7,76,55,869	--	19,46,52,743	--
iii) Expenditure in Foreign Currency :				
Import of Raw Jute	8,28,77,730	--	--	--
Travelling Expenses	86,825	--	10,90,237	--

37. Figures are rounded off to the nearest rupee.

38. Schedule 1 to 37 form an integral part of Balance sheet and Profit & loss account and have been duly authenticated.

As per our Report this date annexed

For R. Kothari & Co.
Chartered Accountants
K.C Soni
M. No. 057620
Place : Kolkata
Dated : 2nd July, 2012

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

J.K.Kapila
Director/Manager

A.K.Jain
Director

FOR & ON BEHALF OF BOARD

Bally Jute Company Limited

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012				
(In Rs.)				
Particulars	For the Year Ended 31.03.2012		For the Year Ended 31.03.2011	
A. NET PROFIT BEFORE TAX	15,381,976		14,136,479	
Adjusted for:				
Depreciation	39,221,916		38,992,318	
Dividend Income	(3,459)		(8,516)	
Interest & Finance Charges	46,990,110	101,590,543	40,530,033	93,650,314
OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES				
Changes in:				
Trade & Other Receivables	1,030,301		(46,676,386)	
Inventories	155,052,748		(143,442,855)	
Deferred Tax	1,239,704		384,494	
Trade Payables	(152,865,700)	4,457,053	(31,962,621)	(221,697,368)
CASH GENERATED FROM OPERATIONS		106,047,596		(128,047,054)
Interest paid				
Deferred taxes	(1,239,704)		(384,494)	
Direct Taxes paid	(5,805,860)	(7,045,564)	(5,695,590)	(6,080,084)
CASH FLOW BEFORE EXTRA ORDINARY ITEMS				
EXTRA ORDINARY ITEMS				
NET CASH FROM OPERATING ACTIVITIES (A)		99,002,032		(134,127,138)
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of fixed assets	(25,424,241)		(25,989,303)	
Preliminary Expenses paid	7,814		7,814	
Dividend Received	3,459	(25,412,968)	8,516	(25,972,973)
NET CASH FLOW FROM INVESTING ACTIVITIES (B)		(25,412,968)		(25,972,973)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Borrowing	(25,999,618)		198,950,336	
Payment of Interest & Finance Charges	(46,990,110)	(72,989,728)	(40,530,033)	158,420,303
NET CASH FROM FINANCING ACTIVITIES (C)		(72,989,728)		158,420,303
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)		599,336		(1,679,808)
Cash and Cash Equivalents as at the commencement of the year		2,334,641		4,014,449
CASH AND CASH EQUIVALENTS AS AT THE END OF THE YEAR		2,933,977		2,334,641
		599,336		(1,679,808)

As per our Report this date annexed

For R. Kothari & Co.
Chartered Accountants
K.C Soni
M. No. 057620
Place : Kolkata
Dated : 2nd July, 2012

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

J.K.Kapila
Director/Manager

A.K.Jain
Director

FOR & ON BEHALF OF BOARD