

125A, AKSHOY KUMAR DUTTA SARANI,
2ND FLOOR, KOLKATA-700 006

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INDIAN JUTE MILLS ASSOCIATION

REPORT ON THE STANDALONE FINANCIAL STATEMENTS

We have audited the accompanying standalone financial statements of Indian Jute Mills Association ("the Company") which comprise the Balance Sheet as on March 31, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year that ended and a summary of significant accounting policies and other explanatory information.

MANAGEMENT RESPONSIBILITY ON THE STANDALONE FINANCIAL STATEMENTS

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

AUDITORS' RESPONSIBILITY

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

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

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Association's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Association has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Association's Committee Members, as well as evaluating the overall presentation of the financial statements.



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

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Association as on March 31, 2016, and its loss and its cash flows for the year ended on that date subject to following remark-

No adjustment have been made in this account in respect of Income Tax liabilities/refund and wealth tax liabilities for certain assessment years. Adjustment may be necessary in the accounts when assessments are finalized.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. In view of the non applicability of the companies (Auditors Report) order 2003 to the association, the requirement of paragraph 4 & 5 of the said order have not been dealt with in this report.

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

a) We have sought and obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit;

b) In our opinion, proper books of account as required by law have been kept by the Association so far as it appears from our examination of those books.

c) The Balance Sheet and the Statement of Profit and Loss and Cash Flow Statement dealt with in this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone 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 Committee Members as on March 31, 2016, taken on record by the Board of Committee Members, none of the Committee Members is disqualified as on March 31, 2016, from being appointed as a Committee Member in terms of Section 164 (2) of the Act.

f) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Association has disclosed the impact of pending litigations on its financial position in its financial statements.
- ii. The Association did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. Since this Association is Limited by Guarantee so question of delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Association does not arise.

Kolkata

12th August, 2016

For Das Sinha Ray & Associates
Chartered Accountants

Firm Registration No. 326376E

Amarendra Nath Das
Partner

Membership No. 012587

PART-I- BALANCE SHEET

**INDIAN JUTE MILLS ASSOCIATION
BALANCE SHEET AS ON 31ST MARCH 2016**

Particulars	Note No.	As on 31.03.2016	As on 31.03.2015
I. EQUITY AND LIABILITIES			
1.Shareholder's Funds			
a. Share Capital		NIL	NIL
b. Reserve and Surplus	1	10,690,812.56	14,265,147.76
c. Money received against share warrants		NIL	NIL
2.Share application money pending allotment		NIL	NIL
3.Non-Current Liabilities			
a. Long-term borrowings		NIL	NIL
b. Deferred tax liabilities (Net)		NIL	NIL
c. Other Long term liabilities		NIL	NIL
d. Long Term Provision	2	2,173,397.00	2,262,648.00
4.Current Liabilities			
a. Short-term borrowings		NIL	NIL
b. Trade Payable	3	1,163,113.93	691,298.93
c. Other Current Liabilities	4	719,210.74	851,506.47
d. Short Term Provision			
TOTAL		14,746,534.23	18,070,601.16
II. ASSETS			
1. Non-Current Assets			
a. Fixed Assets			
(i) Tangible Assets	5	458,710.19	504,618.82
b. Long Term Loans and Advances	6	306,241.78	271,842.78
c. Other Non-Current Assets	7	509,591.77	520,366.69
2. Current Assets			
a. Trade Receivables	8	5,880,481.58	9,916,556.66
b. Cash and Cash Equivalents	9	7,469,252.91	6,130,166.21
c. Short Term Loans & Advances	10	122,256.00	727,050.00
d. Other current assets			
TOTAL		14,746,534.23	18,070,601.16

The accompanying notes 1 to 16 are integral part of the Financial Statements.

In terms of our audit report attached

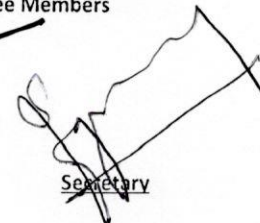
For
DAS SINHA RAY & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO. 326376E

AMARENDRA NATH DAS
PARTNER
MEMBERSHIP NO. 812587

Kolkata
The 12th Day of August, 2016


On Behalf of Committee Members
Chairman


Committee Member


Secretary

PART-II-STATEMENT OF PROFIT AND LOSS

INDIAN JUTE MILLS ASSOCIATION
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2016

Particulars	NOTE No.	As on 31.03.2016	As on 31.03.2015
I. Revenue from Operations	11	21,581,232.00	24,059,856.00
II. Other Income	12	1,475,569.33	617,174.70
III. Total Revenue(I+II)		23,056,801.33	24,677,030.70
IV. EXPENSES			
Cost of material consumed			
Purchase of stock-in-trade			
Changes in inventories of finished goods work-in-progress and Stock-in-Trade			
Employee Benefit Expenses	13	8,483,462.00	7,451,676.40
Finance Costs			
Depreciation and Amortisation Expense	5	163,913.63	220,988.94
Other Expenses	14	18,011,311.90	17,066,370.03
Total Expenses		26,658,687.53	24,739,035.37
V. Profit before exceptional and extraordinary items and tax (III - IV)		(3,601,886.20)	(62,004.67)
VI. Exceptional items		NIL	NIL
VII. Profit before extraordinary items and tax (V - VI)			
VIII. Extraordinary items		NIL	NIL
IX. Profit before tax (VII- VIII)		(3,601,886.20)	(62,004.67)
X. Tax expense:			
(1) Current tax		NIL	NIL
(2) Deferred tax		NIL	NIL
XI. Profit (Loss) for the period from continuing operations (VII-VIII)		(3,601,886.20)	(62,004.67)
XII. Profit/(loss) from discontinuing operations		NIL	NIL
XIII. Tax expense of discontinuing operations		NIL	NIL
XIV. Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		NIL	NIL
XV. Profit (Loss) for the period (XI + XIV)		(3,601,886.20)	(62,004.67)
XVI. Earnings per equity share:			
(1) Basic		NIL	NIL
(2) Diluted		NIL	NIL

The accompanying notes 1 to 15 are integral part of the Financial Statements.

In terms of our audit report attached

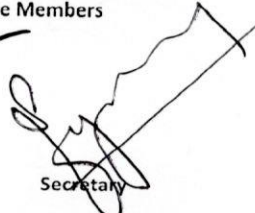
For
DAS SINHA RAY & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO. 316376E

AMARENDRA NATH DAS
PARTNER
MEMBERSHIP NO. 012587

Kolkata
The 12th Day of August, 2016


On Behalf of Committee Members
Chairman


Committee Member


Secretary

INDIAN JUTE MILLS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

1 Reserve & Surplus	As on 31.03.2016	As on 31.03.2015
Balance at the Beginning of the Year	14,265,147.76	14,386,903.81
Add : Less / Profit for the Year	(3,601,886.20)	(62,004.67)
Add : transferred during the year from : SBI Reserve Fund	27,551.00	28,462.00
Less:- Effect of depreciation on transition to Schedule II of Companies Act,2013	-	(88,213.38)
Balance at the End of the Year	<u>10,690,812.56</u>	<u>14,265,147.76</u>
2 Long Term Provision	As on 31.03.2016	As on 31.03.2015
Provision for Employee Benefit : Gratuity	2,173,397.00	2,262,648.00
	<u>2,173,397.00</u>	<u>2,262,648.00</u>
3 Trade Payable	As on 31.03.2016	As on 31.03.2015
Audit Fees Payable	10,000.00	10,000.00
Service Tax on Membership Subscription	771,445.93	661,464.08
Sec & H.E. Cess on Membership Subscription	-	19,834.85
National Jute Board	381,668.00	-
	<u>1,163,113.93</u>	<u>691,298.93</u>
4 Other Current Liabilities	As on 31.03.2016	As on 31.03.2015
Duties & Taxes (Service Tax Payable)	-	-
Liability for Hon'ble COMPAT Case	64,738.00	-
Outstanding Liabilities for Expenses	561,598.74	731,351.47
TDS Payable	47,826.00	75,107.00
Advance Receipt from Members	45,048.00	45,048.00
	<u>719,210.74</u>	<u>851,506.47</u>
6 Long Term Loans and Advance	As on 31.03.2016	As on 31.03.2015
Income Tax	234,221.78	199,822.78
Wealth Tax	72,020.00	72,020.00
	<u>306,241.78</u>	<u>271,842.78</u>

For
DAS SINHA RAY & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO. 326376E

AMARENDRA NATH DAS
PARTNER
MEMBERSHIP NO. 012587

Kolkata
The 12th Day of August, 2016


On Behalf of Committee Members
Chairman


Committee Member


Secretary

INDIAN JUTE MILLS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

7 Other Non-Current Assets	As on 31.03.2016	As on 31.03.2015
SBI Reserve Fund	487,833.44	460,282.44
Interest Receivable	-	18,595.00
Accrued Interest on Short Term Deposit	21,758.33	41,489.25
	<u>509,591.77</u>	<u>520,366.69</u>
8 Trade Receivable	As on 31.03.2016	As on 31.03.2015
Sundry Debtors		
a. Outstanding more than Six Month		
Unsecured Considered Goods	5,880,481.58	9,154,616.66
b. Other Debts	-	761,940.00
	<u>5,880,481.58</u>	<u>9,916,556.66</u>
9 Cash & Cash Equivalents	As on 31.03.2016	As on 31.03.2015
Cash in Hand	122,000.00	2,000.00
With Scheduled Banks in Current Account	2,519,213.91	1,377,676.21
Other bank balances		
In deposit accounts		
Syndicate Bank Fixed Deposit	500,000.00	500,000.00
SBI Short-term Deposit	3,101,411.00	3,088,600.00
Fixed Deposit with SBI From Members	359,000.00	359,000.00
TDR done for Hon'ble COMPAT case	867,628.00	802,890.00
	<u>7,469,252.91</u>	<u>6,130,166.21</u>
10 Short Term Loans and Advances	As on 31.03.2016	As on 31.03.2015
Tax Deducted at Source	34,369.00	47,827.00
Prepaid Expenses	7,000.00	7,000.00
Advance to Staff	19,500.00	44,500.00
TDS receivable A.Y. 15-16	61,387.00	60,579.00
Advance Receivable from NJB	-	552,144.00
TDS receivable From IJIRA	-	15,000.00
	<u>122,256.00</u>	<u>727,050.00</u>

For

DAS SINHA RAY & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO. 326376E

AMARENDRA RAY DAS
PARTNER
MEMBERSHIP NO. 012587

Kolkata
The 12th Day of August, 2016


On Behalf of Committee Members
Chairman


Committee Member


Secretary

INDIAN JUTE MILLS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

11 Revenue from Operations	<u>For the Year Ended</u> <u>31.03.2016</u>	<u>For the Year Ended</u> <u>31.03.2015</u>
Subscription for the year	14,034,682.00	14,851,520.00
Spl Contribution for Barrackpore office	140,000.00	140,000.00
Spl Contribution for Legal expenses	7,406,550.00	8,168,336.00
Subscription-Jute Geotextiles	-	900,000.00
	<u>21,581,232.00</u>	<u>24,059,856.00</u>
12 Other Incomes	<u>For the Year Ended</u> <u>31.03.2016</u>	<u>For the Year Ended</u> <u>31.03.2015</u>
Interest on Fixed Deposit	343,545.33	605,681.00
Misc Income	1,132,024.00	2,000.00
Interest on IT Refund	-	2,941.00
Profit on sale of assets(Net)	-	6,552.70
	<u>1,475,569.33</u>	<u>617,174.70</u>
13 Employee Benefit Expenses	<u>For the Year Ended</u> <u>31.03.2016</u>	<u>For the Year Ended</u> <u>31.03.2015</u>
Establishment	7,280,694.00	6,572,345.40
Gratuity Retirement Benefit	513,380.00	395,215.50
Holiday/L. T.A.	153,058.00	97,249.50
Medical Expenses	34,753.00	22,613.00
Overtime/Khoraki	105,274.00	69,290.00
Providend Fund (Employer Contribution)	340,010.00	257,830.00
Admin Charges EDLI	332.00	263.00
Admin Charges on Providend Fund	36,735.00	28,753.00
EDLI	7,037.00	6,885.00
Honorarium	12,209.00	1,232.00
	<u>8,483,462.00</u>	<u>7,451,676.40</u>
14 Other Expenses	<u>For the Year Ended</u> <u>31.03.2016</u>	<u>For the Year Ended</u> <u>31.03.2015</u>
Audit Fees	10,000.00	10,000.00
Bad Debt Written Off	-	729,360.00
Contribution to BCCI	979,566.00	1,061,388.00
General Charges	179,515.28	182,929.00
Legal Expenses	10,573,241.00	10,211,821.20
Maintenance & Reorganisation	136,611.00	334,628.00
Motor Car Expenses	258,301.00	239,362.00
Telephone Charges	159,896.94	140,219.13
Misc. Expenses	5,714,180.68	4,156,662.70
	<u>18,011,311.90</u>	<u>17,066,370.03</u>

For

DAS SINHA RAY & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO. 326376E

AMARENDRA NATH DAS
PARTNER
MEMBERSHIP NO. 012587

Kolkata

The 12th Day of August, 2016

On Behalf of Committee Members

Chairman

Committee Member

Secretary

INDIAN JUTE MILLS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

Details of Other Expenses	31.03.2016	31.03.2015
Bank Charges	4,249.22	23,562.50
Barrackpore Office Expenses	154,610.00	143,069.00
Books & Newspaper	16,309.00	30,737.00
Consultancy Fees	1,168,041.00	1,091,361.00
Conveyance Expenses	225,215.00	87,101.00
Office Expenses	1,378,163.00	624,118.00
Postage & Telegram	40,605.00	39,256.00
Public Relation in India	1,036,250.00	311,102.00
Sundry Subscription	41,171.00	394,913.00
Entertainment Expenses	111,980.18	101,456.10
Fire Burglary Insurance	3,002.00	2,946.00
Printing & Stationery	279,292.00	283,566.50
Travelling	1,255,293.28	912,924.00
Total	5,714,180.68	4,156,662.70

For
DAS SINHA RAY & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO. 326376E

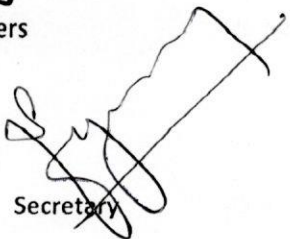
AMARENDRA NATH DAS
PARTNER
MEMBERSHIP NO. 012587

Kolkata
The 12th Day of August, 2016




On Behalf of Committee Members
Chairman


Committee Member


Secretary

NOTES TO THE FINANCIAL STATEMENTS

5 Fixed Assets

INDIAN JUTE MILLS ASSOCIATION

Sl. No.	Particulars	Gross Block			Depreciation and amortisation				Net Book Value			
		As at 01.04.2015	Addition During the Year	Withdrawals and adjustments	As at 31st March,2016	As at 01.04.2015	Depreciation during the Year	Transition Adjustment recorded against reserves and surplus	Withdrawals and adjustments	Total	As at 31.03.2016	As at 31.03.2015
A	Tangible Assets											
1	Air Conditioner	158,230.00	17,290.00	-	175,520.00	85,550.51	18,384.70	-	-	103,935.31	71,584.69	72,679.39
2	Computer & Laptop	254,766.00	82,340.00	-	337,106.00	226,015.64	23,463.66	-	-	249,479.30	87,626.70	28,750.36
3	Cycle	1,555.92	-	-	1,555.92	1,555.92	-	-	-	1,555.92	-	-
4	EPABX	16,995.00	-	-	16,995.00	14,569.72	459.10	-	-	15,028.82	1,966.18	2,425.28
5	Fax	45,810.00	-	-	45,810.00	28,179.28	3,485.79	-	-	31,665.07	14,144.93	17,630.72
6	Furniture & Fittings : N American Office	103,191.01	-	-	103,191.01	103,191.01	-	-	-	103,191.01	-	-
7	Generator (Inventor Unit)	4,888.40	-	-	4,888.40	4,888.40	-	-	-	4,888.40	-	-
8	Motor Car	565,385.00	-	-	565,385.00	429,147.58	55,584.86	-	-	484,732.44	80,652.56	136,237.42
9	Office Equipment & Furniture	156,069.97	-	-	156,069.97	102,956.27	12,635.61	-	-	115,591.88	40,478.09	53,113.70
10	Printer	66,801.00	18,375.00	-	85,176.00	38,856.05	19,757.35	-	-	58,613.40	26,562.60	27,944.95
11	Water Cooler	24,500.00	-	-	24,500.00	9,310.00	2,875.46	-	-	12,185.46	12,314.54	15,190.00
12	Photocopier Machine	248,375.00	-	-	248,375.00	97,728.00	27,267.10	-	-	124,995.10	123,375.90	150,647.00
	Total	1,646,567.30	118,005.00	-	1,764,572.30	1,141,948.48	163,913.63	-	-	1,305,862.11	458,710.19	504,618.82
	Previous Year	1,493,418.30	257,328.00	104,179.00	1,646,567.30	916,477.86	220,988.94	88,213.00	83,731.70			

For

DAS SINHA RAY & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO. 326376E



Kolkata

The 12th Day of August, 2016

On Behalf of Committed Members
Chairman

Committee Member

Secretary

INDIAN JUTE MILLS ASSOCIATION

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2016

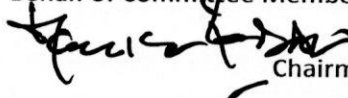
Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax and extra ordinary items	(3,601,886.20)	(62,004.67)
ADJUSTMENTS FOR:		
Net prior period expenses	-	(659,088.00)
	(3,601,886.20)	(721,092.67)
ADJUSTMENTS FOR:		
Depreciation	163,913.63	220,988.94
Provision for Gratuity	513,360.00	395,215.50
Income from Interest	(343,545.33)	(608,622.00)
Misc. Income	(1,132,024.00)	(2,000.00)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES:	(4,400,181.90)	(715,510.23)
ADJUSTMENTS FOR:		
Less:- Increase in Loans & Advances	581,169.92	(413,504.15)
Less:- Increase/Decrease in Trade Receivables	4,036,075.08	(2,844,838.00)
Less:- Decrease/Increase in Sundry Creditors	339,519.30	(682,021.53)
Less:- Gratuity Paid	(602,611.00)	(293,737.50)
CASH GENERATED FROM OPERATING ACTIVITIES	(46,028.60)	(4,949,611.41)
Direct Taxes Paid	-	-
CASH FLOW BEFORE EXTRA ORDINARY ITEMS	(46,028.60)	(4,949,611.41)
Net prior period expenses	-	659,088.00
NET CASH FROM OPERATING ACTIVITIES	(46,028.60)	(4,290,523.41)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(118,005.00)	(257,328.00)
Sale of Fixed Assets	-	20,447.30
Interest received	343,545.33	608,622.00
Misc. Income	113,202.40	2,000.00
Income from SBI Reserve Fund	27,551.00	28,462.00
NET CASH USED IN INVESTING ACTIVITIES	1,385,115.33	402,203.30
C. CASH FLOW FROM FINANCING ACTIVITIES		
NET CASH USED IN FINANCING ACTIVITIES	-	-
NET INCREASE IN CASH AND CASH EQUIVALENTS(A+B+C)	1,339,086.73	(3,888,320.11)
OPENING CASH AND CASH EQUIVALENTS	6,130,166.21	10,018,486.32
CLOSING CASH AND CASH EQUIVALENTS	7,469,252.94	6,130,166.21

This Cash Flow Statement referred to in our report of even date

For
DAS SINHA RAY & ASSOCIATES
 CHARTERED ACCOUNTANTS
 FIRM REGISTRATION NO. 326376E

AMARENDRA NATH DAS
 PARTNER
 MEMBERSHIP NO. 012587

Behalf of Committee Members


 Chairman


 Committee Member


 Secretary

Kolkata
 The 12th Day of August, 2016

15. SIGNIFICANT ACCOUNTING POLICIES

Annexed to and forming part of the accounts for the year ended 31st March, 2016

CONVENTION

To prepare financial statements in accordance with applicable Accounting Standards in India a summary of important accounting policies is set out below. The financial statements have also been prepared in accordance with relevant presentational requirements of the Companies Act, 2013.

BASIS OF ACCOUNTING

- a) To prepare financial statements in accordance with the historical cost convention under accrual method of accounting and as a going concern concept.
- b) Accounting policies are consistent and in accordance with the accounting principles generally accepted as recommended by The Institute of Chartered Accountants of India (ICAI).
- c) All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 based on the nature of products and the time between the acquisition of assets and their realisation in cash and cash equivalents.

RECOGNITION OF INCOME AND EXPENDITURE

- a) Income and expenditure are recognized on accrual basis except for Insurance.

USE OF ESTIMATES

The preparation of financial statements in conformity with Indian GAAP requires judgments, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/ materialised.

FIXED ASSETS AND DEPRECIATION

- a) Tangible Assets are stated at cost of acquisition less accumulated depreciation.
- b) Movement on all tangible assets on 'Written down value method' based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

EMPLOYEE BENEFITS

- a) Employee benefits in the form of Provident Fund are considered as defined contribution plan and the contributions are charged to the Statement of Profit and Loss for the year when the contribution is due as per provision of respective statutes.
- b) The Gratuity liability in respect of employees of the Company is determined and provided for based on an independent actuarial valuation as at the Balance Sheet date.

TAXATION

No provision has been made considering exemption U/S 12 of Income Tax Act 1961.

PROVISIONS, CONTINGENT LIABILITY AND CONTINGENT ASSETS

- a) Provision is recognized when there is a present obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and in respect of which reliable estimate can be made. Provisions are not discounted to its present value and are determined based on the best estimate required to settle the obligation at each balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the best current estimate.



- b) Contingent Liabilities are not provided for in the accounts and are separately shown below-
- i) There is a suit filed by BCCI for decree for vacant office space. The claim was made 1) For damages and/ or mense profit @ Rs. 15973.00 per diem from 18th April, 2013, 2) For proportionate water tax of Rs. 7695.00 (at present rate) and 3) For maintenance charge @ Rs. 15325.00 per quarter from 18th April, 2013. However, proportionate water tax was regularly paid @ 7695/- P.A.

No provision was made for rent, etc at existing rate also of Rs. 43074.00 per month for 35 months, i.e. Rs 15,07,590.00 due to above mentioned suit. Hon'ble High Court issued order in this case on 28th April'2016 in favour of BCC&I. IJMA have appealed against the said order in the Hon'ble High Court at Calcutta.

- ii) A suit was filed by Indian Sugar Mills Association & Others against IJMA. As per CCI's order, IJMA had to deposit Rs. 768527.00 as Term Deposit. IJMA also paid Rs. 34364.00 on behalf of Mr. S.K. Bhattacharya, Retired Executive Vice Chairman. However, appeal was filed against this order before COMPAT and final order is still awaited. Interest earned against above term deposits are considered as liabilities in the accounts.

FINANCIAL AND MANAGEMENT INFORMATION SYSTEMS

Accounting system is designed to comply with the relevant provisions of the Companies Act, provide financial information appropriate to the activities and facilitate Internal Control.

NOTES ON ACCOUNTS

- a) No provision was made in the accounts in respect of Income Tax Liabilities for the Asst. year 1962-63 to 1987-88 aggregating 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 Year. The Hon'ble Calcutta High Court has held that the Association was entitled to exemption U/S 11 of the Income Tax Act, 1961. Furthermore the Association has been granted registration as a Charitable institution U/S 12(a) of the income Tax Act, 1961 by the DIT(E). The registration has been granted with retrospective effect since 30-08-90. The donation is also exempt U/S 80G. for the asst. Year 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. Year 1988-89 to 1990-91. The demand raised by income Tax deptt. 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. Year 1966-67 to 1982-83 amounting to Rs. 8,74,795/- assessed by the 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) No provision has been made in this accounts in respect of income tax / deferred tax considering exemption under income tax Act 1961 and loss incurred during the year.

- d) None of the employees were in receipt of total remuneration of Rs.60,00,000/- or more per month or when employed for part of the year.

- e) Previous Year's figures have been regrouped/rearranged wherever necessary.

For Das Sinha Ray & Associates

Chartered Accountants

Firm Registration No. 326376E

Amarendra Nath Das

Partner

Membership No. 012587

Kolkata

12th August, 2016

On Behalf of Committee Members

Chairman

Committee Member

Secretary