

SHREE KRISHNA JUTE PRODUCTS LIMITED

Directors' Report to the Shareholders

To,
The Members,
SHREE KRISHNA JUTE PRODUCTS LIMITED

Your Directors take the pleasure in presenting the Annual Report and the Audited Accounts of the Company for the year ending 31st March 2014 and the Auditor's Report thereon :-

	<u>Year ended March 31, 2014</u>	<u>Year ended March 31, 2013</u>
1. FINANCIAL RESULTS :		
Turnover and other income	578379.00	558755.00
Profit before depreciation	15730.64	12096.75
Less : Depreciation for the year	571.00	665.00
Profit after depreciation	15159.64	11431.75
Less : Provision for Income-tax	4691.00	3538.00
Deferred Tax Assets/(liability)	-6.00	-5.00
Profit after depreciation and taxation	10474.64	7898.75

2. DIVIDEND :

In view of internal requirement of fund the Directors do not recommend any dividend for the year.

3. THE YEAR IN RETROSPECT :

The company is engaged in granting of Loans & advances and has earned interest and claims of a sum of Rs.578379.00 during the year in comparison to Rs.558755.00 earned in immediately preceding previous year.

4. DIRECTORS' RESPONSIBILITY STATEMENT - section 217 (2AA) of the Companies Act, 1956 :

In compliance with section 217 (2AA) of the Companies Act 1956, the Directors confirm that -

- i) in the preparation of the annual accounts, the accounting standards have been followed ;
- ii) the Directors have selected such accounting policies as mentioned in note " 1 " of the Annual Accounts and applied them consistently and made judgements and estimates that are reasonable 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 the profit of the company for that period ;
- iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 1956 for safeguarding the assets of the company and preventing and detecting fraud and other irregularities ;
- iv) the Directors had prepared the annual accounts on a going concern basis.

5. SHARE CAPITAL :

The authorised share capital is Rs. 25,00,000 divided into 2,50,000 shares of Rs. 10 each while the issued, subscribed and paid up capital of the company is Rs. 24,75,000 divided into 2,47,500 Equity Shares is Rs. 10 each.

6. CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION FOREIGN EXCHANGE EARNING AND OUT GO :

The company does not fall within the ambit of the above hence it is not applicable to your company.

7. PARTICULARS OF EMPLOYEES :

There are no employees whose particulars are required to be furnished pursuant to section 217(2A) of the Companies Act 1956, and the Companies (particulars of Employees) Rules 1975 as amended.

8. DIRECTORS :

Mr Shri Narain Jagnani, Mr Shree Krishna Jagnani and Mr Anupam Kumar Jagnani are the directors of the Company. Mr Shree Krishna Jagnani director of the company retire by rotation at the ensuing Annual General Meeting and being eligible offer himself for reappointment.

9. AUDITORS :

M/s R. P. SHARMA & ASSOCIATES, Chartered Accountants, Auditors of the company hold office until conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

10. AUDITORS' REPORT :

The Auditors remarks are self-explanatory and require no explanation.

11. ACKNOWLEDGEMENT :

Your Directors express their gratitude for the valuable assistance and unstinted support extended by the Company's Bankers.

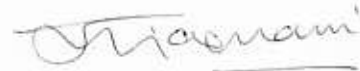
Your Directors would also like to place on record their appreciation for the co-operation extended by the employees of the Company at all level.

Regd. Office

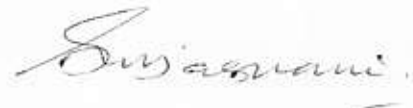
29A, Sir Hāriram Goenka Street
Kolkata-700 007

Date : 30th JUNE 2014

On behalf of the Board of Directors



DIRECTORS



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SHREE KRISHNA JUTE PRODUCTS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **SHREE KRISHNA JUTE PRODUCTS LIMITED ("the Company")**, which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India including Accounting Standards referred to in sub-section (3C) of section (211) of the Companies Act, 1956. This responsibility includes the design, implementation and maintenance of internal control 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 financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements 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:

- (a) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2014.
- (b) In the case of Statement of Profit and Loss, of the profit for the year ended on that date.



Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
- 2) As required by section 227(3) of the Act, we report that:
 - 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 account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) The Balance Sheet and Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the Balance Sheet and statement of Profit and Loss comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For **R.P. SHARMA & ASSOCIATES**
Chartered Accountants
Firm Registration No. 312153E

Nirmal Kaushik

Nirmal Kaushik
Proprietor
(Membership No. 050733)



Dated: 30th JUNE 2014
Place: Kolkata

Annexure to Independent Auditors' Report

Referred to in Paragraph 1 under the heading of "report on other legal and regulatory requirements" of our report of even date

As required by the Companies (Auditor's Report) Order 2003, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act 1956, and on the basis of such checks of books and records of the Company as we considered appropriate and the information and explanations given to us during the course of our audit, we further state as follows :-

- i)
 - (a) The company has maintained proper records showing full particulars including quantitative details and situation of its Fixed Assets.
 - (b) All the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
 - (c) During the year, the company has not disposed off any major part of its fixed assets.
- ii) The company does not have inventories. Accordingly provisions of sub clause (a),(b) and (c) of clause 4(ii) of the Companies (Auditor's Report) Order 2003, are not applicable to the company.
- iii)
 - (a) The company has given unsecured loans to three firms covered in the register maintained under section 301 of the Companies Act, 1956 . The maximum amount involved during the year was Rs. 3484854 and the year end balance of loans granted to such parties was Rs. 3484854.
 - (b) In our opinion, the rate of interest and other terms and conditions of unsecured loans given by the company , are not prima facie , prejudicial to the interest of the company , subject to two loans given to firms for Rs.336279 were bearing no interest.
 - (c) The parties have repaid the principals amounts on demand and have also been regular in the payment of interest to the company.
 - (d) There is no overdue amount in excess of Rs. 1,00,000 in respect of loans granted to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
 - (e) The company has taken loan bearing no interest and repayable on demand from a company covered in the register maintained under section 301 of the Companies Act 1956. The maximum amount involved during the year was Rs 20000 and the year end balance of loan from the related party was Rs 13500.
 - (f) In our opinion, the other terms and conditions on which loans repayable on demand have been taken from a company listed in the register maintained under section 301 of the Companies Act 1956 are not, prima facie, prejudicial to the interests of the company.
 - (g) The company is repaying the principal amount on demand.
- iv) In our opinion and according to the information and explanations given to us, there exists an adequate internal control system commensurate with the size of the company and the nature of its business with regard to fixed assets . During the course of our Audit, we have not observed any continuing failure to correct major weaknesses in internal control system of the company.



- v) (a) According to the information and explanations given to us the contracts or arrangement the particulars of that need to be entered into a register maintained in pursuance of 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 the transaction made in pursuance of such contracts or arrangement entered in the register, maintained under section 301 of the Companies Act 1956, have been made at reasonable prices having regard to the 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 deposits from the public, the provision regarding complying with directives issued by the Reserve Bank of India and the provisions of sections 58A, 58AA or any other relevant provisions of the Act, are not applicable. We are informed that no order has been passed by the Company Law Board, National Company Law Tribunal, Reserve Bank of India, any other court or any other tribunal with regard to the public deposit.
- vii) In our opinion, the company does not have an internal audit system commensurate with the size and nature of its business.
- viii) According to information and explanations given to us, the Central Government has not prescribed maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 for any of the products of the company.
- ix) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including Income-tax, Sales tax, Wealth tax, Service Tax, Custom Duty, Excise duty, Cess, Employees State Insurance and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us no undisputed amounts payable in respect of Income-tax, sales tax, wealth tax, service tax, customs duty, excise duty and cess which were outstanding as at 31.3.2014 for a period of more than six months from the date they became payable.
- x) The company does not have accumulated losses. Further, the company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- xi) According to the records of the company examined by us and on the basis of information and explanations given to us, the company has not borrowed from Bank, financial Institution and debenture holders.
- xii) In our opinion and according to information and explanations given to us the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) In our opinion, the company is not a chit fund or a nidhi /mutual benefit fund/society, provisions of clause 4(xiii) of the Companies (Auditor's Report) Order 2003, are not applicable to the company.
- xiv) In our opinion the company is not dealing in or trading in shares, securities, and debentures. In respect of investment in shares the company has maintained proper records of the transaction and contracts and timely entries have been made therein. Investment in shares have been held by the company in its own name except to the extent of the exemption granted under section 49 of the Act.
- xv) According to the information and explanations given to us, the company has not given guarantees for loans taken by others from banks or financial institutions.
- xvi) According to the information and explanations given to us the Company has not raised any term loans during the year. Accordingly, the provisions of clause 4 (xvi) of the Companies (Auditor's Report) Order 2003, are not applicable to the company.
- xvii) According to the information and explanations given to us and on overall examination of the Balance Sheet of the Company, we report that no funds raised on short term basis have been used for long term investment.



- xviii) In our opinion and according to the information and explanations given to us, 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. Accordingly, the provisions of sub-clause 4 (xviii) of the Companies (Auditor's Report) Order 2003, are not applicable to the company.
- 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.
- xx) According to the information and explanations given to us the company has not made any public issue.
- xxi) According to the information and explanation given to us, no fraud or by the company has been noticed or reported during the course of our audit.

Dated: 30th JUNE 2014
Place: Kolkata



For **R.P. SHARMA & ASSOCIATES**
Chartered Accountants
Firm Regn No. 312153E

Nirmal Kaushik
Proprietor
(Membership No. 050733)

SHREE KRISHNA JUTE PRODUCTS LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2014

<u>Particulars</u>	<u>Note No.</u>	<u>As at 31st March, 2014</u> <u>Amount (`)</u>	<u>As at 31st March, 2013</u> <u>Amount (`)</u>
I EQUITY AND LIABILITIES			
1) Shareholders' Funds			
(a) Share Capital	2	2,475,000.00	2,475,000.00
(b) Reserves and surplus	3	101,391.56	90,916.92
2) Non-current liabilities			
(a) Long-term Borrowings	4	13,500.00	20,000.00
3) Deferred Tax Liability			
	5	65.00	71.00
2) Current liabilities			
(a) Short-term Borrowings	6	1,387,000.00	1,387,000.00
(b) Trade payables	7	63,606.75	45,785.50
(c) Short-term provisions	8	-	-
		4,040,563.31	4,018,773.42
II ASSETS			
1) Non-current assets			
(a) Fixed Assets			
(i) Tangible Assets	9	3,472.00	4,043.00
(b) Non-current Investments	10	100,000.00	100,000.00
(c) Long-term loans & advances	11	3,785,493.25	3,549,948.38
2) Current assets			
a) Cash and Cash equivalents	12	151,598.06	364,782.04
		4,040,563.31	4,018,773.42
III NOTES FORMING PART OF THE FINANCIAL STATEMENTS	1-28		

This is the Balance Sheet referred to in our report of even date.

For R. P. SHARMA & ASSOCIATES

CHARTERED ACCOUNTANTS

Registration Number: 312153E

Nirmal Kaushik

(Nirmal Kaushik)

Proprietor

Membership No. 050733



On behalf of the Board of Directors

[Signature]

Directors

[Signature]

Place : 19-D Muktaram Babu Street, Kolkata-700007

Date : 30th JUNE 2014

SHREE KRISHNA JUTE PRODUCTS LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

<u>Particulars</u>	Note No.	For the year ended	For the year ended
		31st March, 2014	31st March, 2013
		Amount (`)	Amount (`)
I INCOME			
1) Revenue from Operations	13	578,379.00	558,755.00
Total Revenue		578,379.00	558,755.00
II EXPENSES			
1) Employee benefits expenses	14	397,800.00	497,178.00
2) Finance costs	15	-	-
3) Depreciation and amortisation expense	9	571.00	665.00
4) Other expenses	16	164,848.36	49,480.25
Total Expenses		563,219.36	547,323.25
III Profit before exceptional and extraordinary items and tax		15,159.64	11,431.75
IV Exceptional items		NIL	NIL
V Profit before extraordinary items and tax		15,159.64	11,431.75
VI Extraordinary items		NIL	NIL
VII Profit before tax		15,159.64	11,431.75
VIII Tax expense :			
(1) Current tax		4,691.00	3,538.00
(2) Deferred tax		(6.00)	(5.00)
IX Profit/(Loss) for the period from continuing operations		10,474.64	7,898.75
X Profit/(loss) from discontinuing operations		NIL	NIL
XI Tax expense of discontinuing operations		NIL	NIL
XII Profit/(Loss) from discontinuing operations (after tax)		NIL	NIL
XIII Profit/(Loss) for the period		10,474.64	7,898.75
XIV Earning per equity share			
(1) Basic	17	0.04	0.03
(2) Diluted	17	0.04	0.03
XV NOTES FORMING PART OF THE FINANCIAL STATEMENTS	1-28		

This is the Statement of Profit and Loss referred to in our report of even date.

For R. P. SHARMA & ASSOCIATES

CHARTERED ACCOUNTANTS

Registration Number: 312153E

Nirmal Kaushik

(Nirmal Kaushik)

Proprietor

Membership No. 050733



On behalf of the Board of Directors

[Signature]

Directors

[Signature]

Place : 19-D Muktaram Babu Street, Kolkata-700007

Date : 30th JUNE 2014