

**AUDITORS' REPORT**

We have audited the attached Balance Sheet of Indian Jute Mills Association as at 31st March 2014 and also the Statement of Profit and Loss for the year ended on that date annexed thereto. These financial statements are the responsibility of the Associations' 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. These 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 amount disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimate made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. We have examined the audited Balance Sheet of Indian Jute Mills Association as at 31st March 2014 and the annexed Statement of Profit and Loss for the year ended on those dates which are in agreement with the books of account.
2. In view of the non-applicability of the Companies (Auditors' Report) Order, 2003 to the Association, the requirement of paragraphs 4 & 5 of the said order have not been dealt with in this report.
3. We report that :
 - i. Details of Fixed Assets of North American Office which was closed at the end of 1976 were not made available to us for verification.
 - ii. No adjustment have been made in these accounts in respect of Income Tax liabilities/refund and wealth tax liabilities for certain assessment years (Refer Notes (a) & (b) in schedule 'B'). Adjustment may be necessary in the accounts when assessments are finalized.
4. In our opinion, the balance sheet and the accounts comply with the accounting Standards referred in to sub-section (3C) of Section 211 of the Companies Act, 1956.
5. Subject to the remarks in 3 above, in our opinion, proper books of account have been kept by the Association as required by Law, so far as appears from our examination of these books.
6. 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.
7. In our opinion and to the best of our information and according to the explanation given to us, the said account give the information required by the Companies Act, 1956 in the manner so required.
8. Subject to the consequential effect on the result for the year and the net assets position at the year end arising out of the matters stated in paragraph 3 above and Notes on Accounts, the Balance Sheet gives a true and fair view in conformity with the accounting principle generally accepted in India of the Association's affairs as at 31st March 2014 and the Statement of Profit & Loss give a true and fair view of the excess of income over expenditure for the year ended on that date.

3B Lalbazar Street
Kolkata - 700001

Dated : The 4th Day of July, 2014

Vineet Khetan & Associates
Chartered Accountants
Firm Registration No. 324428E


Vineet Khetan
(Proprietor)
Membership No. 060270



**INDIAN JUTE MILLS ASSOCIATION
BALANCE SHEET AS ON 31ST MARCH 2014**

Particulars	Schedule	As on 31.03.2014	As on 31.03.2013
EQUITY AND LIABILITIES			
Shareholder's Fund			
a. Share Capital			-
a. Reserve and Surplus	1	14,386,903.81	12,956,486.90
Non-Current Liabilities			
Long Term Provision	2	2,161,170.00	2,190,062.00
Current Liabilities			
a. Trade Payable	3	822,722.93	783,858.93
b. Other Current Liabilities	4	1,402,104.00	838,917.17
c. Short Term Provision			
TOTAL		18,772,900.74	16,769,325.00
ASSETS			
Non-Current Assets			
a. Fixed Assets			
Tangible Assets	5	576,940.44	679,750.35
b. Non Current Investments	6	7,859,000.00	2,359,000.00
c. Long Term Loans and Advances	7	382,393.38	382,393.38
d. Other Non-Current Assets	8	535,115.94	452,408.44
Current Assets			
a. Trade Receivable	9	7,071,718.66	8,975,694.66
b. Cash and Cash Equivalents	10	2,159,486.32	3,779,778.67
c. Short Term Loans & Advance	11	188,246.00	140,299.50
TOTAL		18,772,900.74	16,769,325.00

Significant of Accounting Policies

Other Notes on Accounts

16

For VINEET KHETAN & ASSOCIATES

Chartered Accountants

Firm Registration No. 324428E

Vineet Khetan

(Vineet Khetan)

Proprietor

Membership No. 060270

[Signature]
Chairman

[Signature]
Committee Member

[Signature]
Secretary

The *4th* Day of *July*, 2014



INDIAN JUTE MILLS ASSOCIATION
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2014

Particulars	Schedule	As on 31.03.2014	As on 31.03.2013
INCOME			
Revenue form Operation	12	19,499,576.00	18,919,680.00
Other Income	13	529,187.67	182,824.00
Total Revenue		20,028,763.67	19,102,504.00
EXPENDITURE			
Employee Benefit Expenses	14	6,189,126.60	6,210,688.70
Depreciation and Amortisation Expenses	5	154,344.91	194,806.04
Other Expenses	15	12,284,432.25	11,568,054.87
Total Expenses		18,627,903.76	17,973,549.61
Profit before Tax		1,400,859.91	1,128,954.39
Tax Expenses		-	-
Current Tax		-	-
PROFIT FOR THE YEAR AFTER TAXATION		1,400,859.91	1,128,954.39

Significant of Accounting Policies

Other Notes on Accounts

16

For VINEET KHETAN & ASSOCIATES

Chartered Accountants

Firm Registration No. 324428E

(Vineet Khetan)

Proprietor

Membership No. 060270

Chairman

Committee Member

S. P. Baskari
Secretary

The 4th Day of July, 2014



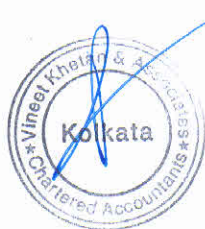
INDIAN JUTE MILLS ASSOCIATION

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31.03.2014

1 Reserve & Surplus	<u>As on 31.03.2014</u>	<u>As on 31.03.2013</u>
Balance at the Beginning of the Year	12,956,486.90	11,799,500.51
Add : Profit for the Year	1,400,859.91	1,128,954.39
Add : transferred during the year from : SBI Reserve Fund	29,557.00	28,032.00
Balance at the End of the Year	<u>14,386,903.81</u>	<u>12,956,486.90</u>
2 Long Term Provisin	<u>As on 31.03.2014</u>	<u>As on 31.03.2013</u>
Provision for Employee Benefit : Gratuity	2,161,170.00	2,190,062.00
	<u>2,161,170.00</u>	<u>2,190,062.00</u>
3 Trade Payable	<u>As on 31.03.2014</u>	<u>As on 31.03.2013</u>
Audit Fees Payable	10,000.00	10,000.00
Service Tax on Membership Subscription	789,058.08	747,403.08
Sec & H.E. Cess on Membership Subscription	23,664.85	26,455.85
	<u>822,722.93</u>	<u>783,858.93</u>
4 Other Current Liabilities	<u>As on 31.03.2014</u>	<u>As on 31.03.2013</u>
Duties & Taxes (Service Tax Payable)	2,847.00	115,166.00
Outstanding Liabilities for Expenses	1,149,668.00	723,751.17
TDS Payable	249,589.00	-
	<u>1,402,104.00</u>	<u>838,917.17</u>
6 Non-Current Investments	<u>As on 31.03.2014</u>	<u>As on 31.03.2013</u>
Syndicate Bank Fixed Deposit	500,000.00	500,000.00
SBI Short-term Deposit	7,000,000.00	1,500,000.00
Fixed Deposit with SBI From Members	359,000.00	359,000.00
	<u>7,859,000.00</u>	<u>2,359,000.00</u>
7 Long Term Loans and Advance	<u>As on 31.03.2014</u>	<u>As on 31.03.2013</u>
Income Tax	310,373.38	310,373.38
Wealth Tax	72,020.00	72,020.00
	<u>382,393.38</u>	<u>382,393.38</u>



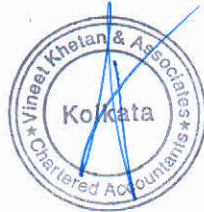
8 Other Non-Current Assets	<u>As on 31.03.2014</u>	<u>As on 31.03.2013</u>
SBI Reserve Fund	431,820.44	402,813.44
Interest Receivable	18,595.00	18,595.00
Accrued Interest on Short Term Deposit	84,700.50	31,000.00
	<u>535,115.94</u>	<u>452,408.44</u>
9 Trade Receivable	<u>As on 31.03.2014</u>	<u>As on 31.03.2013</u>
Sundry Debtors		
a. Outstanding more than Six Month		
Unsecured Considered Goods	7,071,718.66	4,708,901.90
b. Other Debts	-	4,266,792.76
	<u>7,071,718.66</u>	<u>8,975,694.66</u>
10 Cash & Cash Equivalents	<u>As on 31.03.2014</u>	<u>As on 31.03.2013</u>
Cash in Hand		
Cash Balance	2,000.00	2,000.00
With Scheduled Banks in Current Account	2,157,486.32	3,777,778.67
	<u>2,159,486.32</u>	<u>3,779,778.67</u>
11 Short Term Loans and Advances	<u>As on 31.03.2014</u>	<u>As on 31.03.2013</u>
Tax Deducted at Source	75,896.00	40,899.00
Prepaid Expenses	-	6,450.50
Other Advance	112,350.00	92,950.00
	<u>188,246.00</u>	<u>140,299.50</u>



12 Revenue from Operations	<u>For the Year Ended</u> <u>31.03.2014</u>	<u>For the Year</u> <u>Ended 31.03.2013</u>
Subscription for the year	14,043,840.00	13,384,240.00
Spl Contribution for Barrackpore office	100,000.00	100,000.00
Spl Contribution for Legal expenses	4,355,736.00	5,435,440.00
Subscription-Jute Geotextiles	1,000,000.00	-
	<u>19,499,576.00</u>	<u>18,919,680.00</u>
13 Other Incomes	<u>For the Year Ended</u> <u>31.03.2014</u>	<u>For the Year</u> <u>Ended 31.03.2013</u>
Interest on Fixed Deposit	528020.67	164,117.00
Profit on Foreign Currency Fluctuation	-	18,707.00
Interest on IT Refund	1,167.00	-
	<u>529,187.67</u>	<u>182,824.00</u>
14 Employee Benefit Expenses	<u>For the Year Ended</u> <u>31.03.2014</u>	<u>For the Year</u> <u>Ended 31.03.2013</u>
Establishment	5,418,204.60	5,029,248.20
Gratuity Retirement Benefit	316,459.00	623,692.00
Holiday/L.T.A.	98,366.50	185,998.00
Medical Expenses	122,590.50	145,448.50
Overtime/Khoraki	21,238.00	12,698.00
Providend Fund (Employer Contribution)	177,540.00	179,436.00
Admin Charges EDLI	251.00	244.00
Admin Charges on Providend Fund	27,603.00	26,807.00
EDLI	6,874.00	7,117.00
	<u>6,189,126.60</u>	<u>6,210,688.70</u>
15 Other Expenses	<u>For the Year Ended</u> <u>31.03.2014</u>	<u>For the Year</u> <u>Ended 31.03.2013</u>
Audit Fees	10,000.00	10,000.00
Bad Debt Written Off	2,381,865.00	4,484,009.68
Contribution to BCCI	1,070,693.00	1,675,387.00
General Charges	157,990.50	199,428.50
Legal Expenses	5,856,868.00	3,943,201.67
Maintenance & Re Organisation	161,605.00	195,802.00
Motor Car Expenses	236,536.00	193,962.00
Telephone Charges	108,522.97	124,902.71
Misc. Expenses	2,300,351.78	741,361.31
	<u>12,284,432.25</u>	<u>11,568,054.87</u>



Details of Other Expenses	31.03.2014	31.03.2013
Bank Charges	3,199.00	7,226.00
Barrackpore Office Expenses	110,691.00	103,636.00
Books & Newspaper	22,822.00	28,315.00
Consultancy Fees	772,048.00	2,500.00
Conveyance Expenses	25,895.00	21,267.00
Office Expenses	-	2,000.00
Postage & Telegram	25,779.00	23,751.00
Public Relation in India	53,000.00	55,070.00
Sundry Subscription	603,823.00	78,981.00
Entertainment Expenses	179,102.78	11,562.31
Fire Burglary Insurance	2,946.00	2,946.00
Printing & Stationery	143,147.00	157,399.00
Travelling	357,699.00	246,708.00
Profession Tax	200.00	-
Total	2,300,351.78	741,361.31



INDIAN JUTE MILLS ASSOCIATION

Notes on Accounts for the year ended 31st March, 2014

Notes 5 Fixed Assets

Sl. No.	Particulars	Rate	Gross Block				Depreciation during the Year	W.D.V. as on 31.03.2014
			W.D.V. as on 01.04.2013	Addition During the Year	Deduction during the Year	Total		
A	Tangible Assets							
1	Air Conditioner	13.91%	106,667.91	-	-	106,667.91	14,837.51	91,830.40
2	Computer & Laptop	40%	62,710.59	4,515.00	1,500.00	65,725.59	26,058.98	39,666.61
3	Cycle	14.93%	3.37	-	-	3.37	0.50	2.87
4	EPABX	18.10%	3,652.74	-	-	3,652.74	661.15	2,991.59
5	Fax	13.91%	8,146.80	19,425.00	-	27,571.80	3,368.86	24,202.94
6	Furniture & Fittings : N.American Office	18.10%	78.50	-	-	78.50	14.21	64.29
7	Generator (Invertor Unit)	13.91%	33.17	-	-	33.17	4.61	28.56
8	Motor Car	25.89%	310,525.95	-	-	310,525.95	80,395.17	230,130.78
9	Office Equipment & Furniture	18.10%	30,126.27	-	-	30,126.27	5,452.85	24,673.42
10	Printer	13.91%	11,504.13	29,095.00	-	40,599.13	3,200.61	37,398.52
11	Water Cooler	13.91%	21,764.30	-	-	21,764.30	3,027.41	18,736.89
12	Xe-rox Machine	13.91%	124,536.61	-	-	124,536.61	17,323.04	107,213.57
	Sub Total (A)		679,750.34	53,035.00	1,500.00	731,285.34	154,344.91	576,940.43
B	Intangible Assets							
	Sub Total (B)		-	-	-	-	-	-
	Gross Total (A+B)		679,750.34	53,035.00	1,500.00	731,285.34	154,344.91	576,940.43
	(Previous Year)		813,886.39	60,670.00	-	874,556.39	194,806.04	679,750.35



INDIAN JUTE MILLS ASSOCIATIONACCOUNTING POLICIES AND NOTES ON ACCOUNTS FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2014 AND STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2014A. Significant of Accounting Policies:1. Fixed Assets:

Fixed Assets (Gross) have been taken at their cost of Acquisition.

2. Depreciation:

Depreciation on the Fixed Assets has been provided at the rate prescribe in Schedule XIV of the Companies Act, 1956 on the basis of W.D.V. of the Assets.

3. Investments:

Investments are valued at cost.

4. Recognition of Income & Expenditure:

Income & Expenditure is accounted on accrual basis.

5. Notes:

- a. No provision was made in the accounts in respect of Income Tax liability for the Asst. Year 1962-63 to 1987-88 aggregating to Rs. 12,54,787.40 as assessed by the I.T.O. which was being disputed in appeals. A sum of Rs. 12,80,187.92 remained paid as Advance Tax and TDS against the said Assessment Years.. The Hon'ble Calcutta High Court has held that the Association was entitled to exemption U/s 11 of the I.T. Act, 1961. Further more the Association has been granted registration as a Charitable Institution U/s 12(a) of the I.T. Act, 1961 by the DIT(E). The registration has been granted with retrospective effect since 30-08-90. The donation to the Association is also exempt U/s. 80G for the Asst. Years 1997-98 to 1999-2000. In view of the same, The Advance Tax & TDS of Rs. 12,80,187.92 has become refundable.

On the basis of the above, the aggregate Income Tax liability amounted to Rs. 1,50,998/- for the Asst. Years 1988-89 to 1990-91. The demand raised by Income Tax Dept. of Rs. 28,55,485/- for asst. year 1994-95 has been vacated by the CIT (Appeal) XIII/Cal on 18/12/97.



- b. No provision has been made in these accounts in respect of Wealth-Tax liability for Asst. Years 1966-67 to 1982-83 amounting to Rs. 8,74,795/- assessed by I.T.O. but entirely disputed in respect of which appeals before the appellate authorities are pending. A sum of Rs. 72,020/- remain paid for Asst Year 1978-79. However, with respect to assessment year 1981-82, the Appellate Tribunal has granted exemption from Wealth Tax to the Association. It is expected that similarly exemption will be granted for other years also.
- c. Provision for gratuity liability has been made in accounts on the basis of actuarial valuation.
- d. None of the employees were in receipt of total remuneration of Rs. 60,00,000/- or more per month where employed for part of the year.
- e. Previous Year's figures have been regrouped/rearranged wherever necessary.

Vineet Khetan & Associates
Chartered Accountants
Firm Registration No. 324428E

Vineet Khetan

Vineet Khetan
(Proprietor)
Membership No. 060270

3B Lalbazar Street
Kolkata - 700001

Dated : The 4th Day of July, 2014

[Signature]
Chairman

Bhagat
Committee Member

S.P. Bakshi
Secretary

