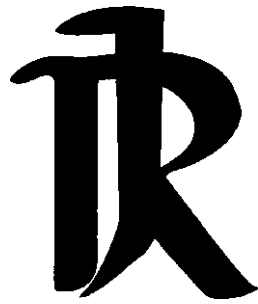


23rd
ANNUAL REPORT
APRIL 2018 – MARCH 2019



RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

BOARD OF DIRECTORS : Shri P. K. Kanoria – Executive Chairman
Shri S. Hada – Managing Director & CEO
Shri P. K. Jain – Independent Director
Dr. P. K. Mookerjee – Independent Director
Shri P. Bhartia – Independent Director
Shri R. Banka – Independent Director
Shri V. K. Chaukhani – Whole-time Director
Smt. S. Poddar – Non-Executive Director

**PRESIDENT (FINANCE)
CFO & COMPANY
SECRETARY** : Shri S. K. Agarwal

REGISTERED OFFICE : Ideal Plaza, South Block, 4th Floor
11/1, Sarat Bose Road, Kolkata-700 020
Phone : (033) 2280 7017/18, Fax: (033) 2280 7016
E-mail: financeho@reliancejute.com
Website: www.reliancejute.com
CIN : L17125WB1996PLC081382

WORKS : Reliance Jute Mills
80, West Ghosh Para Road
Bhatpara-743 123
24 Parganas (North), West Bengal

AUDITORS : J K V S & Co.
Chartered Accountants
FRN No. 318086E
5-A, Nandlal Jew Road, Kolkata-700 026

REGISTRAR : S. K. Infosolutions Private Limited
CIN : U72300WB1999PTC090120
34/1A, Sudhir Chatterjee Street, Kolkata-700 006
Phone No.: (033) 2219 6797, Fax : (033) 2219 4815
E-mail:skcdilip@gmail.com

BANKER : Punjab National Bank
135, B.R.B.B. Road, Kolkata-700 001

LISTING OF SHARE : The Calcutta Stock Exchange Limited
7, Lyons Range, Kolkata-700 001

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RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

Regd. Office: Ideal Plaza, South Block, 4th Floor, 11/1, Sarat Bose Road, Kolkata-700 020
CIN: L17125WB1996PLC081382, Telephone No. (033) 2280 7017/18, Fax No.: (033) 2280 7016,
E~mail: financeho@reliancejute.com, Website: www.reliancejute.com

NOTICE OF 23RD ANNUAL GENERAL MEETING

Notice is hereby given that the 23rd Annual General Meeting of the members of Reliance Jute Mills (International) Limited will be held on Tuesday, the 24th day of September, 2019 at 4.00 P.M at The Sitaram Seksaria Auditorium of Bharatiya Bhasha Parishad, 36A, Shakespeare Sarani, 4th Floor, Kolkata-700 017 to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2019 and the Reports of the Auditors and the Board of Directors thereon.
2. To appoint a Director in place of Shri Vijendra Kumar Chaukhani (DIN: 00309895), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS :

3. To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution** :

“**RESOLVED THAT** pursuant to the provisions of Section 148(3) and all other applicable provisions, if any, of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) the remuneration payable to M/s. N. Radhakrishnan & Co., Cost Accountants, (Firm Registration No. 000056) appointed by the Board of Directors of the Company as Cost Auditors to conduct the audit of cost records of the Company for the financial year ending 31st March, 2020, amounting to Rs.30,000/- (Rupees Thirty Thousand) Only as also the payment of applicable taxes and reimbursement of out-of-pocket expenses incurred in connection with the aforesaid audit, be and is hereby ratified.”

By Order of the Board
For Reliance Jute Mills (International) Ltd.
S. K. Agarwal
President (Finance) &
Company Secretary

Kolkata, the 13th day of August, 2019

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

NOTES :

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the Annual General Meeting [AGM] is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT OF PROXY IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE TIME FIXED FOR THE MEETING.

Pursuant to provisions of Section 105(1) of the Companies Act, 2013, read with Rule 19(2) of The Companies (Management and Administration) Rules, 2014, a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

3. Corporate Members intending to send their authorized representatives to attend the Annual General Meeting, pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company, a certified copy of relevant Board Resolution together with the respective specimen signatures of those representative(s) authorized under the said resolution to attend and vote on their behalf at the meeting.
4. Information as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and the Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI), in respect of the Director seeking re-appointment at the AGM is provided hereunder.
5. As required under SS-2 issued by the ICSI, a route map, including a prominent landmark, showing directions to reach the AGM venue is annexed to the Annual Report.
6. Pursuant to Section 91 of the Companies Act, 2013 and Rule 10 of the Companies (Management and Administration) Rules, 2014 read with Regulation 42(5) of the Listing Regulations, the Share Transfer Books and Register of Members of the Company will remain closed from 20th September, 2019 to 24th September, 2019 (both days inclusive).
7. The Securities and Exchange Board of India (SEBI) vide its Circular dated 20th April, 2018 had mandated registration of Permanent Account Number (PAN) and Bank Account details for all Members holding shares in physical form. Members are also informed that pursuant to SEBI Notification dated 8th June, 2018, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialised mode with a depository w.e.f. 5th December, 2018. The said date was further extended vide SEBI Circular till 1st April, 2019.

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

8. As per Regulation 40(7) of the Listing Regulations read with Schedule VII to the said Regulations, for registration of transfer of shares, the transferee(s) as well as transferor(s) shall mandatorily furnish copy of their Income Tax Permanent Account Number (PAN). Additionally, for securities market transactions and/or for off market / private transactions involving transfer of shares in physical mode of listed Companies, it shall be mandatory for the transferee(s) as well as transferor(s) to furnish copy of PAN Card to the Company / RTA for registration of such transfer of shares. In case of transmission of shares held in physical mode, it is mandatory to furnish a copy of the PAN Card of the legal heir(s) / Nominees (s). In exceptional cases, the transfer of physical shares is subject to the procedural formalities as prescribed under SEBI Circular No. SEBI/HO/MIRSD/DOS3/CIR/P/2018/139 dated 6th November, 2018.
9. Members are requested to kindly note that if physical documents viz. Demat Requests Form (DRF) and Share Certificates, etc. are not received from their DPs by the RTA within a period of period of 15 days from the date of generation of the Demat Request Number (DRN) for dematerialization, such DRN will be treated as rejected /cancelled. This step is taken on the advice of NSDL and CDSL, so that no demat request remains pending beyond a period of 21 days from its lodgement. Upon rejection/cancellation of the DRN, a fresh DRF with new DRN has to be forwarded along with the Share Certificates by the DPs to the RTA. This note is only to caution Members that they should ensure that their DPs do not delay sending the DRF and Share Certificates to the RTA after generating the DRN.
10. The Ministry of Corporate Affairs (MCA), Government of India has introduced a 'Green initiative in Corporate Governance' by allowing paperless compliances by the Companies for service of documents to their Members through electronic mode, which will be in compliance with Section 20 of the Companies Act, 2013 and Rules framed thereunder.
11. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with the relevant Rules made thereunder, companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository Participant(s). Members who have not registered their e-mail Id, please communicate the same to the Company or RTA at their communication address given in the Annual Report in respect of the shares held in physical mode or communicate to your DPs concerned in respect of shares held in demat / electronic mode. Although Members are entitled to receive physical copy of the Notices, Annual Reports, etc. from the Company, we sincerely seek your support to enable us to forward these documents to you only by e-mail, which help us participate in the Green Initiatives of the MCA and to protect our environment.
12. Members are requested to notify promptly any change in their address along with self attested copy of address proof i.e. Adhar Card/Electricity Bill/Telephone Bill/Driving License/Passport/Bank Passbook particulars to the Company's Registrars and Share Transfer Agent, S. K. Infosolutions Pvt. Ltd. Members are also requested to send all correspondence relating to Shares, including transfers and transmissions to the above Registrars and Share Transfer Agent.
13. In terms of Section 72 of the Companies Act, 2013, the facility for making nominations is available for members in respect of the shares held by them in the physical form. The Shareholders, who

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

are desirous of availing this facility, may obtain Nomination Form SH-3 from the Company's Registered Office. Members holding shares in dematerialized mode, should file their nomination with their Depository Participant (DP).

14. Members may also note that the Notice of the 23rd Annual General Meeting and Annual Report for 2018-19 of the Company will also be available on the Company's website www.reliancejute.com for their download.
15. Members desirous of obtaining information in respect of accounts and operations of the Company are requested to send queries in writing to the Company at the registered office, so as to reach at least seven days before the date of the meeting so that proper information can be made available at the meeting.
16. The shares of the Company have been listed at The Calcutta Stock Exchange Limited and Company has already paid Listing Fees to the said Stock Exchanges for the year 2019-20.
17. Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of Companies Act, 2013 and Register of Contracts or arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.
18. All the documents referred to in the Notice and Explanatory Statement will be available for inspection by the Members at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on all working days from the date hereof upto the date of the Meeting.
19. In all correspondence with the Company, Members holding shares in physical mode are requested to quote their Folio numbers and in case their shares are held in the dematerialised mode, Members are requested to quote their DP Id and Client Id.
20. Members are requested to bring their Attendance Slip duly signed as per the specimen signature recorded with the Company / DPs for admission to the AGM venue.

21. VOTING THROUGH ELECTRONIC MEANS

- I. In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and sub-clause (1) & (2) of Regulation 44 of SEBI Listing Regulations, the Company is pleased to provide remote e-Voting facilities to its Members in respect of the business to be transacted at the 23rd Annual General Meeting (AGM) of the Company. The Company has engaged the services of National Securities Depository Ltd. (NSDL) as authorised agency to provide the facility of casting the votes by the Members using an electronic voting system from a place other than venue of the AGM ('remote e-Voting'). It is clarified that it is not mandatory for a Member to vote using remote e-Voting facility.

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

II. The Members who have cast their vote by remote e-Voting prior to the Annual General Meeting (AGM) may also attend the AGM but shall not be entitled to cast their vote again.

III. The instructions / procedure for remote e-Voting are as under :

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below :

Step 1: Login to NSDL e-Voting system at <https://www.evoting.nsdl.com>.

Step 2: Cast your vote electronically on NSDL e-Voting system.

DETAILS ON STEP 1 ARE GIVEN BELOW :

How to Login to NSDL e-Voting website?

1. Open the web browser by typing the URL: www.evoting.nsdl.com either on a Personal Computer or on a Mobile.
2. Click on icon “Login” available under “Shareholder” section.
3. Enter your User Id, Password and also a verification code as shown on the screen.

Alternatively, if you are registered for NSDL e-services i.e. IDEAS, you can login at <https://e-services.nsdl.com> with your existing IDEAS login. Once you login to NSDL e-services after using login credentials, click on e-Voting and you can proceed to Step 2 i.e. directly to cast your vote electronically.

4. Your User Id details are given below :

Manner of holding shares i.e. in Demat Account or in Physical Form	Manner of holding shares i.e. in Demat Account or in Physical Form
a) For Members who hold shares in Demat Account with NSDL	8 Character DP Id followed by 8 Digit Client Id. For example if your DP Id is IN300*** and Client Id is 12***** then your User Id is IN300***12*****
b) For Members who hold shares in Demat Account with CDSL	16 Digit DP Id and Client Id. For example if your DP Id and Client Id is 12***** then your User Id is 12*****
c) For Members holding shares in Physical Form	EVEN Number followed by Folio Number registered with the Company. For example if Folio Number is 001*** and EVEN is 101456 then User Id is 101456001***

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

5. Your Password details are given below :
 - a. If you are already registered with NSDL for remote e-voting then you can use your existing User Id and Password to login and cast your vote.
 - b. If you are using NSDL e-Voting system for the first time, you are required to retrieve the “Initial Password” which was communicated to you. Once you retrieve your “Initial Password”, you need to enter the “Initial Password” and the system will direct you to change your “Initial Password”.
 - c. How to retrieve your “Initial Password”?
 - (i) Open the e-mail and open the PDF file “RJM e-voting.pdf”. The Password to open the pdf files is your 8 digits Client Id of NSDL Demat Account or the last 8 digits of Client Id of CDSL Demat Account or Folio Number for shares held in Physical form. The said PDF file contains your User Id and “Initial Password” for remote e-voting purpose.
 - (ii) If your e-mail Id is not registered, your “Initial Password” is communicated to you on your registered postal address.
6. If you are unable to retrieve or have not received the “Initial Password” or have forgotten your Password :
 - (a) If you are holding shares in your demat account with NSDL or CDSL, click on icon “Forgot User Details / Password?” available on www.evoting.nsdl.com.
 - (b) If you are holding shares in physical mode,, click on icon “Physical User Reset Password?” available on www.evoting.nsdl.com.
 - (c) If you are still unable to get the Password by following aforesaid two options, you can send your request at evoting@nsdl.co.in mentioning your DP Id and Client Id / Folio Number, your PAN, your name and your registered postal address.
 - (d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. Tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now click on icon “Login”.
9. Home page of remote e-voting opens.

DETAILS ON STEP 2 ARE GIVEN BELOW :

How to cast your vote electronically on NSDL e-Voting system?

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

1. Click on remote e-voting:”Active Voting Cycles”.
2. Select “EVEN” of Reliance Jute Mills (International) Ltd.
3. Now you are ready for remote e-voting as “Cast Vote” page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify / modify the number of shares for which you wish to cast your vote and thereafter click on icon “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the print out of the votes cast by you by clicking on the print out option on the confirmation page.
7. Once you have confirmed after voting on the Resolution, you will not be allowed to modify your vote.

GENERAL GUIDELINES FOR MEMBERS

1. Institutional Shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / authority letter, etc. together with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer through e-mail to kothari.navin@yahoo.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your Password with any other person and you must take utmost care to keep your Password confidential. Login to e-voting website will be disabled upon five unsuccessful login attempts with incorrect details. In such an event, you will require to reset the Password by clicking on the icon “Forgot User Details/Password” or “Physical User Reset Password” available on www.evoting.nsdl.com.
3. In case of any queries, you may refer to the “Frequently Asked Questions (FAQs) for members and e-Voting user manual for members” available at the ‘downloads’ section of www.evoting.nsdl.com. For any further grievance related to the Remote E-Voting members may contact NSDL at the following contact information :

Toll free no. 1800222990

E-mail ID : evoting@nsdl.co.in

4. You can also update your mobile number and e-mail Id in the user profile details of the Folio which may be used for sending future communication(s).

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

5. The Remote E-Voting period commences on Saturday, **21st September, 2019 (9.00 a.m.)** and ends on **Monday, 23rd September, 2019 (5.00 p.m.)**. During the aforesaid period, Members of the Company may opt to cast their votes through Remote E-Voting. After 23rd September, 2019 (5.00 p.m.) the Remote Evoting facility will be blocked. Once the vote on resolution is cast by a Member, the Member shall not be allowed to change it subsequently.
6. The voting rights of the Members shall be in proportion to their share(s) of the paid-up equity share capital of the Company as on the **cut-off** date i.e. **Tuesday, 17th September, 2019**.
7. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on **Tuesday, 17th September, 2019 (“the Cut off Date”)** only shall be entitled to vote through Remote E-Voting and at the AGM.
8. This notice is being sent to all the members whose name appears as on Friday, 30th August, 2019 in the register of members or beneficial owners as received from M/s. S. K. Infosolutions Pvt. Ltd., the Registrar and Transfer Agent of the Company.
9. Persons who have acquired shares and became members of the Company after dispatch of the notice of AGM but before the **cut off** date i.e. **Tuesday, 17th September, 2019**, may obtain their user ID and password for e-Voting from the Company’s Registrar and Share Transfer Agent or NSDL. However, if you are already registered with NSDL for remote e-voting then you can use your existing User Id and Password for casting your vote.
10. Shri Navin Kothari, Company Secretary in practice (Membership No. 5935, C. P. No. 3725) of M/s. N. K. & Associates, Company Secretaries having consented to act as Scrutinizer has been appointed as Scrutinizer (“Scrutinizer”) for scrutinizing the voting process (Ballot Paper as well as Remote E-Voting) in a fair and transparent manner.
11. The Scrutinizer shall immediately after the conclusion of voting at the AGM, first count the votes cast at the AGM by Ballot Papers and thereafter unblock the votes casted through e-Voting in the presence of at least two witnesses not in the employment of the Company. The Scrutinizer shall, within a period not exceeding 48 hours from the conclusion of the AGM, prepare and present a consolidated report of the total votes cast in favour or against, if any, to the Chairman of the Company or a person authorised by him in writing who shall countersign the same.
12. The result of voting (Remote E-Voting and the voting at the AGM) on the Resolutions shall be declared within 48 hours from the conclusion of AGM by the Chairman or any person authorised by him for this purpose. The results declared along with the report of the Scrutinizer shall be placed on the website of the company i.e. www.reliancejute.com in the investor’s relation section and on the website of NSDL i.e. www.evoting.nsdl.com immediately after the result is declared and simultaneously communicated to The Calcutta Stock Exchange Ltd.

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Information relating to the appointment/re-appointment of Director(s) at the ensuing Annual General Meeting pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 on General Meeting issued by ICSI.

Item No. 2: Re-appointment of Shri Vijendra Kumar Chaukhani (DIN: 00309895) as a Director of the Company, liable to retire by rotation.

In accordance with the provisions of Section 152 of the Companies Act, 2013, Rules framed thereunder and the Articles of Association of the Company, Shri Vijendra Kumar Chaukhani, Director is due to retire by rotation at the ensuing AGM and being eligible, offers himself for re-appointment. The Company has received necessary disclosures and declarations from Shri Vijendra Kumar Chaukhani under the Companies Act, 2013 and the Listing Regulations, confirming his eligibility to be re-appointed as a Director of the Company, liable to retire by rotation.

There is no inter-se relationship between Shri Chaukhani and other Directors and Key Managerial Personnel of the Company. Shri Chaukhani holds 20 Nos. of equity shares in the Company.

Shri Vijendra Kumar Chaukhani is Whole-time Director of the Company. He has vast experience of marketing of the Company's products. He is responsible for framing policy and planning in respect of marketing activities of the Company.

None of the Directors or Key Managerial Personnel of the Company or their relatives, except Shri Chaukhani himself, to the extent of his directorship, is concerned or interested financially or otherwise, in the aforesaid proposed Resolution.

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

Item No. 3.

The Board of Directors, on recommendation of the Audit Committee, has approved the appointment of M/s. N. Radhakrishnan & Co., Cost Accountants, as Cost Auditors to conduct the audit of the cost accounts and cost records maintained by the Company in respect of its products for the financial year ended 31st March, 2020.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the Members of the Company. Accordingly, the Board recommends the approval of the remuneration payable to M/s N. Radhakrishnan & Co., Cost Accountants for conducting the cost audit for the financial year ended 31st March, 2020 and passing of the Resolution set out at **Item No. 3** of the Notice

None of the Directors or Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise, in the proposed Resolutions.

**By Order of the Board
For Reliance Jute Mills (International) Ltd.
S. K. Agarwal
President (Finance) &
Company Secretary**

Kolkata, the 13th day of August, 2019

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

Board's Report to the Members

Dear Members,

Your Directors have pleasure in presenting the 23rd Annual Report covering the operational and financial performance of the Company along with the Audited Financial Statements for the financial year ended 31st March, 2019.

FINANCIAL SUMMARY

Particulars	(Rs. in Lacs)	
	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Revenue from operations	21,819.93	23,752.00
Other Income	726.37	152.08
Total	22,546.30	23,904.08
Profit/(Loss) before Taxation	(1,802.47)	(55.49)
Provision for Taxation	3.83	–
Profit/(Loss) for the year	(1,806.30)	(55.49)
Other Comprehensive Income / (Loss) (net of tax)	(75.26)	171.85
Total Comprehensive Income	(1,881.56)	116.36

Your Company has prepared the Financial Statements for the year ended 31st March, 2019 in terms of Sections 129, 133 and Schedule II to the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

DIVIDEND

Your Directors don't recommend dividend on equity shares.

SHARE CAPITAL

The Authorised Share Capital of the Company as on 31st March, 2019 stands at Rs.13,01,00,000/- divided into 30,10,000 equity shares of Rs.10/- each and 10,00,000 6% Redeemable Cumulative Preference Shares of Rs.100/- each. The Issued, Subscribed and Paid-up Share Capital of the Company is Rs.7,58,94,900/- divided into 25,89,490 equity shares of Rs. 10/- each and 5,00,000 6% Redeemable Cumulative Preference Shares of Rs.100/- each.

OPERATIONS AND STATE OF COMPANY'S AFFAIRS

During the year under review the performance of the Company was very unsatisfactory. Production and sales turnover were much lower than the previous financial year. During the year under review, there was deterioration in the working of the Mill due to very low labour productivity. The Management tried to take some effective steps for improving productivity but there was non-cooperation from the workers and they went on illegal strike from 2nd March, 2019 which lasted for slightly more than one month. Shortage of workers also adversely affected the production. Due to overall lower production and productivity, cost of every item of production increased substantially while increase in sale price was negligible. During the current year there have been riots in Bhatpara where Mill is situated resulting in disruption of work.

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

However, since 1st August, 2019 normal working has resumed and productivity has been little better than last year's same period. In order to improve the finances of the Company, the following steps had been taken :

1. Unutilized land outside Mill Compound and not of any use to the Company has been sold and the sale proceeds thereof have been used for reduction of unsecured loan.
2. Measures have also been taken to reduce costs.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

a) Industry structure and developments :

Jute Industry dates back about one and half century in India and its importance lies in its long life. India is a country of farmers and a large number of farmers and workers depend on this industry for their livelihood. The Government understands the importance of this industry and that is why it has been taking steps to protect this industry including extension of the mandatory packaging norms, promotion of jute diversified products like jute geo textiles, soil saver, etc.

Under the Jute Packaging Materials (Compulsory Use in Packing Commodities) [JPM Act], 1987, the Government specifies the commodities and the extent they are mandatorily required to be packed. Government has increased the limit for compulsory packaging of food grains from minimum of 90% to 100% and has retained compulsory packaging of sugar at 20% in jute sacking.

b) Opportunity and Threats /Risks and Concerns

There are opportunities for growth in Industry because the Government has seized of the industry difficulty. The Government has imposed anti-dumping duty on import from Bangladesh and Nepal. The National Jute Board provide subsidy for replacement of old machineries with modern machineries. Steps taken by the Govt. of India to assist the jute mills to upgrade old/ obsolete machineries and to promote jute diversified products, jute geo textiles and soil saver will provide opportunity to increase market for jute goods.

The following areas of risks and concerns continue to pose threat to Jute Industry.

- ✓ Frequent revision of JPMA guidelines (to add or dilute items for jute packing) leaves the industry in confusion whether to invest further on the Jute Technology development/product development/market expansion or wait for new policies etc.
- ✓ Cut throat competition from Bangladesh in export market which continues to enjoy benefits in the form of lower costs and government subsidies.
- ✓ Increase in wage cost without linking to productivity which constitutes high proportion of production costs in a labour intensive industry.
- ✓ Heavy shortage of workers resulting in lower capacity utilization in the Mills.

c) Segment-wise or Product-wise Performance

Jute goods remain the Company's only area of business in the year under review, hence require no disclosure under AS 17 in respect of business segment.

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

d) **Outlook**

Cultivation of jute crop during the current season seems to be better than previous year. Therefore, the raw jute prices are expected to remain reasonable due to adequate availability of jute in the next jute crop season.

Demand for packaging of food grain will continue to be good. Government Orders are expected to remain regular and despite, several constraints, the outlook appears to be better than previous year.

e) **Internal control system and their adequacy**

The Company has an adequate system of internal control which not only ensures proper and timely recording and reporting of transactions but also provide avenue for exercising effective safe guards over Company's assets. For this purpose, the Company has appointed independent Internal Auditors. Observations of internal auditor are circulated to senior management for their perusal and necessary action. Corrective actions are taken as per requirements. In consultation with Internal Auditor, the Audit Committee formulates the scope, functioning, periodicity and methodology for conducting the internal audit.

f) **Discussion on Financial Performance with respect to Operational Performance**

During the year under review, overall performance of the Company was worse than previous year due to low labour productivity.

g) **Material Development in Human Resources/Industrial Relations front, including number of people employed**

Industrial relations remained more or less cordial during the year under review except during some part of the year when the management was forced to declare suspension of work due to sudden stoppage of work and illegal strike by workers of the Company.

The Company provides benefits and facilities to deserving staffs. Workers employed at new scale are imparted with in-house training to bring all round improvement in their working knowledge and skill.

Collective participation is encouraged at all level and workers are given incentive for good performance. Labour issues are mostly addressed by negotiations and conciliation.

h) **Cautionary Statement**

Statement made above in this section of the report with regard to future outlook and performance is on the basis of prevailing industry scenario and market conditions as envisaged by us. Actual results may differ materially from those expressed in the statement.

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN END OF THE FINANCIAL YEAR AND DATE OF REPORT

Subsequent to the end of the financial year on 31st March, 2019 till date, there has been no material change and/or commitment which may affect the financial position of the Company.

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CREDIT RATING

During the year under review, CARE Ratings Ltd. has reaffirmed the Credit Rating BB– for Fund Based Facilities of the Company.

DEPOSITS

The Company has not accepted any deposits from the public, and as such, there are no outstanding deposits in terms of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

DIRECTORS

Your Company's Board is duly constituted and is in compliance with the requirements of the Companies Act, 2013, the Listing Regulations and provisions of the Articles of Association of the Company.

Executive Chairman

Shri Pawan Kumar Kanoria, (holding DIN: 00305297) was appointed as the Executive Chairman of the Company for a further period of 5 (five) years with effect from 1st April, 2017 and his present term will be completed on 31st March, 2022.

Managing Director

Shri Sanjay Hada, (holding DIN: 00305476) was re-appointed as Managing Director and Chief Executive Officer (CEO) of the Company for a further period of 5 (five) years with effect from 1st January, 2019 the present term of his appointment as Managing Director and CEO will be completed on 31st December, 2023.

Whole-Time Director

Shri Vijendra Kumar Chaukhani, (holding DIN: 00309895) was re-appointed as Whole-time Director of the Company for a period of 2 years with effect from 1st August, 2018 whose period of office is liable to determination by retirement of directors by rotation.

Shri Vijendra Kumar Chaukhani, (holding DIN: 00309895) retires from the Board by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment. Your Board recommends re-appointment of Shri Vijendra Kumar Chaukhani as a Director of the Company, liable to retire by rotation.

Non-Executive Director

Smt. Smita Poddar (holding DIN: 01204391), Non-Executive Woman Director whose period of office is liable to determination by retirement of directors by rotation.

Statement of Declarations Given by Independent Directors

All Independent Directors of the Company have given declarations that they meet the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013.

EVALUATION OF THE PERFORMANCE OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

Nomination and Remuneration Committee (NRC) of the Board have devised the criteria for evaluation of the Independent Directors, the Board and its Committees. The Board has carried out annual evaluation

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

of its own performance and that of its Committees and individual Directors. More details on the same are given in Corporate Governance Report.

COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF DIRECTORS AND OTHER MATTERS

Pursuant to the requirements of Section 178(3) of the Companies Act, 2013 and Regulation 19(4) read with Para A, Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Nomination and Remuneration Committee review the composition and diversity of the Board and identify persons who are qualified to become directors in accordance with the criteria laid down by the Board of Directors of the Company. Nomination and Remuneration Committee recommend to the Board about the appointment /re-appointment of eligible candidates including their terms of appointment and remuneration. The remuneration policy including criteria for determining qualifications, positive attributes, independence of a director have been disclosed in the report on Corporate Governance.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Sec.134(3)(c) and 134(5) of the Companies Act, 2013 and to the best of their knowledge and belief and according to information and explanation received from the day to day operating management, your directors state that :

- (a) in the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the loss of the Company for that period;
- (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act, for safe-guarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors have prepared the annual accounts on a going concern basis;
- (e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- (f) there is a proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

NUMBER OF MEETINGS OF THE BOARD

The Board of Directors met 6 (six) times during the year under review. More details are available in the Corporate Governance Report.

KEY MANAGERIAL PERSONEL

There was no change in Key Managerial Personnel (KMP) during the year under review.

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CORPORATE GOVERNANCE

The Corporate Governance Report and certificate from M/s. N. K. & Associates, Practicing Company Secretaries, certifying compliance of conditions of Corporate Governance as required under Regulation 34(3) read with Point C of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is attached as Annexure – I which forms part of this report.

AUDIT AND AUDITORS

In terms of the provisions of Section 139 of the Companies Act, 2013 read with provisions of the Companies (Audit and Auditors) Rules, 2014, as amended, M/s. J K V S & Co. (ICAI Firm Registration No. 318086E), Chartered Accountants, was appointed as the auditors of the Company for a consecutive period of 5(five) years from conclusion of the 21st Annual General Meeting held in the year 2017 until the conclusion of the 26th Annual General Meeting to be held in 2022.

SECRETARIAL AUDITOR

In terms of the provisions of Section 204(1) of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company at its meeting held on 14th May, 2019 appointed M/s. N. K. & Associates, Company Secretaries, as the Secretarial Auditor of the Company, to conduct the Secretarial Audit for the financial year ended 31st March, 2019 and to submit Secretarial Audit Report in Form No. MR-3.

QUALIFICATION, RESERVATION OR ADVERSE REMARK IN THE AUDITOR'S REPORTS AND SECRETARIAL AUDIT REPORT

There are no qualifications, reservations or adverse remarks made by M/s. J K V S & Co., Statutory Auditors in their report for the financial year ended 31st March, 2019. Pursuant to the provisions of Section 143(12) of the Companies Act, 2013, the Statutory Auditors have not reported any incident of fraud to the Audit Committee during the year under review.

A copy of the Secretarial Audit Report received from M/s. N. K. & Associates in the prescribed Form No. MR-3 is annexed to this Board's Report and marked as Annexure – II. There are no qualifications or observations or remarks made by the Secretarial Auditor in the Report.

COST AUDITORS

In terms of Section 148(3) of the Companies Act, 2013 read with rule 14 of the Companies (Audit and Auditors) Rules, 2014, on the recommendation of Audit Committee the Board of Directors has appointed M/s N. Radhakrishnan & Co., Cost Accountants (Registration No. 000056), being eligible and having sought re-appointment, as Cost Auditor of the Company, for a remuneration of Rs. 30,000/- plus applicable taxes and re-imbursalment of out of pocket expenses incurred by them to conduct an audit of the cost accounting records maintained by the Company for the current financial year beginning from 1st April, 2019 and ending on 31st March 2020 as required in terms of the Companies (Cost Records and Audit) Amendment Rules, 2015.

As required under Section 148 of the Companies Act, 2013 read with rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to Cost Auditor is being placed at the ensuing Annual General Meeting for ratification by the Members. M/s N. Radhakrishnan & Co., Cost Accountants have furnished a declaration as required under Section 141(3)(g) read with Section 148(3) and 148(5) of the Companies Act, 2013.

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As per the Companies (Cost Audit Report) Rules, 2011, the due date for filing the Cost Audit Report for the previous financial year ended 31st March, 2018 with the Central Government was 30th September, 2018 and the said report was filed by the Cost Auditor within the due date.

EXTRACT OF THE ANNUAL RETURN

The extract of the Annual Return in Form No. MGT-9 of the Company as on 31st March, 2019 as provided under sub-section 3 of Section 92 and 134(3)(a) of the Companies Act, 2013, read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014 is annexed to this Board's Report marked as Annexure – III forming part of this report.

SIGNIFICANT AND MATERIAL LITIGATIONS/ORDERS

During the year under review, there were no significant material orders passed by the Regulators/Courts and no litigation was outstanding as on 31st March, 2019, which would impact the going concern status and future operations of your Company. The details of litigation on tax matters are disclosed in the Auditor's Report and Financial Statements which forms part of this Annual Report.

DISCLOSURE

Following disclosures are made under the Companies (Accounts) Rules, 2014 :

- (i) The financial summary or highlights are discussed at the beginning of this report;
- (ii) There is no change in the nature of business;
- (iii) There is no company which has become or ceased to be the Company's subsidiary, joint venture or associate company during the year.
- (iv) No significant and material order was passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

LOANS, GUARANTEES AND INVESTMENTS

In terms of Section 186 of the Companies Act, 2013 and Rules framed thereunder, particulars of loans given and investments made by the Company have been disclosed in the Note No. 6, 7 and 8 to the Financial Statements for the year ended 31st March, 2019, which forms part of the Annual Report. Your Company has not given any guarantee or provided any security during the year under review.

AUDIT COMMITTEE

The Board of Directors of the Company has a duly constituted Audit Committee in terms of the provisions of Section 177 of the Companies Act, 2013 read with the Rules framed thereunder and Regulation 18 of the Listing Regulations. The term of reference of the Audit Committee has been approved by the Board of Directors. Composition of Audit Committee, number of meetings held during the year under review, brief terms of reference and other requisite details have been provided in the Corporate Governance Report which forms part of this Annual Report. Recommendations made by the Audit Committee are accepted by the Board.

RISK MANAGEMENT AND ADEQUACY OF INTERNAL FINANCIAL CONTROL

The Company's internal financial control ensures that all assets of the Company are safeguarded and

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protected, proper prevention and detection of frauds and errors and all transactions are authorized, recorded and reported appropriately. The Company has an adequate system of internal controls commensurate with its size and scale of operation, procedures and policies, ensuring orderly efficient conduct of its business.

The Board is of the opinion that the Internal Financial Controls, affecting the Financial Statements of the Company are adequate and are operating effectively.

CORPORATE SOCIAL RESPONSIBILITY

Although the Company doesn't qualify for mandatorily formulation and adoption of Corporate Social Responsibility Policy under the provisions of the Companies Act, 2013 and the Rules framed thereunder, it takes CSR programmes which benefit the Communities.

POLICY ON PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company is committed to provide a safe and secure environment to its women employees as they are considered as integral and important part of the Organization. The Company has been conducting awareness programme in its manufacturing unit and office premises to encourage its employees to be more responsible and alert while discharging their duties.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the financial year ended 31st March, 2019, all transactions with the Related Parties as defined under the Companies Act, 2013 read with Rules framed thereunder were in the ordinary course of business and at arm's length basis. Thus, disclosure in Form AOC-2 is not required. Necessary disclosures required under Ind AS 24 have been made in Note No. 41 of the Notes to the Financial Statements for the year ended 31st March, 2019.

No materially significant related party transactions was made by the Company with its promoters, directors or key managerial personnel etc. which may have potential conflict with the interest of the Company at large or which warrants the approval of the shareholders. All related party transactions were placed before the Audit Committee for review on a quarterly basis. Prior omnibus approval of the Audit Committee was obtained for the transactions which were of a repetitive nature.

SUBSIDIARIES

The Company doesn't have any subsidiary company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The prescribed particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo required under Sec. 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is attached as Annexure- IV and forms part of this Board's Report.

PARTICULARS OF EMPLOYEES

Disclosure in terms of provisions of Section 197(12) of the Companies Act, 2013 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and subsequent amendments thereto has been made in Annexure - V forming part of this Report.

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ESTABLISHMENT OF VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has established a vigil mechanism / whistle blower policy. The policy allows intimation of concern or misconduct made in good faith by affected persons through a written communication. Audit Committee oversees the vigil mechanism for disposal of the complaint. Direct access to the Chairperson of the Audit Committee is also allowed in exceptional cases. The vigil mechanism/whistle blower policy is available on Company's website www.reliancejute.com.

CAUTIONARY STATEMENT

There are Statements which have been made in the Management Discussion and Analysis Report describing the estimates, expectations or predictions, may be read as 'forward-looking statements' within the meaning of applicable laws and regulations. The actual results may differ materially from those expressed or implied. The important factors that would make a difference to the Company's operations include demand-supply conditions, raw material prices, changes in Government Policies, Government Laws, Tax Regimes, global economic developments and other factors such as litigation and labour negotiations.

COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETINGS

During the year under review, the Company has duly complied with the applicable provisions of the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India (ICSI).

ACKNOWLEDGEMENTS

Your Directors record their sincere appreciation of the dedication and commitment of all employees at all levels in achieving and sustaining excellence in all areas of the business. Your Directors thank shareholders, customers, suppliers, bankers and other stakeholders for their continuous support to the Company.

For and on behalf of the Board

P. K. KANORIA
Chairman

**Ideal Plaza, 11/1, Sarat Bose Road,
Kolkata, the 13th day of August, 2019**

(DIN:00305297)

REPORT ON CORPORATE GOVERNANCE

[Pursuant to Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, “Listing Regulations”]

1. Company’ Philosophy on Code of Governance

Reliance Jute Mills (International) Ltd. firmly believes in the implementation of best practices of corporate governance so that the company could achieve its corporate goals and further enhance stakeholders’ value. It has been its endeavour to attach a great deal of importance on ensuring fairness, transparency, accountability and responsibility towards all stakeholders, besides consistently implementing the best possible practices by providing optimum level of information and benefits to all the stakeholders.

2. Board of Directors

a. Composition and Category of Directors

The Board of Directors (the Board) consists of 8 (eight) Directors of which there are four Non-Executive Independent Directors, one is Executive Director belonging to promoter group (Executive Chairman), one Executive Director (Managing Director & CEO) and one Executive Director (Whole-time Director) and one Non-Executive Woman Director belonging to promoter group.

No director is, inter-se, related to any other director on the Board, except Shri Pawan Kumar Kanoria (Executive Chairman), Shri Sanjay Hada, Managing Director & CEO and Smt. Smita Poddar, Director of the Company.

b. Details of Directors

Shri Pawan Kumar Kanoria was re-appointed as Executive Chairman of the Company w.e.f. 1st April, 2017 for a period of 5 (five) years. He is vested with powers of overall management of the affairs of the Company subject to the superintendence and guidance of the Board of Directors. He is also involved in policy planning, vision & strategy and long term development activities of the Company, besides Corporate Governance and Board co-ordination. He is the Chairman of the Board of Directors of the Company.

Shri Sanjay Hada, was re-appointed as Managing Director of the Company for a period of 5(five) years with effect from 1st January, 2019. The present term of his appointment as Managing Director and CEO will be completed on 31st December, 2023. He is responsible for production, purchase and resource management. He is also responsible for and involved in improving the production and productivity, policy planning, vision & strategy and long term development activities of the Company.

Shri Vijendra Kumar Chaukhani was re-appointed as Whole-time Director of the Company for a period of 2(two) years with effect from 1st August, 2018. The present term of his

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appointment comes to an end on 31st July, 2020. He is responsible for overall marketing work of the Company.

Shri Vijendra Kumar Chaukhani retires by rotation and being eligible offers himself for re-appointment. His re-appointment proposal has been incorporated in the item of agenda of the notice convening the Annual General Meeting.

All Independent Directors have confirmed that they have complied with the Code for Independent Directors mentioned in Schedule IV of the Companies Act, 2013 and that they are not disqualified to act as an Independent Director in compliance with the provisions of Sec. 149 of the Companies Act, 2013.

In compliance with Regulation 36(3) of the Listing Regulations read with the Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI), the required information about the Director proposed to be re-appointed has been annexed to the Notice convening the 23rd Annual General Meeting.

c. Declaration on compliance with Code of Conduct

All Directors and Senior Management have adhered to the Code of Conduct of the Company during the year and have signed declarations of compliance to the Code of Conduct. The declaration signed by Shri Sanjay Hada, Managing Director & CEO affirming the compliance of the Code of Conduct by the Board Members and Senior Management is given separately in the Annual Report.

d. Shareholding of Directors and Key Managerial Personnel

As on 31st March, 2019 following shares of the Company were held by Directors and Key Managerial Personnel of the Company :

Name	Designation	No. of shares held as on 31.03.2019
Shri Pawan Kumar Kanoria	Executive Chairman	8,15,566
Smt. Smita Poddar	Non-Executive Director	–
Dr. Pranab Kumar Mookerjee	Independent Director	1,126
Shri Vijendra Kumar Chaukhani	Whole-time Director	20
Shri Shiv Kumar Agarwal	President (Finance) & Company Secretary	50

e. Board Meetings, Annual General Meeting and Attendance

During the financial year ended 31st March, 2019, six Board Meetings were held on 30th May, 2018, 13th August, 2018, 25th September, 2018, 13th November, 2018, 14th February, 2019 and 18th March, 2019.

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Maximum time gap between two meetings was less than 120 days. In terms of Schedule V of the Companies Act, 2013 and Regulation 25(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors was held on 31st March, 2019 which was attended by all Independent Directors.

The Attendance of the Directors at the Board meetings and the Annual General Meeting and remuneration paid to them for attending the Board meetings is given below :

Name of Directors	No. of Meetings		Fees Paid Rs.	Attendance at last AGM held on 25.09.2018
	Held	Attended		
Shri Pawan Kumar Kanoria	6	4	Nil	Yes
Shri Sanjay Hada	6	5	Nil	Yes
Smt. Smita Poddar with Alt. Dir.	6	6	18,000	No
Shri Vijendra Kumar Chaukhani	6	6	Nil	Yes
Dr. Pranab Kumar Mookerjee	6	5	15,000	No
Shri Pradeep Kumar Jain	6	6	18,000	Yes
Shri Piyush Bhartia	6	6	18,000	Yes
Shri Rohit Banka	6	6	18,000	Yes

The Company Secretary is the Secretary of the Board of Directors and attended all meetings of the Board of Directors.

f. Board Committee

The Board of Directors had already constituted the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee in compliance with the requirements of the Companies Act, 2013 and Corporate Governance requirements under Listing Regulations.

The composition, terms of reference, attendance and other details of these Committees are mentioned later in this Report.

g. Directorships and Committee membership in other Companies

None of the Directors on the Board is a member of more than 10 Committees and Chairman of more than 5 Committees as specified in Regulation 26(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

None of the Directors is holding directorship in more than 8 listed companies.

Directorships and membership of Committees in other Companies held by Directors as on 31st March, 2019 are given below :

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Name of Directors	No. of other Directorships	No. of other Committees* Chairmanships/Memberships	
		Chairman	Member
Shri Pawan Kumar Kanoria	4	–	–
Shri Sanjay Hada	17	–	1
Shri Vijendra Kumar Chaukhani	–	–	1
Dr. Pranab Kumar Mookerjee	3	1	2
Shri Pradeep Kumar Jain	1	–	3
Shri Piyush Bhartia	6	–	3
Smt. Smita Poddar	1	–	–
Shri Rohit Banka	–	–	–

*Only Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee are considered.

3. Audit Committee

a) Constitution and Composition

The details of composition of the Audit Committee under the provisions of Sec. 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations are as under :

Name of Directors	Designation	Category
Shri Pradeep Kumar Jain	Chairman	Independent Director
Shri Sanjay Hada	Member	Executive Director
Dr. Pranab Kumar Mookerjee	Member	Independent Director
Shri Piyush Bhartia	Member	Independent Director
Shri Rohit Banka*	Member	Independent Director

*Appointed as a Member of the Audit Committee with effect from 24th April, 2019.

b) Terms of Reference

The role and terms of reference of the Audit Committee are in accordance with the provisions of Section 177 of the Companies Act, 2013 and as specified under Part C of Schedule II of the Listing Regulations. The role of the Audit Committee includes the following :

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommending to the Board the appointment, re-appointment and, if required, the replacement or removal of the statutory auditors and the fixation of audit fees;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

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- Reviewing, with the management, quarterly financial statements before submission to the board for approval;
- Reviewing, with the management, annual financial statements and auditor's report thereon before submission to the board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.);
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To review the functioning of the whistle blower mechanism;
- Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the audit.

In addition, the Audit Committee also mandatorily reviews the following :

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- Management letters/letters of internal control weaknesses, if any, issued by the Statutory Auditors;
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of Internal Auditor.

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c) Internal Audit

The Internal Auditor appointed by the Company conducts the internal audit and submit its report to the Audit Committee on half-yearly basis.

d) Meetings and attendance

During the financial year 5 meetings of the Audit Committee were held on 30th May, 2018, 13th August, 2018, 13th November, 2018, 14th February, 2019 and 18th March, 2019. The Attendance of the Directors at these Audit Committee meetings and remuneration paid to them is given below :

Name of Directors	No. of Meetings		Fees Paid
	Held	Attended	Rs.
Shri Pradeep Kumar Jain	5	5	5,000
Shri Sanjay Hada	5	4	–
Dr. Pranab Kumar Mookerjee	5	4	4,000
Shri Piyush Bhartia	5	5	5,000

Representative of the Statutory Auditors was invited to the meeting of the Audit Committee. Minutes of the Audit Committee are placed before the Board meeting for noting. The Chairman of the Audit Committee was present at the last Annual General Meeting. The Company Secretary acts as the Secretary of the Audit Committee meeting and accordingly, Shri Shiv Kumar Agarwal, President (Finance) & Company Secretary, had attended all these meetings.

4. Nomination and Remuneration Committee

a) Constitution and Composition

The details of composition of Nomination and Remuneration Committee pursuant to the provisions of Sec. 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations are as under :

Name of Directors	Designation	Category
Shri Pradeep Kumar Jain	Member	Independent Director
Dr. Pranab Kumar Mookerjee	Member	Independent Director
Shri Piyush Bhartia	Member	Independent Director

Terms of Reference

The role and terms of reference of the Nomination and Remuneration Committee are in accordance with the provisions of Section 178 of the Companies Act, 2013 and the Rules framed thereunder read with Regulation 19 and as specified under Part D(A) of Schedule II of the Listing Regulations. The role of the Nomination and Remuneration Committee includes the following :

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy

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relating to the remuneration of the directors, key managerial personnel and other employees;

- Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
- Devising a policy on diversity of Board of Directors;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal;
- Whether to extend or continue the term of appointment of the Independent Director on the basis of the report of performance evaluation of Independent Directors.

b) Attendance

During the financial year ended 31st March, 2019, 1(one) meeting of the Nomination and Remuneration Committee was held on 30th May, 2018. The Attendance of Directors at this Committee meeting and remuneration paid to them are given below :

Name of Directors	No. of Meetings		Fees Paid
	Held	Attended	Rs.
Shri Pradeep Kumar Jain	1	1	500
Dr. Pranab Kumar Mookerjee	1	1	500
Shri Piyush Bhartia	1	1	500

Performance Evaluation of the Board, Committee and Directors

The Company understands the requirements of an effective Board Evaluation process and accordingly conducts a Performance Evaluation every year in respect of the following :

- i. Board of Directors as a whole
- ii. Committee of the Board of Directors
- iii. Individual Directors including the Chairman of the Board of Directors

In compliance with the requirements of the provisions of Section 178 of the Companies Act, 2013, the Listing Regulations and the Guidance Note on Board Evaluation issued by SEBI in January, 2017, the Company has carried out a Performance Evaluation for the Board/ Committees of the Board/Individual Directors including the Chairman of the Board of Directors for the financial year ended 31st March, 2019.

c) Remuneration Policy

The Remuneration Policy is available on the Company's website www.reliancejute.com.

5. Remuneration to Directors

- a) Non-Executive Directors are entitled to sitting fees for every meeting of the Board or Committee thereof attended by them. They are also entitled to commission not exceeding 1% of the net profits of the Company. The Chairman, Managing Director & CEO and Whole-time Director don't receive sitting fees for attending the meetings of the Board or any Committee thereof.

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b) Details of remuneration paid to Non-Executive Directors

Total Remuneration paid to Non-Executive Directors for attending meetings of the Board and Committees during the year ended 31st March, 2019 is given below :

Name of Directors	Sitting Fees (Rs.)	Commission (Rs.)	Total (Rs.)
Dr. Pranab Kumar Mookerjee	19,500	–	19,500
Shri Pradeep Kumar Jain	23,500	–	23,500
Shri Piyush Bhartia	23,500	–	23,500
Smt. Smita Poddar with Alt. Dir.	18,000	–	18,000
Shri Rohit Banka	18,000	–	18,000

c) Details of remuneration paid to Executive Directors

Particulars	Shri P. K. Kanoria (Rs.)	Shri S. Hada (Rs.)	Shri V. K. Chaukhani (Rs.)
Salary and Allowances	84,00,000	72,00,000	21,90,240
Cont. to Provident Fund	8,40,000	7,20,000	1,62,240
Cont. to Superannuation Fund	1,50,000	1,50,000	1,00,000
Total	93,90,000	80,70,000	24,52,480

The appointment of the Executive Directors is governed by the Articles of Association of the Company and the resolutions passed by the Board of Directors and the members of the Company.

All appointments and terms of remuneration are being considered by the Board based on the recommendation of the Nomination and Remuneration Committee.

As per terms of appointment, the Company and the Executive Directors have the right to terminate the appointment by giving one month's prior notice in writing to the other. There is no provision for payment of severance fees under the resolutions governing the appointment of Executive Directors.

The Company has not issued any stock options to its Directors.

None of the Non-Executive Directors except Dr. Pranab Kumar Mookerjee hold any share in the Company.

The Company has not entered into any material pecuniary relationship or transactions with the Non-Executive Directors except rental agreement with Smt. Smita Poddar on arm's length basis.

6. Constitution of Stakeholders Relationship Committee

a) Composition

Dr. Pranab Kumar Mookerjee, an Independent Director of the Company, is the Chairman of the Stakeholders Relationship Committee. The composition of Stakeholders Relationship Committee is as follows :

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

Name of Directors	Designation	Category
Dr. Pranab Kumar Mookerjee	Chairman	Independent Director
Shri Vijendra Kumar Chaukhani	Member	Whole-time Director
Shri Pradeep Kumar Jain	Member	Independent Director
Shri Piyush Bhartia	Member	Independent Director
Shri Rohit Banka*	Member	Independent Director

*Appointed as Member of the Stakeholders Relationship Committee with effect from 13th August, 2019.

b) Meetings and attendance

During the financial year five meetings of Stakeholders Relationship Committee were held on 30th May, 2018, 13th August, 2018, 13th November, 2018, 14th February, 2019 and 18th March, 2019. The Attendance of the Directors at these Stakeholders Committee meetings and fees paid to them is given below :

Name of Directors	No. of Meetings		Fees Paid
	Held	Attended	Rs.
Dr. Pranab Kumar Mookerjee	5	4	–
Shri Vijendra Kumar Chaukhani	5	5	–
Shri Pradeep Kumar Jain	5	4	–
Shri Piyush Bhartia	5	4	–

c) Scope of Stakeholders Relationship Committee

The Committee deals with various matters relating to redressal of shareholders' and investors' queries and grievances such as transfers and transmissions of shares, issue of duplicate share certificates, sub-division and consolidation of certificates, non- receipt of annual reports, dividend warrants etc.

The Committee also reviews the status of dematerialisation / re-materialisation of shares and suggest measures for improvement of procedures and systems.

d) Compliance Officer

Shri Shiv Kumar Agarwal, President (Finance) & Company Secretary acted as the Secretary to all the Committees and Compliance Officer of the Company and his contact details are as given below:

Shri Shiv Kumar Agarwal
 President (Finance) & Company Secretary
 Reliance Jute Mills (International) Ltd.
 Ideal Plaza, South Block, 4th Floor
 11/1, Sarat Bose Road
 Kolkata-700 020
 Tel. No. : (033) 2280 7017/18, Dir.: 8420118850
 Fax No.: (033) 2280 7016
 E~mail : financeho@reliancejute.com

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

e) Pledge of shares

No pledge of shares has been created over the Equity Shares held by the Promoters as on 31st March, 2019.

f) Details of complaints from shareholders

No. of complaints remaining unresolved as on 1st April, 2018	Nil
No. of complaints received during the year	1
No. of complaints resolved during the year	1
No. of complaints unresolved as on 31st March, 2019	Nil

7. Risk Management Committee

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, constitution of Risk Management Committee was made applicable to only top 100 listed entities, determined on the basis of market capitalisation, as at the end of immediate previous financial year. Since the Company doesn't fall under the category of aforesaid listed Companies, it was decided to discontinue existing Risk Management Committee which was formed by the Board of Directors at its meeting held on 5th May, 2015. Audit Committee, apart from its existing responsibilities, also monitor the areas of risks, its assessment and mitigation.

8. General Body Meetings

a) Location and date/time where last three Annual General Meetings (AGM) were held and No. of Special Resolutions passed :

AGM No.	Relating to Financial Year	Date	Time	Venue	No. of Special Resolutions passed
20th	31.03.2016	27.09.2016	4.00 PM	Keshari Devi Kanoria Hall, 123, Dr. Meghnad Saha Sarani (Southern Avenue), Kolkata-700 029	1
21st	31.03.2017	14.09.2017	4.00 PM	Keshari Devi Kanoria Hall, 123, Dr. Meghnad Saha Sarani (Southern Avenue), Kolkata-700 029	Nil
22nd	31.03.2018	25.09.2018	4.00 PM	Rotary Sadan, S. S. Hall, 94/2, Chowringhee Road Kolkata - 700 020	6

At the Annual General Meeting held on 27th September, 2016, one Special Resolution was passed for appointment of Shri Pawan Kumar Kanoria as Executive Chairman of the Company for a period of 5 (five) years with effect from 1st April, 2017.

No Special Resolution was passed at the Annual General Meeting held on 14th September, 2017.

At the Annual General Meeting held on 25th September, 2018, 6(six) Special Resolutions were passed. One Special Resolution was passed for appointment of Shri Sanjay Hada as

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

Managing Director & CEO of the Company for a period of 5(five) years with effect from 1st January, 2019. One Special Resolution was passed for appointment of Shri Vijendra Kumar Chaukhani as Whole-time Director of the Company for a period of 2(two) years with effect from 1st August, 2018. Three Special Resolutions were passed for appointment of Dr. Pranab Kumar Mookerjee, Shri Pradeep Kumar Jain and Shri Piyush Bhartia as Independent Directors of the Company for a period of 5(five) years with effect from 1st April, 2019. One Special Resolution was passed authorizing the Board of Directors of the Company to sell, lease or otherwise dispose of the assets of the Company.

No Extra-ordinary General Meeting (EGM) was held by the Company during the financial year ended 31st March, 2019.

b) Postal Ballot

No Special Resolution was passed during the previous financial year ended 31st March, 2019 through postal ballot under Section 110 of the Companies Act, 2013 and Rules framed thereunder. Two Special Resolutions under Section 180(1)(c) and 180(1)(c) of the Companies Act, 2013 have been passed through conducting Postal Ballot under Section 110 of the Companies Act, 2013 and Rules framed thereunder. The result of Postal Ballot was declared on 8th June, 2019.

9. Disclosures

- a) Details of transactions with related parties have been reported in the Notes to Accounts. These disclosures are also made for the purpose of Regulation 10(1)(a) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. All the transactions with related parties are at arm's length basis and there are no materially significant related party transactions which may have potential conflict with the interests of the Company at large.
- b) There were no instances of non-compliance by the Company or any penalties or strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the last three years.
- c) The Company has in place an Employee Concern (Whistle Blower Policy) which is also available on the Company's website www.reliancejute.com. No personnel have been denied access to the Audit Committee to lodge their grievances.
- d) The Company has made compliance with corporate governance requirements as specified in Regulations 17 to 27 and clause (b) to (i) of sub-regulation (2) of Regulation 46 read with Schedule V of Listing Regulations.

All mandatory requirements and all the non-mandatory requirements have appropriately been complied with except that the Company doesn't bear the expenses of the Chairman's Office and doesn't send the half yearly financial performance to each household of shareholders who have not registered their E-mail ID with the Company or the Depository Participants.

- e) The Management Discussion and Analysis Report forms a part of the Board's Report.
- f) No presentations were made to institutional investors and analysts during the year.

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- g) The Company doesn't have any subsidiary.
- h) There was no public issue, rights issues or other public offerings during the past five years. The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments.
- i) Plant location of the Company are given separately in the Annual Accounts of the Company and are also available on the Company's website www.reliancejute.com

10. Means of Communication :

- a) The quarterly, half yearly and annual financial results of the Company are forwarded to The Calcutta Stock Exchange Limited (CSE) upon approval by the Board of Directors and are published in Newspapers in English and Bengali (Regional Language). The financial results are displayed on the Company's website www.reliancejute.com. The shareholding patterns are also displayed on the company's website on quarterly basis.
- b) Shareholders communication including Notices and Annual Reports are being sent to the E-mail address of Members available with the Company and the Depositories. Annual Accounts are sent to Members at least 25 days before the date of Annual General Meeting.
- c) The Company's website www.reliancejute.com makes online announcement of Board meeting dates, results of the meetings, quarterly financial results, announcement of the date of Annual General Meeting, changes in Directors and other announcements. Copies of Notices and Annual Reports sent to Shareholders are also available on the website.
- d) Address for Communication

All communication regarding share transactions, change of address, bank mandates, nominations etc. should be addressed to the Registrars and Share Transfer Agents of the Company at the following address :

S. K. Infosolutions Pvt. Ltd.
34/1A, Sudhir Chatterjee Street
Kolkata-700 006
Tel. No.: (033) 2219 6797
Fax No. : (033) 2219 4815
E-mail : skcdilip@gmail.com

Complaints, if any, may also be addressed to the Company Secretary at the Registered Office at Ideal Plaza., South Block, 4th Floor, 11/1, Sarat Bose Road, Kolkata-700 020 or sent by E-mail at financeho@reliancejute.com.

11. General Shareholders Information:

- a) AGM: Date, Time and Venue : 24th September, 2019 at 4.00 P. M. at the Sitaram Seksaria Auditorium of Bharatiya Bhasha Parishad, 36A, Shakespeare Sarani, 4th Floor, Kolkata-700 017.
- b) Financial Year : The Financial Year of the Company ended on 31st March, 2019.

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

- c) Date of Book Closure : From 20th September, 2019 to 24th September, 2019 (both days inclusive).
- d) Dividend payment date : No dividend was recommended for declaration for the year ended 31st March, 2019.
- e) Listing of Securities : The Calcutta Stock Exchange Ltd.
7, Lyons Range
Kolkata-700 001
Annual Listing Fees have been paid and all requirements of the Stock Exchange where the shares of the Company are listed, including submission of quarterly reports and certificates, were complied with.
- f) Stock Code-Physical : 28387 at The Calcutta Stock Exchange Ltd.
Demat ISIN Number : INE297E01016
for NSDL & CDSL
- g) Market Price Data (High / Low : Information has been given at the end of Clause 11
during each month in 2018-19)
- h) Stock performance of the Company : Such information is not available with the CSE.
in comparison to CSE Sensex.
(April, 2018 to March, 2019)
- i) Registrar and Share Transfer Agent : S. K. Infosolutions Pvt. Ltd.
34/1A, Sudhir Chatterjee Street
Kolkata-700 006
Tel. No. (033) 2219 6797
Fax No. (033) 2219 4815
E-mail: skcdilip@gmail.com
- j) Share Transfer System : Information has been given at the end of Clause 11
- k) Distribution of Shareholding : Information has been given at the end of Clause 11
as on 31st March, 2019
- l) Dematerialization of shares : As on 31st March, 2019, 76.74% of the Company's
and liquidity : paid-up share capital representing 1987113 shares is
held in dematerialized form.
- m) Outstanding GDRs / ADRs / : Not issued
Warrants or any convertible
instruments, conversion date
likely impact on equity
- n) Plant location : The Company's plant is located at the following place:
80, West Ghosh Para Road
Bhatpara-743 123, 24, Parganas (North)
West Bengal

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

- o) Address for correspondence : Reliance Jute Mills (International) Ltd.
CIN: L17125WB1996PLC081382
“VNSS” Business Centre
Ideal Plaza, South Block, 4th Floor
11/1, Sarat Bose Road
Kolkata-700 020
Phone: (033) 2280 7017/18
Fax: (033) 2280 7016
E~mail: financeho@reliancejute.com
Website: www.reliancejute.com

Information in respect of clause 11(g)

Market Price data: High, Low during 2018-19 is given in the table below :

Month / Year	High (Rs.)	Low (Rs.)
April, 2018	2.65	2.65
May, 2018	2.65	2.65
June, 2018	2.65	2.65
July, 2018	2.65	2.65
Aug., 2018	2.65	2.65
Sept., 2018	2.65	2.65
Oct., 2018	2.65	2.65
Nov., 2018	2.65	2.65
Dec., 2018	2.65	2.65
Jan., 2019	2.65	2.65
Feb., 2019	2.65	2.65
March, 2019	2.65	2.65

Information in respect of clause 11(j)

Share Transfer System

Share transfers in physical and demat form are processed by the Registrar and Share Transfer Agent, S. K. Infosolutions Pvt. Ltd. on regular basis. The transfer/transmission of shares is approved in accordance with the powers delegated by the Board of Directors to the Chairman, Managing Director & CEO, Whole-time Director and President (Finance) & Company Secretary.

The shares lodged for transfers/dematerialisation are processed within 15 days from the date of their lodgement, if transfer instruments are found valid and complete in all respects.

As stipulated by SEBI, M/s. N. K. & Associates, Company Secretaries, carries out the secretarial audit to reconcile the total admitted capital in dematerialised form (held with NSDL and CDSL) and total number of shares in physical form and to confirm that the total listed and paid-up capital are in agreement with the aggregate number of shares. This audit is carried out in every quarter and the report is submitted to The Calcutta Stock Exchange Limited.

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED**Information in respect of clause 11(k)****(a) Distribution of shareholdings as on 31st March, 2019 :**

Category (No. of shares)	No. of shareholders	Percentage	No. of Shares	Percentage
Upto 500	1482	92.45	163550	6.32
501 – 1000	77	4.80	54068	2.08
1001 – 2000	22	1.37	28530	1.10
2001 – 3000	11	0.70	27752	1.07
3001 – 4000	3	0.19	10608	0.41
4001 – 5000	1	0.06	4582	0.18
5001 – 10000	–	–	–	–
10001 – 50000	–	–	–	–
50001 - 100000	2	0.12	123522	4.77
100001 & above	5	0.31	2176878	84.07
Total	1603	100.00	2589490	100.00

(b) Shareholding Pattern as on 31st March, 2019 :

Category	No. of Shares	Percentage
Promoter/ Promoter Group	1940878	74.95
Financial Institutions/Banks	6386	0.25
Other Corporate Bodies	313300	12.10
General Public	323160	12.48
Non-Resident Individuals	5766	0.22
Total	2589490	100.00

12. CEO/CFO Certification

Shri Pawan Kumar Kanoria, Executive Chairman, Shri Sanjay Hada, Managing Director & CEO, Shri Vijendra Kumar Chaukhani, Whole-time Director, Shri Pradeep Kumar Jain, Director and Shri Shiv Kumar Agarwal, Company Secretary & CFO of the Company have provided annual certification on the financial statements and cash flow statement to the Board as required under Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

13. Declaration on Compliance of Company's Code of Conduct

The Board of Directors of the Company have formulated a Code of Conduct applicable to all its members and Senior Management of the Company incorporating duties of independent directors which has been posted on the website of the Company www.reliancejute.com. A declaration signed by the Managing Director & CEO of the Company affirming compliance of the code of conduct by the members of the Board of Directors and Senior Management of the Company is attached to this report.

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

14. Corporate Governance Compliance

The Company has complied with the requirements as laid down in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the purpose of ensuring Corporate Governance. A certificate to this effect obtained from Shri Navin Kothari of M/s. N. K. & Associates, Company Secretaries (FCS No. 5935, CP No. 3725) of the Company, has been attached to this Annual Report.

For and on behalf of the Board

P. K. KANORIA

Chairman

(DIN:00305297)

**Ideal Plaza, 11/1, Sarat Bose Road
Kolkata, Dated: 13th August, 2019**

Declaration regarding compliance of Code of Conduct as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

I hereby declare that pursuant to Schedule V(D) read with Regulation 34(3) of the Listing Regulations, all the Board Members and Key Managerial Personnel (including Senior Management Personnel) of the Company have affirmed compliance with the Company's Code of Conduct for the financial year ended 31st March, 2019.

For and on behalf of the Board

S. Hada

Managing Director & CEO

DIN:00305476

**Ideal Plaza, 11/1, Sarat Bose Road,
Kolkata, the 13th day of August, 2019**

Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification as required under Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To

The Board of Directors

Reliance Jute Mills (International) Ltd.

We, the undersigned, in our respective capacities as Managing Director & CEO and Company Secretary & CFO of Reliance Jute Mills (International) Ltd. ('the Company') to the best of our knowledge and belief certify that :

- (a) We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2019 and based on our knowledge and belief, we state that
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the Company pertaining to

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

- (d) We have indicated to the Auditors and the Audit Committee that –
- (i) there have not been any significant changes in internal control over financial reporting during the year under reference;
 - (ii) there have not been any significant changes in accounting policies during the year requiring disclosure in the notes to the financial statements.
 - (iii) there have not been any instances during the year of significant fraud of which we had become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Kolkata

S. Hada

S. K. Agarwal

Date : 13th August, 2019

Managing Director & CEO

CFO & Company Secretary

Practicing Company Secretaries Certificate on compliance with the conditions of Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

To the Members

Reliance Jute Mills (International) Ltd.

We have examined the compliance of conditions of corporate governance by Reliance Jute Mills (International) Limited, (the Company) for the year ended 31st March, 2019, as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in the above mentioned Listing Regulations.

We have been explained that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For N. K. & Associates
Company Secretaries
(NAVIN KOTHARI)**

Proprietor

FCS No.5935

C. P. No.3725

Kolkata

Dated the 13th day of August, 2019

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

ANNEXURE – II

MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
Reliance Jute Mills (International) Limited
Ideal Plaza, South Block, 4th Floor
11/1 Sarat Bose Road
Kolkata – 700020

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Reliance Jute Mills (International) Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 according to the provisions of :

- (i) The Companies Act, 2013 (the Act) (as amended) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') (as amended) and the rules made thereunder;
- (iii) The Depositories Act, 1996 (as amended) and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) SEBI (Prohibition of Insider Trading) Regulations, 2015;
 - c) SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not applicable to the Company during the Audit Period);
 - d) SEBI (Share Based Employee Benefits) Regulations, 2014 (Not applicable to the Company during the Audit Period);

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

- e) SEBI (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit Period);
- f) SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993.
- g) SEBI (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit Period);
- h) SEBI (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the Audit Period);

I have also examined compliance with the applicable clauses of the following :

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.(as amended)
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.(as amended)

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded, if any, as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For N. K. & Associates
Company Secretaries
(NAVIN KOTHARI)
Proprietor
FCS No. 5935
C P No.: 3725

Place : Kolkata
Dated : 10th June, 2019

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

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

Annexure – A

To,
The Members
Reliance Jute Mills (International) Limited
Ideal Plaza, South Block, 4th Floor
11/1 Sarat Bose Road
Kolkata – 700020

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
3. In view of applicable financial laws like direct and indirect tax laws, financial records and books of accounts being subjected to audit by the Internal Auditor, Statutory Auditor and Cost Auditor and relying on the reports submitted by the above agencies from time to time, I have not separately verified the financial records and books of accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules and regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For N. K. & Associates
Company Secretaries
(NAVIN KOTHARI)
Proprietor
FCS No. 5935
C P No.: 3725

Place : Kolkata
Dated : 10th June, 2019

FORM No. MGT-9
EXTRACT OF ANNUAL RETURN
as on financial year ended 31st March, 2019

[Pursuant to Sec. 92(3) of the Companies Act, 2013 and Rule 12(1)
of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

(i) CIN	:	L17125WB1996PLC081382
(ii) Registration Date	:	18th September, 1996
(iii) Name of the Company	:	Reliance Jute Mills (International) Ltd.
(iv) Category / Sub-Category of the Company	:	Company limited by shares / Indian Non-Government Company
(v) Address of the Registered Office and contact details	:	Ideal Plaza, South Block, 4th Floor 11/1, Sarat Bose Road Kolkata-700 020 Tel. No. (033) 2280 7017/18 Fax No. (033) 2280 7016 E-mail : financeho@reliancejute.com
(vi) Whether listed company	:	Yes. Listed at The Calcutta Stock Exchange Ltd.
(vii) Name, Address and Contact details of Registrar and Transfer Agent , if any	:	S. K. Infosolutions Pvt. Ltd. 34/1A, Sudhir Chatterjee Street Kolkata-700 006 Tel. No. (033) 2219 6797 Fax: (033) 2219 4815 E-mail : skcdilip@gmail.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated :

Sl. No.	Name and Description of main products/services	NIC Code of the Products/services	% to total turnover of the company
1.	Jute Products	131, 139	100%

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
	N.A.	N.A.	N.A.	N.A.	N. A.

IV. SHARE HOLDING PATTERN (Equity Share Capital Break-up as percentage of Total Equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
(a) Individual/HUF	1052494	-	1052494	40.64	1428800	-	1428800	55.17	(+)14.53
(b) Central Govt.									
(c) State Govt(s)	766090	-	766090	29.59	512078	-	512078	19.78	(-)9.81
(d) Bodies Corp.									
(e) Banks/FI									
(f) Any Other									
Sub-total (A)(1):	1818584	-	1818584	70.23	1940878	-	1940878	74.95	(+)4.72
(2) Foreign									
(a) NRIs- Individuals	122294	-	122294	4.72	-	-	-	-	(-)4.72
(b) Other-Individuals									
(c) Bodies Corp.									
(d) Bank/FI									
(e) Any Other									
Sub-total (A)(2):	122294	-	122294	4.72	-	-	-	-	(-)4.72
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	1940878	-	1940878	74.95	1940878	-	1940878	74.95	-

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

B. Public Shareholding									
(1) Institutions									
(a) Mutual Funds									
(b) Banks/FI	-	6386	6386	0.25	-	6386	6386	0.25	Nil
(c) Central Govt.									
(d) State Govt (s)									
(e) Venture Capital Funds									
(f) Insurance Companies									
(g) FIIs									
(h) Foreign Venture Capital Funds									
(i) Others (specify)									
Sub-total (B)(1):	-	6386	6386	0.25	-	6386	6386	0.25	Nil
2. Non-Institutions									
(a) Bodies Corp.									
i) Indian	3644	370394	374038	14.44	2928	310372	313300	12.10	(-)-2.34
ii) Overseas									
(b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	40131	222291	262422	10.14	42569	280591	323160	12.48	(+)-2.34
(ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh									
(c) Others (specify)									
N.R.I.	112	5654	5766	0.22	112	5654	5766	0.22	Nil
Sub-total (B)(2):	43887	598339	642226	24.80	45609	596617	642226	24.80	Nil
Total Public Shareholding (B) = (B)(1)+(B)(2)	43887	604725	648612	25.05	45609	603003	648612	25.05	Nil
C. Shares held by Custodian for GDRs & ADRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Grand Total (A+B+C)	1984765	604725	2589490	100.00	1986487	603003	2589490	100.00	Nil

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1.	Shri Pawan Kumar Kanoria	622766	24.05	Nil	815566	31.50	Nil	(+)7.45
2.	Shri Pawan Kumar Kanoria (HUF)	13546	0.52	Nil	13546	0.52	Nil	Nil
3.	Smt. Usha Kanoria	278382	10.75	Nil	599688	23.15	Nil	(+)12.40
4.	Smt. Vinita Ahmed	25894	1.00	Nil	Nil	Nil	Nil	(-)1.00
5.	Smt. Nandita Jain	41400	1.60	Nil	Nil	Nil	Nil	(-)1.60
6.	Smt. Smita Poddar	96400	3.72	Nil	Nil	Nil	Nil	(-)3.72
7.	Smt. Sonal Hada	96400	3.72	Nil	Nil	Nil	Nil	(-)3.72
8.	Ajay Investment Enterprise Ltd.	239212	9.24	Nil	Nil	Nil	Nil	(-9.24)
9.	B. P. Investments Ltd.	512078	19.78	Nil	512078	19.78	Nil	Nil
11.	Vapi Investments Ltd.	14800	0.57	Nil	Nil	Nil	Nil	(-)0.57
	Total	1940878	74.95		1940878	74.95	Nil	Nil

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Shri Pawan Kumar Kanoria				
	At the beginning of the year	622766	24.05		
	Change during the year			(+)192800	(+)7.45
	At the end of the year			815566	31.50
2.	Shri Pawan Kumar Kanoria (HUF)				
	At the beginning of the year	13546	0.52		
	Change during the year	There was no change during the year			
	At the end of the year			13546	0.52
3.	Smt. Usha Kanoria				
	At the beginning of the year	278382	10.75		
	Change during the year			(+)321306	(+)12.40
	At the end of the year			599688	23.15

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

4.	Smt. Vinita Ahmed				
	At the beginning of the year	25894	1.00		
	Change during the year			(-) 25894	(-)1.00
	At the end of the year			-	-
5.	Smt. Nandita Jain				
	At the beginning of the year	41400	1.60		
	Change during the year			(-)41400	(-)1.60
	At the end of the year			-	-
6.	Smt. Smita Poddar				
	At the beginning of the year	96400	3.72		
	Change during the year			(-)96400	(-)3.72
	At the end of the year			-	-
7.	Smt. Sonal Hada				
	At the beginning of the year	96400	3.72		
	Change during the year			(-)96400	(-)3.72
	At the end of the year			-	-
8.	Ajay Investment Enterprise Ltd.				
	At the beginning of the year	239212	9.24		
	Change during the year			(-)239212	(-)9.74
	At the end of the year			-	-
9.	B. P. Investments Ltd.				
	At the beginning of the year	512078	19.78		
	Change during the year	There was no change during the year			
	At the end of the year			512078	19.78
10.	Vapi Investments Ltd.				
	At the beginning of the year	14800	0.57		
	Change during the year			(-)14800	(-)0.57
	At the end of the year			-	-

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) :

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	For Each of the Top 10 Shareholders				
1.	Motex Traders Private Limited				
	At the beginning of the year	-	-		
	Change during the year			(+)118000	(+)4.56
	At the end of the year			118000	4.56

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2.	Ankush Steel Co. Private Limited				
	At the beginning of the year	–	–		
	Change during the year			(+) 118000	(+) 4.56
	At the end of the year			118000	4.56
3.	Roongta Cine Corporation Pvt. Ltd.				
	At the beginning of the year	63522	2.45	–	–
	Change during the year	No change during the year			
	At the end of the year	63522	2.45	63522	2.45
4.	Ms. Sunita Bohania				
	At the beginning of the year	–	–		
	Change during the year			(+) 60000	(+) 2.32
	At the end of the year			60000	2.32
5.	Ms. Jayshree Surana				
	At the beginning of the year	4582	0.18	–	–
	Change during the year	No change during the year			
	At the end of the year	–	–	4582	0.18
6	Shri Rajendra Tibrewal				
	At the beginning of the year	3632	0.14	–	–
	Change during the year	No change during the year			
	At the end of the year	–	–	3632	0.14
7.	Shri Jaswant Singh Lodha				
	At the beginning of the year	3576	0.14	–	–
	Change during the year	No change during the year			
	At the end of the year	–	–	3576	0.14
8.	Shri Girdhari Dhanuka				
	At the beginning of the year	3400	0.13	–	–
	Change during the year	No change during the year			
	At the end of the year	–	–	3400	0.13
9.	Shri Ramgopal Ganeriwal				
	At the beginning of the year	2982	0.12	–	–
	Change during the year	No change during the year			
	At the end of the year	–	–	2982	0.12
10.	B. M. Investment Trust Pvt. Ltd.				
	At the beginning of the year	2876	0.11	–	–
	Change during the year	No change during the year			
	At the end of the year	–	–	2876	0.11

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(v) Shareholding of Directors and Key Managerial Personnel

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Shri Pawan Kumar Kanoria – Chairman				
	At the beginning of the year	622766	24.05	–	–
	Change during the year	–	–	(+)192800	(+)7.45
	At the end of the year	–	–	815566	31.50
2.	Shri Pawan Kumar Kanoria (HUF) - Chairman				
	At the beginning of the year	13546	0.52	–	–
	Change during the year	There was no change during the year			
	At the end of the year	–	–	13546	0.52
3.	Shri Sanjay Hada- Managing Director & CEO				
	At the beginning of the year	–	–	–	–
	Change during the year	–	–	–	–
	At the end of the year	–	–	–	–
4.	Smt. Smita Poddar – Director				
	At the beginning of the year	96400	3.72		
	Change during the year			(-)96400	(-)3.72
	At the end of the year			–	–
5.	Dr. Pranab Kumar Mookerjee- Director				
	At the beginning of the year	1126	0.05	–	–
	Change during the year	There was no change during the year			
	At the end of the year	–	–	1126	0.05
6.	Shri Pradeep Kumar Jain-Director				
	At the beginning of the year	–	–	–	–
	Change during the year	–	–	–	–
	At the end of the year	–	–	–	–
7.	Shri Piyush Bhartiya-Director				
	At the beginning of the year	–	–	–	–
	Change during the year	–	–	–	–
	At the end of the year	–	–	–	–
8.	Shri Vijendra Kumar Chaukhani- Whole-time Director				
	At the beginning of the year	20	0.01	–	–
	Change during the year	There was no change during the year			
	At the end of the year	–	–	20	0.01

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9.	Shri Rohit Banka – Director				
	At the beginning of the year	–	–	–	–
	Change during the year	–	–	–	–
	At the end of the year	–	–	–	–
10.	Shri Shiv Kumar Agarwal- President (Finance) & Company Secretary & CFO				
	At the beginning of the year	50	0.01	–	–
	Change during the year	There was no change during the year			
	At the end of the year	–	–	50	0.01

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment.

(Amount in Rs.)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	17,83,85,418	12,19,37,996	–	30,03,23,414
(ii) Interest due but not paid	–	–	–	–
(iii) Interest accrued but not due	–	–	–	–
Total (i+ii+iii)	17,83,85,418	12,19,37,996	–	30,03,23,414
Change in Indebtedness during the financial year				
• Addition	–	–	–	–
• Reduction	18,56,322	6,84,56,909	–	7,03,13,231
Net Change	(18,56,322)	(6,84,56,909)	–	(7,03,13,231)
Indebtedness at the end of the financial year				
(i) Principal Amount	17,65,29,096	5,34,81,087	–	23,00,10,183
(ii) Interest due but not paid	–	–	–	–
(iii) Interest accrued but not due	–	–	–	–
Total (i+ii+iii)	17,65,29,096	5,34,81,087	–	23,00,10,183

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Director and/or Manager

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount (Rs.)
		Shri P. K. Kanoria	Shri S. Hada	Shri V. K. Chaukhani	
		Chairman	Managing Director & CEO	Whole-time Director	
1.	Gross salary (a) Salary as per provisions contained in Sec. 17(1) of the Income- tax Act, 1961	93,90,000	80,70,000	24,52,480	1,99,12,480

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	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil	Nil
	(c) Profits in lieu of salary under Sec. 17(3) Income-tax Act, 1961	Nil	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil	Nil
4.	Commission – as % of profit – others, specify	Nil	Nil	Nil	Nil
5.	Others, specify	Nil	Nil	Nil	Nil
	Total (A)	93,90,000	80,70,000	24,52,480	1,99,12,480
	Ceiling as per Act				

B. Remuneration to other Directors

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount (Rs.)
		Dr. P. K. Mookerjee	Shri P. K. Jain	Shri P. Bhartia	Smt. S. Poddar	Shri Rohit Banka	
1.	Independent Director						
	• Fee for attending board / committee meetings	19,500	23,500	23,500	18,000	18,000	1,02,500
	• Commission	Nil	Nil	Nil	Nil	Nil	Nil
	Total (1)	19,500	23,500	23,500	18,000	18,000	1,02,500
2.	Other Non-Executive Directors						
	• Fee for attending board / committee meetings	Nil	Nil	Nil	Nil	Nil	Nil
	• Commission	Nil	Nil	Nil	Nil	Nil	Nil
	• Other, please specify	Nil	Nil	Nil	Nil	Nil	Nil
	Total (2)	Nil	Nil	Nil	Nil	Nil	Nil
	Total (B) = (1+2)	19,500	23,500	23,500	18,000	18,000	1,02,500
	Total Managerial Remuneration	19,500	23,500	23,500	18,000	18,000	1,02,500
	Overall Ceiling as per the Act	1% of net profits of the Company for that financial year besides meeting fee for attending Board and Committee meetings.					

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C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel	Total Amount (Rs.)
		Shri S. K. Agarwal Company Secretary & CFO	
1.	Gross salary		
	(a) Salary as per provisions contained in Sec. 17(1) of the Income-tax Act, 1961	19,60,439	19,60,439
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil
	(c) Profits in lieu of salary under Sec. 17(3) Income-tax Act, 1961	Nil	Nil
2.	Stock Option	Nil	Nil
3.	Sweat Equity	Nil	Nil
4.	Commission – as % of profit – others, specify	Nil	Nil
5.	Others, specify	Nil	Nil
	Total	19,60,439	19,60,439

VII. PENALTIES / PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B. DIRECTOR					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. OTHER OFFICERS IN DEFAULT					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

Information under Sec. 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of Companies (Accounts) Rules, 2014 forming part of the Boards' Report for the financial year ended 31st March, 2018.

A. CONSERVATION OF ENERGY

- a. Awareness towards energy conservation is further enhanced by forming core group consisting of Department Heads and monitoring areas of further improvement with the help of outside experts. Some of the measures taken are as follows :
- i) All prime movers are regularly checked and monitored for containing power consumption.
 - ii) Installations of Philips make LED tube lights of 18 watt in place of 28 watt, Asian make T5 tube light fittings.
 - iii) To reduce consumption of lubricants for energy conservation drive. Measures taken by using self lubricating bushes like oilite and nylon high quality bushes for minimizing lubricants consumption in different machines. Using best quality oil to avoid wear and tear of costly parts in Spreaders and Drawing machines.
 - iv) Power losses are being eliminated and minimized by taking necessary measures in changing proper make of electrical switches and appliances.
 - v) To save power consumption and improve P.F. by adding new capacitors and replacing defective capacitors regularly as and when required.
 - vi) Using Teflon coating on steam cylinder for saving power and also re-utilization of condensate water for different purposes.
 - vii) To use individual drive motor in place of group drive motor to save power consumption.
 - viii) Installation of VFD (Variable Frequency controlled Drive) in few machines/EOT Crane to reduce power consumption.
- b. Additional investment and proposal, if any, being implemented for reduction of consumption of energy :
- During the period under review, several suggestions of energy audit carried out by an outside agency were implemented, some of which are as follows :
- (i) Installation of Power Capacitor to improve line Power factor.
 - (ii) Replacement of important parts / portion of machines to make them more power efficient.
- c. Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods – The measures taken shall lead to saving in the consumption of power in future.
- d. Total energy consumption and energy consumption per unit of production – as Form 'A'.

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FORM –A

(A) POWER AND FUEL CONSUMPTION

1. ELECTRICITY	Current Year	Previous Year
	01.04.2018	01.04.2017
	To	To
	31.03.2019	31.03.2018
a. Purchased Units	1,42,38,896	1,65,45,144
Total Amount (Rs.)	11,89,14,406	13,41,73,702
Rate per Unit (Rs.)	8.35	8.11
b. Own Generation through		
Diesel Generator (Unit)	–	1,160
Unit per litre of Diesel Oil	–	2.70
Cost per Unit (Rs.)	–	22.11
2. COAL		
(B Grade, used for generation of steam in boiler)		
Quantity (M.T.)	83.98	202.64
Total Cost (Rs.)	7,67,975	17,49,860
Average Rate (Rs.) per M.T.	9,145	8,635

(B) CONSUMPTION PER UNIT OF PRODUCTION

Products: Jute Goods	Unit		
Production	M. T.	29,249	33,486
Consumption :			
Electricity	Unit	487	494
Coal	K. G.	2.87	6.05

B. TECHNOLOGY ABSORPTION, RESEARCH AND DEVELOPMENT

e. FORM B

Research and Development (R & D)

Specific areas in which R & D carried out by the Company, benefits derived as a result of R & D and future plan of action :

There is no specific area where R & D has been carried out by the Company because there is not much of research and development work in individual unit of Jute Industry. However, there are continuous activities to improve the process and mechanical condition of equipments adopting new technologies and improved mechanical gadgets as well as testing system to cope with the rigid norm of export yarn quality and value added products. Dust extraction equipments are being adopted at Spreader stage for better environment. New

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

jute geo-textiles are being developed for newer uses / development projects. We are involving outside experts in the area of process development and fibre up-grading by using latest developed chemicals and enzymes. Further, Indian Jute Industries' Research Association (IJIRA) of which the Company is a member, is carrying out research and development work for Industry. The Company participates in many schemes of technology transfer to the shop floor conducted by IJIRA and Institute of Jute Technology.

Technology absorption, adaptation and innovation

- (i) Efforts in brief, made towards technology absorption, adaptation and innovation :
- The Company is making continuous efforts in installing the modern machines by keeping track of latest development.
- (ii) Benefits derived as a result of the above efforts e.g. product improvement, cost reduction, substitutions, etc.:
- Improvement of operational efficiency and in quality.
- (iii) Details of imported technology :
- No technology was imported during the year under review.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

- f. Activities relating to exports, initiatives taken to increase exports, development of new export markets for product and services and export plan :
- The Company continues to explore avenues to increase exports. Every possible effort is being taken for exploration of export business.
- g. Total Foreign Exchange used and earned during the period.

(Rs. in Lacs)			
(i)	Total Foreign Exchange Used	:	510.68
(ii)	Total Foreign Exchange Earned	:	10.64

For and on behalf of the Board

**Ideal Plaza, 11/1, Sarat Bose Road,
Kolkata, the 13th day of August, 2019**

**P. K. KANORIA
Chairman
(DIN:00305297)**

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

ANNEXURE – V

Information as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014

Requirements of Rules 5(1)		Details
(i)	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year.	: Shri P. K. Kanoria–65.84:1 (6584%) Shri S. Hada – 56.59 : 1(5659%) Shri V. K. Chaukhani–17.20 :1 (1720%)
(ii)	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year.	: Directors : Shri P. K. Kanoria – 0.54% Shri S. Hada – 0.62% Smt. S. Poddar – N. A. Shri V. K. Chaukhani – 2.77% Dr. P. K. Mookerjee – N.A. Shri P. K. Jain – N. A. Shri P. Bhartia – N. A. Shri R. Banka – N. A. Key Managerial Personnel : Shri S. K. Agarwal – 3.30%
(iii)	The percentage increase in the median remuneration of employees in the financial year	: 3.98%
(iv)	The number of permanent employees on the rolls of Company	: 4,833
(v)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	: Average salary increase of non-managerial employees is 3.73% Average salary increase of managerial employees is 1.06% There are no exceptional circumstances in increase in managerial remuneration.
(vi)	Affirmation that the remuneration is as per the remuneration policy of the company.	: Remuneration paid during the year ended 31st March, 2019 is as per the Remuneration Policy of the Company.

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

Note :

- a) The Independent Directors of the Company are entitled to sitting fees and commission on Net Profits as per statutory provisions of the Companies Act, 2013 and as per terms approved by the Members of the Company. The details of remuneration of the Independent Directors of the Company have been provided in the Corporate Governance Report. The ratio of remuneration and percentage increase for the Independent Directors' Remuneration is, therefore, not considered for the purpose above.
- b) Percentage increase in remuneration indicates annual total compensation increase, as recommended by the Nomination and Remuneration Committee and duly approved by the Board of Directors of the Company.

For and on behalf of the Board

**Ideal Plaza, 11/1, Sarat Bose Road,
Kolkata, Dated: 13th August, 2019**

**P. K. KANORIA
Chairman
(DIN:00305297)**

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

Opinion

We have audited the accompanying Ind AS financial statements of Reliance Jute Mills (International) Limited ("the Company"), which comprise the Balance Sheet as at March 31 2019, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to Note 44 in the financial statements regarding the preparation of financial statements on going concern basis, for the reason stated therein. Consequently the assets and liabilities are being carried at their book value. The Company has incurred net loss during the year ended March 31, 2019 and, as of that date, the Company's current liabilities exceeded its current assets. These events or conditions, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended 31st March, 2019. These matters were addressed in the context of our audit of IND AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Key audit matters that may cast significant doubt on the Company’s ability to continue as a going concern in accordance with Standards of Auditing (SA) 570 (Revised) – Going Concern are described in the “Material Uncertainty related to Going Concern” section of this report. Apart from these key audit matters, we have determined the matter described below to be the key audit matter to be communicated in our report.

Key audit matters	How our audit addressed the key audit matter
<p>Inventory Valuation & existence (Refer to note 9 to the financial statements)</p> <p>As described in the accounting policies in note 3.1 to the standalone financial statements, inventories are carried at the lower of cost and net realisable value. Inventories valuation and existence is a significant audit risk. This could result in an overstatement of the value of the inventories if the cost is higher than the net realisable value. Furthermore, the assessment and application of inventories provisions are subject to significant management judgement.</p>	<p>i) We completed a walkthrough of the inventory valuation process and assessed the design and implementation of the key controls addressing the risk</p> <p>ii) We attended inventories count at the financial year end and to assess the adequacy of controls over the existence of Inventory of Finished goods and raw materials</p> <p>iii) We also tested sample of inventories items to ensure they were held at the lower of cost and net realisable value.</p> <p>iv) We also evaluated management judgement with regards to the application of provisions to the non and slow moving inventories.</p> <p>Our Observation - Based on the audit procedures performed, we did not identify any significant deviation to the process of Inventory valuation.</p>
<p>Assessment of litigations in respect of Sales Tax and Value Added Tax matter [Refer to note 37.1(b) to the financial statements]</p>	<p>i) We obtained a detailed understanding, assessed and tested the design and operating effectiveness of controls surrounding assessment of litigations.</p>

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

Key audit matters	How our audit addressed the key audit matter
<p>The company has litigations in respect of Sales Tax and Value Added Tax matter which has been disclosed under Contingent liabilities as at 31st March, 2019.</p> <p>Significant management judgment is required to assess these matters and to determine the probability of material outflow of economic resources and whether a provision should be recognized or disclosure to be made.</p>	<p>ii) We discussed with the management the recent developments and status of these matters. We have also gone through recent judicial pronouncements, wherever relevant, to establish appropriateness of disclosures.</p> <p>iii) We performed our assessment on the underlying calculations supporting the disclosure made in the financial statements.</p> <p>iv) We assessed the adequacy of the Company's disclosures.</p> <p>Our Observation - Based on the audit procedures performed, we did not identify any significant deviation to the assessment made by the management in respect of disclosures made under Contingent liabilities in respect of Sales Tax and Value Added Tax matter in the financial statements.</p>

Other Information

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone Financial Statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. When we read the other information, if we conclude

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and will take appropriate actions as per the applicable laws and regulations.

Responsibilities of Management for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS financial statements for the financial year ended March 31, 2019 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that :
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

- (g) In our opinion and to the best of our information and according to the explanations given to us, the managerial remuneration paid / provided by the Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V to the Act; and
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us :
- i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 14.1 and 37.1 to the Ind AS financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For J K V S & Co.
(formerly Jitendra K. Agarwal & Associates)
Chartered Accountants
Firm's Registration No. 318086E

(Suprio Ghatak)
Partner
Membership No. 51889

Place : Kolkata
Date : 14th May, 2019

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

ANNEXURE - 1 TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 with the heading 'Report on Other Legal and Regulatory Requirements' section of our report of even date in respect to statutory audit of Reliance Jute Mills (International) Limited for the year ended 31st March, 2019)

We report that:

- i. In respect of its fixed assets :
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) As explained to us, fixed assets have been physically verified during the year by the management at reasonable intervals and no material discrepancies have been noticed on such physical verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
 - c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
 - d) As explained to us, inventories were physically verified during the year by the management at reasonable intervals. The discrepancies noted on such verification were not material and have been appropriately dealt with in the books of accounts.
 - e) The Company has not granted any loan to parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, paragraph 3(iii) of the Order is not applicable.
- ii. In our opinion and according to the information and explanations given to us, the Company has not given any loan, not made any investment and have not provided any guarantee in respect of which Section 185 and 186 of the Companies Act, 2013 are applicable. Accordingly, the paragraph 3(iv) of the Order is not applicable.
- iii. According to information and explanations given to us, the Company has not accepted any deposits from public during the year.
 - a) We have broadly reviewed the books of accounts maintained by Company in respect of product, where pursuant to the rule made by the Central Government of India the maintenance of cost records has been prescribed under section 148 (1) of the Companies Act 2013 and are of the opinion that, prima facie, the prescribed records have been maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

- iv. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is regular in depositing undisputed statutory dues including provident fund, employee's state insurance, income tax, sales tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at 31st March 2019 for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us, the dues of sales tax, income tax, duty of customs, duty of excise, service tax and value added tax which have not been deposited on account of any dispute and the forum where the dispute is pending as on 31st March, 2019 are as under :-

Name of the Statute	Nature of the Dues	Amount (Rs.)	Year to which amount relates	Forum where dispute is pending
WBST Act, 1994	Sales Tax	24,43,452	2004-05	Appellate and Revisional Board (WB Commercial Taxes)
CST Act, 1956	Sales Tax	72,72,668	2004-05	Appellate and Revisional Board (WB Commercial Taxes)
CST Act, 1956	Sales Tax	41,43,033	2005-06	Appellate and Revisional Board (WB Commercial Taxes)
CST Act, 1956	Sales Tax	19,09,020	2006-07	The Hon'ble High Court at Kolkata
CST Act, 1956	Sales Tax	24,08,937	2007-08	Appellate and Revisional Board (WB Commercial Taxes)
CST Act, 1956	Sales Tax	11,92,972	2008-09	Appellate and Revisional Board (WB Commercial Taxes)
CST Act, 1956	Sales Tax	1,02,64,416	2010-11	Appellate and Revisional Board (WB Commercial Taxes)
VAT Act, 2003	VAT	21,01,678	2010-11	Appellate and Revisional Board (WB Commercial Taxes)
CST Act, 1956*	Sales Tax	13,17,221	2011-12	Appellate and Revisional Board (WB Commercial Taxes)
VAT Act, 2003*	VAT	7,13,989	2012-13	Appellate and Revisional Board (WB Commercial Taxes)
CST Act, 1956*	Sales Tax	29,39,597	2012-13	Appellate and Revisional Board (WB Commercial Taxes)
CST Act, 1956*	Sales Tax	71,40,737	2013-14	Appellate and Revisional Board (WB Commercial Taxes)
CST Act, 1956*	Sales Tax	11,00,144	2014-15	Appellate and Revisional Board (WB Commercial Taxes)
CST Act, 1956*	Sales Tax	95,10,968	2015-16	Additional Commissioner of Appeals (WB Commercial Taxes)

*Net of Amount Deposited under appeal

- v. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to banks or financial institutions. There were no debentures outstanding at any time during the year.

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

- vi. The company did not raise any money by way of initial public offer or further public offer including debt instruments during the year. However, the Company has raised Term Loan for purchase of motor vehicles during the year and has applied the same for the purpose for which term loans are raised.
- vii. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- viii. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- ix. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- x. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xi. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xii. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xiii. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For J K V S & Co.
(formerly Jitendra K. Agarwal & Associates)
Chartered Accountants
Firm's Registration No. 318086E

Place : Kolkata
Date : 14th May, 2019

(Suprio Ghatak)
Partner
Membership No. 51889

ANNEXURE - 2 TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) with the heading 'Report on Other Legal and Regulatory Requirements' section of our report of even date in respect to statutory audit of **Reliance Jute Mills (International) Limited** for the year ended 31st March, 2019)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Reliance Jute Mills (International) Limited** ("the Company") as of 31st March 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that: (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For J K V S & Co.
(formerly Jitendra K. Agarwal & Associates)
Chartered Accountants
Firm's Registration No. 318086E

(Suprio Ghatak)

Place : Kolkata
Date : 14th May, 2019

Partner
Membership No. 51889

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

**STATEMENT
OF ACCOUNTS**

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

CIN : L17125WB1996PLC081382

BALANCE SHEET AS AT 31ST MARCH, 2019

<u>Particulars</u>	<u>Note No.</u>	<u>As at 31st March, 2019</u> Rs.	<u>As at 31st March, 2018</u> Rs.
I) ASSETS			
1) NON CURRENT ASSETS			
Property, Plant and Equipment	4	71,50,59,127	76,82,19,683
Capital Work in Progress		-	-
Other Intangible Assets	5	10,32,535	83,226
Financial Assets			
Investments	6	-	9,028
Loans	7	1,61,14,565	1,74,62,313
Other Non-Current Assets	8	79,09,268	97,23,698
		<u>74,01,15,495</u>	<u>79,54,97,948</u>
2) CURRENT ASSETS			
Inventories	9	18,78,64,643	43,54,69,169
Financial Assets			
Trade Receivables	10	3,86,92,750	13,92,97,647
Cash and Cash Equivalents	11	55,62,687	2,17,70,522
Bank Balances other than Cash and Cash Equivalent	12	78,02,511	1,43,68,484
Loans	13	-	2,18,269
Other Current Financial Assets	14	85,99,630	1,61,62,294
Current Tax Assets (Net)	15	58,35,329	49,38,001
Other Current Assets	16	2,98,88,811	3,08,46,309
		<u>28,42,46,361</u>	<u>66,30,70,695</u>
TOTAL ASSETS		<u>1,02,43,61,856</u>	<u>1,45,85,68,643</u>
II) EQUITY AND LIABILITIES			
1) EQUITY			
Equity Share Capital	17	2,58,94,900	2,58,94,900
Other Equity	18	4,27,77,645	23,09,33,830
TOTAL EQUITY		<u>6,86,72,545</u>	<u>25,68,28,730</u>
2) LIABILITIES			
i) NON-CURRENT LIABILITIES			
Financial Liabilities			
Borrowings	19	5,67,39,049	9,55,69,405
Other Non-Current Financial Liabilities	20	-	12,000
Provisions	21	27,49,17,539	23,79,76,708
Other Non-Current Liabilities	22	1,29,53,225	1,50,07,099
		<u>34,46,09,813</u>	<u>34,85,65,212</u>
ii) CURRENT LIABILITIES			
Financial Liabilities			
Borrowings	23	17,32,71,134	20,47,54,009
Trade Payables	24	-	-
a) Total outstanding dues of micro enterprise and small enterprise		-	-
b) Total outstanding dues other than micro enterprise and small enterprise		32,39,10,817	51,78,52,927
Other Current Financial Liabilities	25	3,90,18,556	3,80,28,666
Contract liabilities	26	2,88,506	57,25,447
Other Current Liabilities	27	1,72,98,780	2,82,42,594
Provisions	28	5,72,91,705	5,85,71,058
		<u>61,10,79,498</u>	<u>85,31,74,701</u>
TOTAL LIABILITIES		<u>95,56,89,311</u>	<u>1,20,17,39,913</u>
TOTAL EQUITY AND LIABILITIES		<u>1,02,43,61,856</u>	<u>1,45,85,68,643</u>

Summary of Significant Accounting Policies 3

The accompanying notes are an integral part of the Financial Statements

As per our Report annexed

On behalf of the Board of Directors

For J K V S & Co.

Chartered Accountants

FRN No. - 318086E

SUPRIO GHATAK

Partner

Membership No. 051889

Kolkata, the 14th Day of May, 2019

P. K. Kanoria

S. Hada

V. K. Chaukhani

R. Banka

S. K. Agarwal

- Chairman

- Managing Director & CEO

- Whole time Director

- Director

- CFO & Company Secretary

(DIN : 00305297)

(DIN : 00305476)

(DIN : 00309895)

(DIN : 07521286)

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

CIN : L17125WB1996PLC081382

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

<u>Particulars</u>	<u>Note No.</u>	<u>For the Year Ended</u>	<u>For the Year Ended</u>
		<u>31st March, 2019</u>	<u>31st March, 2018</u>
		<u>Rs.</u>	<u>Rs.</u>
I) INCOME			
Revenue from Operations	29	2,18,19,93,241	2,37,51,99,553
Other Income	30	7,26,36,977	1,52,08,018
Total Income (I)		<u>2,25,46,30,218</u>	<u>2,39,04,07,571</u>
II) EXPENSES			
Cost of Materials Consumed	31	1,23,08,01,456	1,27,83,36,505
Changes in Inventories of			
Finished Goods & Work-in-Progress	32	8,83,12,742	(5,14,16,146)
Employee Benefits Expenses	33	71,04,76,521	76,09,62,925
Finance Costs	34	6,11,22,615	3,80,83,460
Depreciation and Amortization Expense	35	1,52,77,064	1,31,86,378
Jute Manufacturing Cess		-	46,32,235
Other Expenses	36	32,88,87,356	35,21,71,612
Total Expenses (II)		<u>2,43,48,77,754</u>	<u>2,39,59,56,969</u>
III) Profit/ (Loss) before Taxation (I-II)		<u>(18,02,47,536)</u>	<u>(55,49,398)</u>
IV) Tax Expenses :			
Current Tax		-	-
Deferred Tax (Refer note 46)		-	-
Income Tax for earlier years		3,83,081	-
Total Tax Expenses (IV)		<u>3,83,081</u>	<u>-</u>
V) Profit/ (Loss) for the year (III-IV)		<u>(18,06,30,617)</u>	<u>(55,49,398)</u>
VI) Other Comprehensive Income (OCI)			
Other Comprehensive Income not to be reclassified to statement of profit or loss in subsequent periods :			
Re-Measurement gains/(losses) on defined benefit plans		(75,25,568)	1,71,85,289
Income tax effect on above		-	-
Other Comprehensive Income for the year, net of tax		<u>(75,25,568)</u>	<u>1,71,85,289</u>
VII) Total Comprehensive Income for the year (V+VI)		<u>(18,81,56,185)</u>	<u>1,16,35,891</u>
Earnings per share - Basic and Diluted (in INR)	39	(69.76)	(2.14)

Summary of Significant Accounting Policies

3

The accompanying notes are an integral part of the Financial Statements

As per our Report annexed

On behalf of the Board of Directors

For J K V S & Co.

Chartered Accountants

FRN No. - 318086E

SUPRIO GHATAK

Partner

Membership No. 051889

Kolkata, the 14th Day of May, 2019

P. K. Kanoria

S. Hada

V. K. Chaukhani

R. Banka

S. K. Agarwal

- Chairman

- Managing Director & CEO

- Whole time Director

- Director

- CFO & Company Secretary

(DIN : 00305297)

(DIN : 00305476)

(DIN : 00309895)

(DIN : 07521286)

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

CIN : L17125WB1996PLC081382

Statement of Changes in Equity for the year ended March 31, 2019

A) Equity Share Capital

Amount in Rs.

Balance as at March 31, 2017	2,58,94,900
Add/(Less): Changes in Equity Share Capital during the year	-
Balance as at March 31, 2018	2,58,94,900
Add/(Less): Changes in Equity Share Capital during the year	-
Balance as at March 31, 2019	2,58,94,900

B) Other Equity

Particulars	Reserves and Surplus			Item of other Comprehensive Income	Total
	Capital Redemption Reserve	General Reserve	Retained Earnings	Re-Measurement of Defined Benefit Plans	
Balance as at March 31, 2017	35,00,000	32,19,178	21,25,78,761	-	21,92,97,939
Profit/(Loss) for the year	-	-	(55,49,398)	-	(55,49,398)
Transfer of OCI - Remeasurement to Retained Earnings	-	-	1,71,85,289	(1,71,85,289)	-
Remeasurement Gain/ (Loss) (Net of Deffered Tax)	-	-	-	1,71,85,289	1,71,85,289
Balance as at March 31, 2018	35,00,000	32,19,178	22,42,14,652	-	23,09,33,830
Profit/ (loss) for the year	-	-	(18,06,30,617)	-	(18,06,30,617)
Transfer of OCI - Remeasurement to Retained Earnings	-	-	(75,25,568)	75,25,568	-
Remeasurement Gain/ (Loss) (Net of Deffered Tax)	-	-	-	(75,25,568)	(75,25,568)
Balance as at March 31, 2019	35,00,000	32,19,178	3,60,58,467	-	4,27,77,645

Significant Accounting Policies

3

The accompanying notes are an integral part of the Financial Statements

As per our Report annexed

On behalf of the Board of Directors

For J K V S & Co.

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- CFO & Company Secretary

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

CIN : L17125WB1996PLC081382

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

PARTICULARS	For the Year Ended 31st March, 2019	For the Year Ended 31st March, 2018
	Rs.	Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Taxes as per Statement of Profit and Loss	(18,02,47,536)	(55,49,398)
ADJUSTMENTS FOR :		
Depreciation / Amortisation (Net)	1,52,77,064	1,31,86,378
(Profit)/Loss on Sale/discard of Property, plant & Equipment	(6,21,49,185)	(17,40,207)
Finance Cost	6,11,22,615	3,80,83,460
Sundry Balances written off	9,62,910	297
Deferred grant income	(54,09,138)	(50,34,711)
Bad Debt written off	4,16,232	-
Interest Income	(24,66,627)	(1,16,87,466)
(Profit)/Loss on Sale of Non-Current Investments	(32,732)	-
Liabilities no longer required written back	(26,37,299)	-
Provision for Doubtful debts written back	-	(2,90,229)
Operating Profit Before Working Capital Changes	(17,51,63,696)	2,69,68,124
<u>Movements in Working Capital :</u>		
Decrease / (Increase) in Inventories	24,76,04,526	(11,89,65,366)
Decrease / (Increase) in Trade receivables	10,01,88,665	(1,57,43,678)
Decrease / (Increase) in Financial Assets	79,46,555	(51,449)
Decrease / (Increase) in Non Financial Assets	17,61,928	(75,67,106)
Increase / (Decrease) in Trade payable	(19,39,42,110)	19,25,22,419
Increase / (Decrease) in Financial liabilities	(2,10,07,775)	(37,46,332)
Increase / (Decrease) in Non Financial liabilities	(1,70,13,491)	53,03,113
Increase / (Decrease) in Provisions	2,81,35,910	1,93,27,298
Cash generated from Operating Activities	(2,14,89,488)	9,80,47,023
Direct Taxes paid (net of refunds)	(12,80,409)	8,34,661
Net Cash generated/(used) from Operating Activities	(2,27,69,897)	9,88,81,684
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets including CWIP and Capital Advances	(1,70,26,695)	(5,31,75,132)
Sale of Fixed Assets	11,61,10,063	18,00,001
Proceeds from maturity of fixed deposit having maturity more than 3 months (net)	65,65,973	-
Investment in fixed deposit having maturity more than 3 months (net)	-	(35,08,092)
Sale of Investments	41,760	-
Interest Received	26,85,843	8,11,082
Receipt of Capital Subsidy	49,86,000	52,84,993
Net Cash generated/(used) in Investing Activities	11,33,62,944	(4,87,87,148)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long term borrowings	15,25,331	4,55,97,177
Repayment of Long term borrowings	(4,11,00,000)	(3,57,00,000)
Proceeds / (Repayment)from short term borrowings (Net)	(3,14,82,875)	(2,00,83,817)
Interest paid	(3,57,43,338)	(3,77,52,512)
Net Cash generated/(used) from Financing Activities	(10,68,00,882)	(4,79,39,152)
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	(1,62,07,835)	21,55,384
Cash and Cash Equivalents as at the beginning of the year	2,17,70,522	1,96,15,138
Cash and Cash Equivalents as at the end of the year	55,62,687	2,17,70,522

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

NOTES TO THE CASH FLOW STATEMENT :

	For the Year Ended 31st March, 2019	For the Year Ended 31st March, 2018
	Rs.	Rs.
1) COMPONENTS OF CASH AND CASH EQUIVALENTS		
Balance with Banks:		
On Current Accounts	51,07,552	1,32,07,344
Deposits with original maturity of less than three months	-	-
Cheques on hand	-	77,24,340
Cash on hand	4,55,135	8,38,838
Cash and Cash Equivalents (Refer Note 11)	<u>55,62,687</u>	<u>2,17,70,522</u>

- 2) The above Cash flow statement has been prepared under 'Indirect Method' as set out in IND AS-7, "Statement of Cash flows".
3) Statement of Reconciliation of financing activities :

Particulars	Non Current borrowings (including current maturities)	Current borrowings
Balance as at 1st April, 2018 (including interest accrued thereon)	10,55,19,513	20,47,54,009
Cash Flow (Net)	(3,95,74,669)	(3,14,82,875)
<u>Non Cash Changes :</u>		
Fair value change	-	-
Interest expense	1,49,96,687	1,98,02,121
Interest paid	(86,95,423)	(1,98,02,121)
Balance as at 31st March, 2019 (including interest accrued thereon)	7,22,46,108	17,32,71,134

- 4) Figures in brackets represents outflows/ deductions
5) Previous years figures have been regrouped/ reclassified wherever necessary.

As per our Report annexed

For J K V S & Co.

Chartered Accountants

FRN No. - 318086E

SUPRIO GHATAK

Partner

Membership No. 051889

Kolkata, the 14th Day of May, 2019

On behalf of the Board of Directors

P. K. Kanoria	- Chairman	(DIN : 00305297)
S. Hada	- Managing Director & CEO	(DIN : 00305476)
V. K. Chaukhani	- Whole time Director	(DIN : 00309895)
R. Banka	- Director	(DIN : 07521286)
S. K. Agarwal	- CFO & Company Secretary	

Notes to Financial Statements for the year ended 31st March, 2019

1. CORPORATE AND GENERAL INFORMATION

Reliance Jute Mills (International) Limited (the Company) having its registered office at **11/1, Sarat Bose Road, Ideal Plaza, South Block (4th Floor), Kolkata- 700020**. The Company is a Public Limited Company domiciled in India & is incorporated under provision of Companies Act applicable in India. Its shares are listed on the Calcutta Stock Exchange Ltd. The Company manufactures jute products and jute fabrics with flexibility to cater to both domestic and international market. The mill is located at Bhatpara, 24 parganas (North) in the State of West Bengal, India.

The Financial statements are approved for issue by the Company's Board of Directors on 14th May, 2019.

2. BASIS OF ACCOUNTING

2.1 Statement of Compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ("the Act"), read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended), other relevant provisions of the Act and other accounting principles generally accepted in India.

2.2 Basis of Measurement

The financial statements have been prepared on historical cost basis, except for following :

- Financial assets and liabilities (including derivative instruments) that is measured at Fair value/ Amortised cost;
- Non-current assets held for sale - measured at the lower of the carrying amounts and fair value less cost to sell;
- Defined benefit plans — plan assets measured at fair value;

2.3 Functional and Presentation Currency

The Financial Statements have been presented in Indian Rupees (INR), which is also the Company's functional currency. All financial information presented in INR as per the requirements of Schedule III, unless otherwise stated.

2.4 Use of Estimates and Judgements

The preparation of financial statements require judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities including contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between actual results and estimates are recognized in the period prospectively in which the results are known/ materialized.

2.5 Current vs. non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is classified as current when it is :

- Expected to be realized or intended to sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All the other assets are classified as non-current.

A liability is current when :

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current. Deferred Tax Assets and Liabilities are classified as non-current assets and liabilities respectively.

3. SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all the periods presented in the financial statements.

3.1 Inventories

- Stores and Spare parts are valued at cost, which is computed on weighted average basis.
- Raw Materials are valued at cost or net realisable value whichever is lower. Cost is computed on individual lot basis and includes procurement charges. Materials and other items held for uses in the production of Inventories are not written down below the cost of the finished products in which they will be incorporated are expected to be sold at or above cost.
- Finished Goods and work in process are valued at lower of the cost or net realisable value. Cost is estimated cost which represents direct material and appropriate portion of direct labour and manufacturing overheads.

3.2 Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short term deposits with an original maturity of three months or less, which are subject to an insignificant risk of change in value.

3.3 Income Tax

Income Tax comprises current and deferred tax. It is recognized in the Statement of Profit and Loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

3.3.1. Current Tax

Current tax liabilities (or assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the taxation authorities using the tax rates (and tax laws) that have been enacted or substantively enacted, at the end of the reporting period.

3.3.2. MAT Credit Entitlement

MAT is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of credit to the statement of profit and loss and included in deferred tax assets. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

3.3.3. Deferred Tax

- Deferred Tax assets and liabilities shall be measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.
- Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes (i.e. tax base).
- Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.
- The carrying amount of deferred tax assets is reviewed at the end of each reporting period. The Company reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or that entire deferred tax asset to be utilized. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.
- Deferred tax relating to items recognized outside the Statement of Profit and Loss is recognized either in other comprehensive income or in equity. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.
- Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

3.4 Property, Plant and Equipment

3.4.1. Recognition and Measurement

- Property, plant and equipment, except Freehold Land, held for use in the production or/ and supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost, less any accumulated depreciation and accumulated impairment losses (if any).
- Freehold land has been stated at fair value considered as deemed cost on the date of transition. The difference between carrying amount of such land and fair value less any

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

impairment loss along with amount lying under revaluation reserve as on the date of transition has been adjusted in Retained Earnings under the head "Other equity".

- Cost of an item of property, plant and equipment acquired comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting any trade discounts and rebates, borrowing cost, if capitalization criteria is met and any directly attributable costs of bringing the assets to its working condition and location for its intended use and present value of any estimated cost of dismantling and removing the item and restoring the site on which it is located.
- In case of self-constructed assets, cost includes the costs of all materials used in construction, direct labour, allocation of directly attributable overheads, directly attributable borrowing costs incurred in bringing the item to working condition for its intended use, and estimated cost of dismantling and removing the item and restoring the site on which it is located. The costs of testing whether the asset is functioning properly, after deducting the net proceeds from selling items produced while bringing the asset to that location and condition are also added to the cost of self-constructed assets.
- If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.
- Profit or loss arising on the disposal of property, plant and equipment are recognized in the Statement of Profit and Loss.

3.4.2. Subsequent Expenditure

- Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.
- Major Inspection/ Repairs/ Overhauling expenses are recognized in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any unamortized part of the previously recognized expenses of similar nature is derecognized.

3.4.3. Depreciation and Amortization

- Depreciation on tangible assets is provided on straight line method at the rates determined based on the useful lives of respective assets as prescribed in the Schedule II of the Act except in "Plant & Machinery" where the useful life is considered as 20 years which is in excess than life prescribed under Schedule - II as estimated by Chartered Engineers on the basis of technical evaluation.
- Each part of items of property plant & Equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. Certain components of property plant & Equipment as identified by the company have been depreciated at their respective useful lives ranging between 5 and 15 years.

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

- Depreciation on additions (disposals) during the year is provided on a pro-rata basis i.e., from (up to) the date on which asset is ready for use (disposed of).
- Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

3.4.4. Disposal of Assets

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognized in the statement of profit and loss.

3.4.5. Capital Work in Progress

Capital work-in-progress is stated at cost which includes expenses incurred during construction period, interest on amount borrowed for acquisition of qualifying assets and other expenses incurred in connection with project implementation in so far as such expenses relate to the period prior to the commencement of commercial production. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under "Other Non-Current Assets"

3.5 Leases

3.5.1. Determining whether an arrangement contains a lease

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered prior to the date of transition, the company has determined whether the arrangement contains a lease on the basis of facts and circumstances existing on the date of transition.

3.5.2. Company as lessor

➤ Finance Lease

Leases which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item are classified and accounted for as finance lease. Lease rental receipts are apportioned between the finance income and capital repayment based on the implicit rate of return. Contingent rents are recognized as revenue in the period in which they are earned.

➤ Operating Lease

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease except

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

where scheduled increase in rent compensates the Company with expected inflationary costs.

3.5.3. Company as Lessee

➤ Finance Lease

Finance Leases, which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease Payments under such leases are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly to the statement of profit and loss. Lease management fees, legal charges and other initial direct costs are capitalized.

If there is no reasonable certainty that the Company will obtain the ownership by the end of lease term, capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

➤ Operating Lease

Assets acquired on leases where a significant portion of risk and reward is retained by the lessor are classified as operating leases. Lease rental are charged to statement of profit and loss on a straight-line basis over the lease term, except where scheduled increase in rent compensates the Company with expected inflationary costs.

3.6 Revenue Recognition

➤ Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services. Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts, price concessions and incentives, if any, as specified in the contract with the customer. The Company exercises judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

➤ The Company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities as described below. The company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specific of each arrangement.

3.6.1. Sale of Goods

Revenue from the sale of goods is recognized upon transfer of control of ownership to customers and the company retains neither continuing managerial involvement to the degree usually associated

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

with ownership nor effective control over the goods sold. Revenue from the sale of goods is measured at the fair value of the consideration received or receivables, net of returns and allowances, trade discounts and volume rebates.

3.6.2. Interest Income

For financial instruments, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset.

3.6.3. Dividend Income

Dividend Income from investments is recognized when the Company's right to receive payment has been established.

3.6.4. Other Operating Revenue

Export incentive and subsidies are recognized when there is reasonable assurance that the Company will comply with the conditions and the incentive will be received.

3.7 Employee Benefits

3.7.1. Short Term Benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services are provided. Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period.

3.7.2. Other Long Term Employee Benefits

The liabilities for earned leaves that are not expected to be settled wholly within twelve months are measured as the present value of the expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the government securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of related obligation. Remeasurements as the result of experience adjustment and changes in actuarial assumptions are recognized in statement of profit and loss.

3.7.3. Post Employment Benefits

The Company operates the following post employment schemes :

➤ Defined Benefit Plans

The liability or asset recognized in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligation is calculated annually by Actuaries using the projected unit credit method.

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

The liability recognized for defined benefit plans is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. The benefits are discounted using the government securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of related obligation.

Remeasurements of the net defined benefit obligation, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling, are recognized in other comprehensive income. Remeasurements recognized in other comprehensive income are reflected immediately in retained earnings and will not be reclassified to the statement of profit and loss.

➤ Defined Contribution Plan

Defined Contributions to Provident Fund, Pension Scheme and Employees' State Insurance Scheme are defined contribution schemes and are charged to the Statement of Profit and Loss of the year. The Company makes specified monthly contributions towards employees provident fund to a trust administered by the Company as well as to provident fund plan operated by the Regional Provident Fund Commissioner, The interest which is payable every year by the trust to the beneficiaries is notified by the Government. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate.

3.8 Government Grants

Government grants are recognized at their fair values when there is reasonable assurance that the grants will be received and the Company will comply with all the attached conditions. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. Grants related to purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight line basis over the expected useful life of the related asset and presented within other operating revenue.

3.9 Foreign Currency Transactions

- Foreign currency transactions are translated into the functional currency using the spot rates of exchanges at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate of exchanges at the reporting date.
- Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities are generally recognized in profit or loss in the year in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

included in the cost of those qualifying assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings, the balance is presented in the Statement of Profit and Loss within finance costs.

- Non monetary items are not retranslated at period end and are measured at historical cost (translated using the exchange rate at the transaction date).

3.10 Borrowing Cost

- Borrowing Costs consists of interest and other costs that an entity incurs in connection with the borrowings of funds. Borrowing costs also includes exchange difference to the extent regarded as an adjustment to the borrowing costs.
- Borrowing costs directly attributable to the acquisition or construction of a qualifying asset are capitalized as a part of the cost of that asset that necessarily takes a substantial period of time to complete and prepare the asset for its intended use or sale. The Company considers a period of twelve months or more as a substantial period of time.
- Transaction costs in respect of long term borrowing are amortized over the tenure of respective loans using Effective Interest Rate (EIR) method. All other borrowing costs are recognized in the statement of profit and loss in the period in which they are incurred.

3.11 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

3.11.1. Financial Assets

➤ **Recognition and Initial Measurement**

All financial assets are initially recognized when the company becomes a party to the contractual provisions of the instruments. A financial asset is initially measured at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

➤ **Classification and Subsequent Measurement**

For purposes of subsequent measurement, financial assets are classified in four categories:

- o Measured at Amortized Cost;
- o Measured at Fair Value Through Other Comprehensive Income (FVTOCI);
- o Measured at Fair Value Through Profit or Loss (FVTPL); and
- o Equity Instruments measured at Fair Value through Other Comprehensive Income (FVTOCI).

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

- o Measured at Amortized Cost : A Financial Asset is measured at the amortized cost if both the following conditions are met:
 - The asset is held within a business model whose objective is achieved by both collecting contractual cash flows; and
 - The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.
- After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method.
- o Measured at FVTOCI : A Financial Asset is measured at the FVTOCI if both the following conditions are met:
 - The objective of the business model is achieved by both collecting contractual cash flows and selling the financial assets; and
 - The asset's contractual cash flows represent SPPI.

Financial Assets meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at fair value with any gains or losses arising on remeasurement recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains or losses. Interest calculated using the effective interest method is recognized in the statement of profit and loss in investment income. Where the asset is disposed of, the cumulative gain or loss previously accumulated in other comprehensive income reserve is transferred in Profit and loss statement.

- o Measured at FVTPL : FVTPL is a residual category for financial assets. Any financial assets, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL. In addition, the company may elect to designate a financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. Financial Asset included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.
- o Equity Instruments measured at FVTOCI : All equity investments in scope of Ind AS-109 are measured at fair value. Equity instruments which are, held for trading are classified as at FVTPL. For all other equity instruments, the company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. In case the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment.

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➤ **Derecognition**

The Company derecognizes a financial asset on trade date only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

➤ **Impairment of Financial Assets**

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS - 109 requires expected credit losses to be measured through a loss allowance. The company recognizes lifetime expected losses for all contract assets and/ or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

3.11.2. **Financial Liabilities**

➤ **Recognition and Initial Measurement**

Financial liabilities are classified, at initial recognition, as at fair value through profit or loss, loans and borrowings, payables or as derivatives, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

➤ **Subsequent Measurement**

Financial liabilities are measured subsequently at amortized cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

➤ **Derecognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

➤ **Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the counterparty.

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3.11.3. Derivative financial instruments

The Company enters into derivative financial instruments viz. foreign exchange forward contracts, interest rate swaps and cross currency swaps to manage its exposure to interest rate and foreign exchange rate risks. The Company does not hold derivative financial instruments for speculative purposes.

Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately.

3.12 Impairment of Non-Financial Assets

- The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful lives of the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (Cash Generating Units -CGU).
- An impairment loss is recognized as an expense in the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in earlier accounting period is reversed if there has been an improvement in recoverable amount.

3.13 Provisions, Contingent Liabilities and Contingent Assets

3.13.1. Provisions

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

3.13.2. Contingent Liabilities

Contingent liability is a possible obligation arising from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events but is not recognized because it is not possible that an outflow of resources embodying economic benefit will be required to settle the obligations or reliable estimate of the amount of the obligations cannot be made. The Company discloses the existence of contingent liabilities in Other Notes to Financial Statements.

3.13.3. Contingent Assets

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits. Contingent Assets are not recognized though are disclosed, where an inflow of economic benefits is probable.

3.14 Intangible Assets

3.14.1. Recognition and Measurement

Intangible assets comprise of computer software, expected to provide future enduring economic benefits are stated at cost less accumulated amortization and impairment, if any. Cost comprises purchase price, non-refundable taxes, duties, and incidental expenses after deducting trade discounts and rebates related to the acquisition and installation of the assets.

3.14.2. Subsequent Expenditure

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Company and the cost of the item can be measured reliably. All other expenditure is recognized in the Statement of Profit & Loss.

3.14.3. Amortization

- Intangible assets are amortized over a period of three years under straight line method.
- The amortization period and the amortization method are reviewed at least at the end of each financial year. If the expected useful life of the assets is significantly different from previous estimates, the amortization period is changed accordingly.

3.14.4. Intangible Assets under Development

Intangible Assets under development is stated at cost which includes expenses incurred in connection with development of Intangible Assets in so far as such expenses relate to the period prior to the getting the assets ready for use.

3.15 Non-current assets (or disposal groups) held for sale and discontinued operations

- Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of the carrying amount and the fair value less cost to sell.
- An impairment loss is recognized for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognized for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but net in excess of any cumulative impairment loss previously recognized. A gain or loss not previously recognized by the date of the sale of the non-current asset (or disposal group) is recognized at the date of de-recognition.
- Non-current assets (including those that are part of a disposal group) are not depreciated or amortized while they are classified as held for sale. Non-current assets (or disposal

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group) classified as held for sale are presented separately in the balance sheet. Any profit or loss arising from the sale or remeasurement of discontinued operations is presented as part of a single line item in statement of profit and loss.

3.16 Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

3.17 Measurement of Fair Values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either :

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the input that is significant to the fair value measurement as a whole :

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 — Inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 — Inputs which are unobservable inputs for the asset or liability.

External valuers are involved for valuation of significant assets & liabilities. Involvement of external valuers is decided by the management of the company considering the requirements of

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Ind As and selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

4 **Significant Judgements and Key sources of Estimation in applying Accounting Policies**

Information about Significant judgements and Key sources of estimation made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes :

- **Recognition of Deferred Tax Assets :** The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits.
- **Useful lives of depreciable/ amortisable assets (tangible and intangible) :** Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to actual normal wear and tear that may change the utility of plant and equipment.
- **Classification of Leases :** The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.
- **Defined Benefit Obligation (DBO) :** Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, medical cost trends, anticipation of future salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate. However, any changes in these assumptions may have a material impact on the resulting calculations.
- **Provisions and Contingencies :** The assessments undertaken in recognising provisions and contingencies have been made in accordance with Indian Accounting Standards (Ind AS) 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events is applied best judgement by management regarding the probability of exposure to potential loss.
- **Impairment of Financial Assets :** The Company reviews its carrying value of investments carried at amortized cost annually, or more frequently when there is indication of impairment. If recoverable amount is less than its carrying amount, the impairment loss is accounted for.
- **Allowances for Doubtful Debts :** The Company makes allowances for doubtful debts through appropriate estimations of irrecoverable amount. The identification of doubtful

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debts requires use of judgment and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.

- **Fair value measurement of financial Instruments :** When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The input to these models are taken from observable markets where possible, but where this not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

5 **New Standards / Amendments to Existing Standard issued but not yet effective upto the date of issuance of the Company's Financial Statement are disclosed below**

Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new amendments to Ind ASs which the Company has not applied as they are effective from April 1, 2019. The Company will adopt new standard and amendment to existing standards with effect from April 1, 2019.

- a. **Ind AS 116 : Leases-** Ind AS 116 will supersede the existing Ind AS 17. The new standard provides a comprehensive model to identify lease-arrangements and the treatment thereof in the financial statements of both the lessee and lessor. The new standard requires entities to make more judgments and estimates (e.g., determining when a customer has the right to direct the use of an identified asset, estimating the incremental rate of borrowing) and make more disclosures (e.g., discount rate, weighted average lease term, other qualitative and quantitative information).

Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. Ind AS 17 required classifying leases as finance lease and operating lease, the same is not required under Ind AS 116. Under Ind AS 116, a lessee measures right-of-use, assets similarly to other non-financial assets (such as property, plant and equipment) and lease liabilities similarly to other financial liabilities.

On initial application the Company will recognize new assets and liabilities for its operating leases of premises and other assets. The nature of expenses related to those leases will change from lease rent in previous periods to a) amortization change for the right-to-use asset, and b) interest accrued on lease liability.

Requirements with regard to lessor accounting are substantially similar to accounting requirements contained in Ind AS 17. Accordingly, a lessor will continue to classify its

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leases as operating leases or finance leases, and to account for those two types of leases differently.

Company is proposing to use the 'Modified Retrospective Approach' for transitioning to Ind AS 116 without adjusting the Comparatives. The Company has evaluated the impact and certain non-material operating leases have to be brought onto the balance sheet in terms of the new standard and additional disclosure will be required.

- b. **Ind AS 12 Appendix C**, Uncertainty over Income Tax Treatments: Ministry of Corporate Affairs has notified Ind AS 12 Appendix 'C' Uncertainty over Income Tax Treatments on March 30, 2019. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or Company of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The Company has decided to adjust the cumulative effect in equity on the date of initial application without adjusting comparatives.
- c. **Amendment to Ind AS 12** - Income taxes: Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes accordingly an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12.
- d. **Amendment to Ind AS 19** - plan amendment, curtailment or settlement- Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits'. On March 30, 2019, in connection with accounting for plan amendments, curtailments and settlements.
- e. **Ind AS 23** - Borrowing Costs- The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings.

The impact of the above standards on the financial statements, as assessed by the Company, is not expected to be material.

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Notes to Financial Statements for the year ended 31st March, 2019

4. PROPERTY, PLANT AND EQUIPMENT

Amount in Rs.

Particulars	Gross Carrying Value				Depreciation				Net Carrying Value	
	As at 01.04.2018	Additions	Sale/Disposal	As at 31.03.2019	As at 01.04.2018	For the year	Sale/Disposal	As at 31.03.2019	As at 31.03.2019	As at 31.03.2018
	Land	63,51,00,000	-	5,36,25,722	58,14,74,278	-	-	-	-	58,14,74,278
Buildings	1,58,89,341	19,04,698	-	1,77,94,039	37,26,061	7,85,419	-	45,11,480	1,32,82,559	1,21,63,280
Plant & Machinery	41,60,79,246	90,16,622	-	42,50,95,868	30,30,38,298	1,25,32,737	-	31,55,71,035	10,95,24,833	11,30,40,948
Vehicles	1,83,56,874	46,59,233	36,67,716	1,93,48,391	1,21,69,299	12,19,428	33,32,560	1,00,56,167	92,92,224	61,87,575
Furniture And Fittings	20,92,991	-	-	20,92,991	15,36,733	99,431	-	16,36,164	4,56,827	5,56,258
Computer	42,60,533	94,801	-	43,55,334	39,18,375	2,01,366	-	41,19,741	2,35,593	3,42,158
Office Equipments	40,40,045	2,26,341	-	42,66,386	32,10,581	2,62,992	-	34,73,573	7,92,813	8,29,464
Total	1,09,58,19,030	1,59,01,695	5,72,93,438	1,05,44,27,287	32,75,99,347	1,51,01,373	33,32,560	33,93,68,160	71,50,59,127	76,82,19,683
Previous Year	1,04,20,84,611	5,49,30,285	11,95,866	1,09,58,19,030	31,57,48,891	1,29,86,528	11,36,072	32,75,99,347	76,82,19,683	

NOTES :

- 4.1 Refer note - 19 & 23 for information on Property, Plant & Equipment pledged as security by the Company.
- 4.2 Refer note - 37.2 for disclosure on contractual commitment for acquisition on Property, Plant & Equipment.
- 4.3 Necessary Application has been made for exemption under Section 20 of Urban Land (Ceiling And Regulation) Act, 1976 for the excess land that may be held under the Act.

5. OTHER INTANGIBLE ASSET

Particulars	Gross Carrying Value			Depreciation			Net Carrying Value	
	As at 01.04.2018	Additions	Sale/Disposal	As at 31.03.2019	As at 01.04.2018	For the year	Sale/Disposal	As at 31.03.2019
	Computer Software	14,20,050	11,25,000	-	25,45,050	13,36,824	1,75,691	-
Total	14,20,050	11,25,000	-	25,45,050	13,36,824	1,75,691	-	15,12,515
Previous Year	14,20,050	-	-	14,20,050	11,36,974	1,99,850	-	83,226

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Notes to Financial Statements for the year ended 31st March, 2019

	<u>Amount in Rs.</u>			
	<u>As at March 31, 2019</u>		<u>As at March 31, 2018</u>	
	Number	Amount	Number	Amount
6. INVESTMENTS				
Investment measured at FVTPL				
Investment in Equity Instruments (Unquoted)				
Akshat Gases Limited (Fully paid shares of Rs. 10/- each)	-	-	1160	9,028
		-		9,028
a) Aggregate Book Value of Unquoted Investments		-		9,028
7. LOANS				
Unsecured, Considered Good				
Security Deposits (Refer note 41.2 for related party disclosure)		1,61,14,565		1,74,62,313
		1,61,14,565		1,74,62,313
8. OTHER NON-CURRENT ASSETS				
Other loans and advances				
Prepaid Rent		1,04,085		29,95,868
Prepaid Expenses		8,88,117		9,61,575
Deposits against demand under dispute		65,46,451		57,66,255
Others		3,70,615		-
		79,09,268		97,23,698
9. INVENTORIES				
(As valued and certified by the Management)				
Raw Materials (Raw Jute)		3,08,83,027		18,97,20,582
Finished Goods (Jute Goods) At Mill		2,19,94,327		6,27,81,084
Work-in-Progress (Jute Goods)		12,23,81,356		16,99,07,341
Stores and Spares		1,26,05,933		1,30,60,162
		18,78,64,643		43,54,69,169

9.1 Refer note - 3.1 of significant accounting policy for mode of valuation of Inventories.

9.2 Refer note - 23 (1) for information on Inventories pledged as security by the Company.

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Notes to Financial Statements for the year ended 31st March, 2019

	<u>Amount in Rs.</u>	
	<u>As at March 31, 2019</u>	<u>As at March 31, 2018</u>
10. TRADE RECEIVABLES		
Unsecured, Considered Good	3,86,92,750	13,92,97,647
Unsecured, Considered Doubtful	33,47,835	33,47,835
	4,20,40,585	14,26,45,482
Less : Provision for Doubtful Debtors (Refer note : 50 (a)(i))	(33,47,835)	(33,47,835)
	3,86,92,750	13,92,97,647
10.1 Refer note - 23 (1) for information on trade receivables pledged as security by the Company.		
10.2 There are no amounts receivable from directors and officers of the Company.		
11. CASH AND CASH EQUIVALENTS		
Cash on hand	4,55,135	8,38,838
Cheques/drafts on hand	-	77,24,340
Balance with Banks :		
– In Current Accounts	51,07,552	1,32,07,344
	55,62,687	2,17,70,522
12. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENT		
Earmarked Balances with Banks		
Fixed Deposits with Bank held as Margin Money*	78,02,511	1,43,68,484
	78,02,511	1,43,68,484
*Against Bank Guarantee, Letter of Credit & Term Loan		
13. LOANS		
Unsecured, Considered Good		
Security Deposits	-	2,18,269
	-	2,18,269
Unsecured, Considered Doubtful		
Loans to Body Corporate (including accrued interest)	1,58,28,123	1,58,28,123
Less : Provision for Doubtful advances (Refer note : 50 (a)(ii))	(1,58,28,123)	(1,58,28,123)
	-	-
	-	2,18,269

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Notes to Financial Statements for the year ended 31st March, 2019

	<u>As at</u> <u>March 31, 2019</u>	<u>As at</u> <u>March 31, 2018</u>
14. OTHER CURRENT FINANCIAL ASSETS		
Unsecured, Considered Good		
Accrued Interest on Deposits	1,91,810	4,11,026
Advance to Employees	17,83,000	63,81,829
Other Receivable (Refer Note: 14.2 & 14.3)	66,24,820	93,69,439
	85,99,630	1,61,62,294
Insurance Claim Receivable (Refer Note : 14.1)	4,10,80,037	4,10,80,037
Less: Provision for Doubtful Receivable (Refer note: 50 (a)(ii))	(4,10,80,037)	(4,10,80,037)
	85,99,630	1,61,62,294
14.1 The company has received an amount of Rs.11.18 crores against an insurance claim of Rs.15.29 crores in respect of fire at finished goods godowns in September, 2014 and made provision of Rs.4.11 crores for the remaining amount on grounds of prudence. Subsequently, on not being successful in the application for appointment of an Arbitrator before Hon'ble High Court at Kolkata, the Company filed a review petition with the Hon'ble High Court at Kolkata, which, vide its order dated 6th July, 2018, appointed Mr.Bhaskar Bhattacharya, former Chief Justice of Gujarat High Court, as an Arbitrator in the matter as per Section 11(6) of the Arbitration & Conciliation Act, 1996. The arbitration proceeding is under process and the company will account for the differential claim amount against claim made of Rs.7.59 crores (including interest), on receipt of order from the Arbitrator.		
14.2 The company has accounted for under "Other Income", a claim of Rs.51,48,364/- based on an order dated 29th August, 2018 issued by the Hon'ble High Court at Kolkata directing Government agencies to disburse the additional cost incurred by the jute mills due to amendment in Payment of Bonus Act,1965 pertaining to the period January to August, 2016. The company is hopeful of receiving further claim of Rs.45,57,000/- (approx) in this respect for the period from April to December, 2015 which shall be accounted for after receipt of favourable order from Hon'ble High Court at Kolkata.		
14.3 Others receivable includes interest claimed on withheld amount of jute goods supplied to Government agencies accounted for under "Other Income" during the previous year based on favourable order from the Hon'ble High Court at Kolkata.		
15. CURRENT TAX ASSETS (NET)		
Unsecured, Considered Good		
Advance Tax (Net of provision)	58,35,329	49,38,001
	58,35,329	49,38,001
16. OTHER CURRENT ASSETS		
Unsecured, Considered Good		
Interest Subsidy Receivable	84,00,000	84,00,000
Capital Subsidy Receivable	1,04,77,000	1,14,87,000
Export Incentive Receivable	56,724	21,10,961
Advance against supply of Goods & Services	-	36,94,528
Balances with Government Authorities	66,50,649	28,09,180
Prepaid Rent	12,66,369	-
Prepaid Expenses	12,79,183	6,01,838
Others	17,58,886	17,42,802
	2,98,88,811	3,08,46,309

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

Notes to Financial Statements for the year ended 31st March, 2019

17. EQUITY SHARE CAPITAL

	As at March 31, 2019		As at March 31, 2018	
	Number	Amount	Number	Amount
Authorized:				
Equity Shares of Rs.10/- each	30,10,000	3,01,00,000	30,10,000	3,01,00,000
6% Redeemable Cumulative Preference shares of Rs.100/- each	10,00,000	10,00,00,000	10,00,000	10,00,00,000
		<u>13,01,00,000</u>		<u>13,01,00,000</u>
Issued & Subscribed Capital				
Equity Shares of Rs.10/- each	25,89,490	2,58,94,900	25,89,490	2,58,94,900
6% Redeemable Cumulative Preference shares of Rs.100/- each	5,00,000	5,00,00,000	5,00,000	5,00,00,000
		<u>7,58,94,900</u>		<u>7,58,94,900</u>
Paid up Capital				
Equity Shares of Rs.10/- each	25,89,490	2,58,94,900	25,89,490	2,58,94,900
6% Redeemable Cumulative Preference shares of Rs.100/- each	5,00,000	5,00,00,000	5,00,000	5,00,00,000
		<u>7,58,94,900</u>		<u>7,58,94,900</u>
Less: Instrument classified as Financial liability (Refer note 19.2)		<u>(5,00,00,000)</u>		<u>(5,00,00,000)</u>
		<u>2,58,94,900</u>		<u>2,58,94,900</u>

(94)

17.1 Rights, Preferences & Restrictions attached to shares

- i) The company has issued equity shares having par value of Rs.10 per share. Each holder of ordinary shares is entitled to one vote per share and equal right for dividend. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after payment of all preferential amounts, in proportion to their shareholding.
 - ii) The company has issued 500000, 6% Redeemable Cumulative Preference Shares of Rs.100/- each on 06th November, 2015 & 12th February, 2016 redeemable at par within 20 years from the date of allotment. The Preference shareholders shall be entitled to all rights and privileges as are available under the Companies Act, 2013. However, the company may at its discretion of Board of Directors at any time redeem the shares at par out of the distributable profits of the Company. Payment of redemption would be made by cheque within a period of 30 days from the date of receipt of the duly discharged share certificate.
- 17.2 There has been no change/movements in number of shares outstanding at the beginning and at the end of the reporting period.
- 17.3 The Company does not have any holding company/ultimate holding company.

Notes to Financial Statements for the year ended 31st March, 2019

17.4 Details of shareholders holding more than 5% shares in the Company :

Equity Shares of Rs. 10 each fully paid	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	% Holding	No. of Shares	% Holding
Shri Pawan Kumar Kanoria	8,29,112	32.02	6,36,312	24.57
B.P. Investments Limited	5,12,078	19.78	5,12,078	19.78
Smt. Usha Kanoria	5,99,688	23.16	2,78,382	10.75
Ajay Investment Enterprise Limited	-	-	2,39,212	9.24
6% Redeemable Cumulative Preference Shares of Rs. 100/- each fully paid				
P.K.Business Enterprise Limited	1,35,000	27.00	1,35,000	27.00
Shraddha Investments Limited	90,000	18.00	90,000	18.00
Aravali Niwas Private limited	85,000	17.00	85,000	17.00
N S Family Trust	74,000	14.80	74,000	14.80
Shri Pawan Kumar Kanoria	-	-	60,000	12.00
Usha Kanoria Family Trust	36,500	7.30	36,500	7.30
Valio Merchants Limited	60,000	12.00	-	-
V. N. Family Trust	9,500	1.90	9,500	1.90
Smt. Usha Kanoria	10,000	2.00	10,000	2.00

17.5 No Equity Shares have been reserved for issue under options and contracts/commitments for the sale of shares/disinvestment as at the Balance Sheet date.

17.6 The company has neither allotted any equity shares for consideration other than cash nor has issued any bonus shares nor has bought back any shares during the period of five years preceding the date at which Balance Sheet is prepared.

17.7 No securities which are convertible into Equity/Preference shares have been issued by the Company during the year.

17.8 No calls are unpaid by any directors or officers of the company during the year.

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

Notes to Financial Statements for the year ended 31st March, 2019

	<u>As at March 31, 2019</u>	<u>Amount in Rs. As at March 31, 2018</u>
18. OTHER EQUITY		
Capital Redemption Reserve		
As per last Financial Statement	<u>35,00,000</u>	35,00,000
	<u>35,00,000</u>	<u>35,00,000</u>
General Reserve		
As per last Financial Statement	<u>32,19,178</u>	32,19,178
	<u>32,19,178</u>	<u>32,19,178</u>
Retained Earnings		
As per last Financial Statement	<u>22,42,14,652</u>	21,25,78,761
Add : Profit/ (Loss) for the year	<u>(18,06,30,617)</u>	(55,49,398)
Add : Remeasurements of Defined Benefit Obligations	<u>(75,25,568)</u>	1,71,85,289
	<u>3,60,58,467</u>	<u>22,42,14,652</u>
	<u>4,27,77,645</u>	<u>23,09,33,830</u>

The Description, Nature and Purpose of each reserve with in equity are as follows :

- 18.1 **Capital Redemption Reserve :** It represents reserve created as a result of redemption of cumulative preference share capital of the Company. This reserve can be utilised in accordance with the provisions of Companies Act, 2013.
- 18.2 **General Reserve :** This reserve is created by an appropriation from one component of equity (generally retained earnings) to another, not being an item of Other Comprehensive Income.
- 18.3 **Retained Earnings :** This reserve represents the cumulative profits of the Company and effects of remeasurements of defined benefit obligation. This reserve can be utilised in accordance with the provisions of Companies Act, 2013.

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

Notes to Financial Statements for the year ended 31st March, 2019

Amount in Rs.

	<u>As at March 31, 2019</u>		<u>As at March 31, 2018</u>	
	Non-current	Current Maturities	Non-current	Current Maturities
19. BORROWINGS				
Secured				
Rupee Loan from Bank	-	-	-	8,68,662
Vehicle Loan from bank	17,75,664	13,23,232	20,31,409	8,97,106
Vehicle Loan from others	14,82,298	7,41,314	-	-
	32,57,962	20,64,546	20,31,409	17,65,768
Unsecured				
Rupee Loan from Body Corporate	3,38,00,000	-	7,57,00,000	-
Rupee Loan from Members	76,00,000	-	68,00,000	-
6% Cumulative Redeemable Preference shares	1,20,81,087	-	1,10,37,996	-
	5,34,81,087	-	9,35,37,996	-
Less: Amount disclosed under the head "Other Current Liability" (Note 25)	-	(20,64,546)	-	(17,65,768)
	5,67,39,049	-	9,55,69,405	-

- 19.1 **Rupee Loans from Body Corporate & Members :** The above loans are repayable after March 31, 2020 and carries interest rate @ 11-12% p.a.
- 19.2 **Preference Shares :** The company has issued 500000, 6% Redeemable Cumulative Preference Shares of Rs.100/- each on 06th November, 2015 & 12th February, 2016 redeemable at par within 20 years from the date of allotment. However, the company may at its discretion of Board of Directors at any time redeem the shares at par out of the distributable profits of the Company.
- 19.3 **Vehicle Loans :** Vehicle Loans are secured by hypothecation of specific vehicles. The terms of repayment is given below :

Name of Bank / Financial Institution	Rate of Interest	Outstanding as on 31st March 2019	Equated Monthly Installment	No. of install-ments	Starting Date	Ending Date
ICICI Bank (Loan - I)	8.24	20,31,411	92,107	37	March, 2018	March, 2021
ICICI Bank (Loan - II)	8.64	5,68,463	24,171	36	June, 2018	May, 2021
Yes Bank Ltd.	9.00	4,99,022	11,625	60	August, 2018	July, 2023
Kotak Mahindra Prime Ltd.	9.25	22,23,612	77,015	36	January, 2019	Dec., 2021

- 19.4 There is no default as on the balance sheet date in the repayment of Borrowings and interest thereon.

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

Notes to Financial Statements for the year ended 31st March, 2019

Amount in Rs.

	As at March 31, 2019	As at March 31, 2018
20. OTHER NON-CURRENT FINANCIAL LIABILITIES		
Security Deposit	-	12,000
	<u>-</u>	<u>12,000</u>
21. PROVISIONS		
Provision for Employee Benefits		
Gratuity (Refer Note No. 38)	26,35,12,984	23,25,00,374
Leave Encashment	1,14,04,555	54,76,334
	<u>27,49,17,539</u>	<u>23,79,76,708</u>
22. OTHER NON-CURRENT LIABILITIES		
Deferred Revenue Grant	1,29,53,225	1,50,07,099
	<u>1,29,53,225</u>	<u>1,50,07,099</u>

22.1 Movement of Deferred Revenue

Particulars	2018-19	2017-18
Opening Balance (including current deferred revenue grant)	1,97,20,004	1,84,59,722
Add : Grant received/ receivable during the year	39,76,000	62,94,993
Less: Released to Statement of Profit & Loss	54,09,138	50,34,711
Less: Current portion of the Deferred Revenue Income	53,33,641	47,12,905
Closing Balance	1,29,53,225	1,50,07,099

	As at March 31, 2019	As at March 31, 2018
23. BORROWINGS		
Secured		
Working Capital facilities from Banks		
Cash Credit	13,83,56,002	17,63,54,009
Buyer's Credit in Local Currency	3,49,15,132	-
Unsecured		
Rupee Loan from Members	-	2,84,00,000
	<u>17,32,71,134</u>	<u>20,47,54,009</u>

23.1 Working Capital borrowings and Buyer's Credit are secured by hypothecation of stock of raw materials, work-in-process, finished goods, stores and spare parts, book debts and charge created on certain property, plant & equipment and also secured by corporate guarantee of M/s Bhagwati Apartment Pvt.Ltd. and personal guarantee of Mr.Pawan Kumar Kanoria, Director and Mrs.Usha Kanoria, ex-Director of the Company.

23.2 There is no default as on the balance sheet date in the repayment of Borrowings and interest thereon.

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

Notes to Financial Statements for the year ended 31st March, 2019

Amount in Rs.

	<u>As at March 31, 2019</u>	<u>As at March 31, 2018</u>
24. TRADE PAYABLES		
For Goods and Services		
Total outstanding dues of micro enterprises and small enterprises (Refer Note No: 42)	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	32,39,10,817	51,78,52,927
	<u>32,39,10,817</u>	<u>51,78,52,927</u>
25. OTHER CURRENT FINANCIAL LIABILITIES		
Current maturities of long-term debt (Refer Note 19)	20,64,546	17,65,768
Interest accrued but not due on borrowings	1,34,42,513	81,84,340
Interest payable (other than borrowings)	2,26,41,971	45,73,270
Dividend Accrued on Cumulative Preference Shares (Refer Note 45)	-	16,27,987
Liabilities for Capital Expenditure	4,00,500	-
Payable to Employees	4,69,026	2,18,77,301
	<u>3,90,18,556</u>	<u>3,80,28,666</u>
25.1 Payable to Employees include Rs. 1,51,480/- (As at 31st March, 2018: Rs. 1,43,520/-) to Related Parties / Key Managerial Personnel.		
26. CONTRACT LIABILITIES		
Advance from Customers	2,88,506	57,25,447
	<u>2,88,506</u>	<u>57,25,447</u>
27. OTHER CURRENT LIABILITIES		
Statutory dues payable	1,16,34,283	2,24,60,211
Security Deposit	3,30,830	10,46,453
Deferred Revenue (Refer Note 22.1)	53,33,641	47,12,905
Other Payables	26	23,025
	<u>1,72,98,780</u>	<u>2,82,42,594</u>
28. PROVISIONS		
Employee Benefits		
Gratuity	3,00,00,000	3,00,00,000
Leave Encashment	32,90,807	12,87,243
Bonus	2,40,00,898	2,72,83,815
	<u>5,72,91,705</u>	<u>5,85,71,058</u>

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

Notes to Financial Statements for the year ended 31st March, 2019

Amount in Rs.

	For the year ended 31st March, 2019	For the year ended 31st March, 2018
29. REVENUE FROM OPERATIONS		
Sale of products (Refer Note 47)		
Domestic	2,16,95,13,652	2,31,22,45,648
Export	10,64,313	4,39,62,191
	<u>2,17,05,77,965</u>	<u>2,35,62,07,839</u>
Other Operating Revenue		
Scrap Sales	42,63,309	68,33,653
Sewing & Branding	15,24,823	44,13,257
Deferred Revenue Grant Income (Refer Note 22.1)	54,09,138	50,34,711
Export Incentives (MEIS, Duty Drawback & Focus Market Scheme)	2,18,006	27,10,093
	<u>1,14,15,276</u>	<u>1,89,91,714</u>
	<u>2,18,19,93,241</u>	<u>2,37,51,99,553</u>
30. OTHER INCOME		
Interest Income		
On Banks Deposits	6,92,485	9,23,578
On Others	18,790	93,69,439
On Fair valuation of Security Deposit	17,55,352	13,94,449
	<u>24,66,627</u>	<u>1,16,87,466</u>
Other Non Operating Income		
Gain on sale/discard of Property, Plant & Equipment (Net)	6,21,49,185	17,40,207
Gain/(Loss) on sale of Non-current Investments	32,732	–
Net Gain / (Loss) on Foreign Currency Transaction / Translation	–	13,96,017
Provision for Doubtful Debts written back	–	2,90,229
Liability no longer required written back	26,37,299	–
Sundry Receipts (Refer Note 14.2)	53,51,134	94,099
	<u>7,01,70,350</u>	<u>35,20,552</u>
	<u>7,26,36,977</u>	<u>1,52,08,018</u>
31. COST OF MATERIALS CONSUMED		
Raw Materials (Raw Jute)	1,23,08,01,456	1,27,83,36,505
	<u>1,23,08,01,456</u>	<u>1,27,83,36,505</u>

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

Notes to Financial Statements for the year ended 31st March, 2019	Amount in Rs.	
	For the year ended 31st March, 2019	For the year ended 31st March, 2018
32. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS		
Inventories at the beginning of the year		
Finished Goods	6,27,81,084	7,79,96,350
Work-in-Process	16,99,07,341	10,32,75,929
	23,26,88,425	18,12,72,279
Inventories at the end of the year		
Finished Goods	2,19,94,327	6,27,81,084
Work-in-Process	12,23,81,356	16,99,07,341
	14,43,75,683	23,26,88,425
(Increase) / Decrease in Inventories of Finished Goods & WIP	8,83,12,742	(5,14,16,146)
33.EMPLOYEE BENEFITS EXPENSE		
Salaries & Wages	60,12,53,516	64,36,23,718
Contribution to Provident & Other Funds	10,67,01,874	11,49,94,919
Staff Welfare Expenses	25,21,131	23,44,288
	71,04,76,521	76,09,62,925
34. FINANCE COSTS		
INTEREST EXPENSES		
On Term Loan	23,140	1,52,260
On Cash Credit	1,83,54,367	1,62,06,470
On Unsecured Loan	1,46,45,539	90,93,745
On Buyer's Credit	14,47,754	3,37,383
Interest on Preference Shares	10,43,091	9,53,029
On Car Loan	3,28,008	20,624
	3,58,41,899	2,67,63,511
Other Borrowing Cost		
Applicable Net Gain / Loss on Foreign		
Currency Transaction /Translation	-	1,96,310
Other Financial Charges	2,52,80,716	1,03,26,596
Dividend on Preference Shares	-	7,97,043
	2,52,80,716	1,13,19,949
	6,11,22,615	3,80,83,460
35. DEPRECIATION AND AMORTIZATION EXPENSE		
Depreciation on Property, Plant and Equipment	1,51,01,373	1,29,86,528
Amortisation Expenses on Intangible Assets	1,75,691	1,99,850
	1,52,77,064	1,31,86,378

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

Notes to Financial Statements for the year ended 31st March, 2019

Amount in Rs.

36. OTHER EXPENSES	For the year ended 31st March, 2019	For the year ended 31st March, 2018
MANUFACTURING		
Stores & Spares consumed	10,39,89,320	11,07,31,614
Power & Fuel	12,15,77,984	13,79,91,659
Repairs To Machinery	1,14,26,483	92,14,314
Repairs To Buildings	32,68,683	50,54,526
Insurance	43,82,799	32,75,960
(A)	<u>24,46,45,269</u>	<u>26,62,68,073</u>
Selling and Administration		
Rent (Refer Note 43)	36,11,414	35,89,052
Motor Car Expenses	35,17,224	30,79,059
Travelling Expenses	12,28,210	20,56,403
Rates & Taxes	21,96,037	37,07,879
Export Expenses (including Freight Rs. 1,80,579/-, Previous year Rs. 17,28,274/-)	1,99,402	31,43,196
Auditor's Remuneration		
As Statutory Audit Fees	3,75,000	2,75,000
For Taxation Matters	40,000	40,000
In Other Capacity	1,85,000	5,50,000
Forwarding & Delivery charges	1,02,09,753	1,03,27,083
Brokerage & Commission on Sales	35,50,457	39,37,484
Sundry Balances written off (Net)	9,62,910	297
Net Gain / (Loss) on Foreign Currency Transaction / Translation	7,42,259	-
Net Gain / (Loss) on Foreign Currency Derivative Transaction	-	4,14,752
Bad debts written off	4,16,232	-
Directors sitting fees	1,02,500	50,000
Charity & Donation	1,00,000	-
Miscellaneous Expenses	5,68,05,689	5,47,33,334
(B)	<u>8,42,42,087</u>	<u>8,59,03,539</u>
Total = (A) + (B)	<u>32,88,87,356</u>	<u>35,21,71,612</u>

36.1 Stores and spares consumed includes Rs.98,89,493/- (Previous year Rs.1,03,01,935/-) on account of Repairs to Machinery (fully indigenous).

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

Notes to Financial Statements for the year ended 31st March, 2019

37. CONTINGENT LIABILITIES & COMMITMENTS

	<u>As at</u> <u>March 31, 2019</u>	<u>As at</u> <u>March 31, 2018</u>
37.1 Contingent Liabilities not provided for in respect of :		
a) Cess duty matters in dispute/under appeal pertaining to financial years 1980-81 to 1984-85.	–	6,96,631
b) Sales Tax & VAT payable due to non-collection of certain declaration forms and the demand pending under appeal pertaining to financial years 2004-05 to 2015-16. Against the above, an amount of Rs. 65,46,451/- (31st March, 2018- Rs.57,66,255/-) has been paid to relevant authorities as deposit against appeal.	6,10,05,283	6,60,93,939
c) "The Company had filed a writ petition before the Hon'ble High Court of Calcutta, the imposition of Land Revenue at substantially enhanced rate w.e.f. 01.10.2003 under the provisions of The West Bengal Land Reforms (Amendment) Act, 2003 and Kolkata Land Revenue Act, 2003. The Company has received a favourable interim order dated 12th September, 2008 and the matter is presently sub judice. Based on the interim order, the Company is regularly paying land revenue at old rate and the land revenue authorities were directed to accept the payment, without prejudice to their lights and contentions. Accordingly, the liability has not been provided for."	1,32,57,203	1,24,01,991
d) Outstanding Bank guarantee	3,38,28,666	2,96,49,322
e) "The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, in the case of Surya Roshani Limited v/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Subsequently, a review petition against this decision has been filed and is pending before the 'SC' for disposal.		

The Company is awaiting the outcome of the review petition, and also directions from EPFO, if any, to assess any potential impact on the Company and consequently no adjustments have been made in the books of accounts."

Note : The amount shown above represents the best possible estimate arrived at on the basis of available information. The uncertainties are dependent on outcome of different legal processes. The timing of future cash flows will be determinable only on receipt of judgements/decisions pending with various forums/authorities. The Company does not expect any reimbursements against above.

37.2 Capital & Other Commitments

a) Estimated amount of contracts remaining to be executed on capital account net of advance/deposit	–	–
b) The Company has imported certain Plant & Machinery during the financial year 2016-17 under Zero Duty Export Promotion Capital Goods (EPCG) Scheme having authorization dated 23.12.2016. Under the above scheme, the company has to fulfill export obligation amounting to Rs.200.29 lacs within 6 years from the date of authorization. As on the 31st March, 2019, the company has fulfilled export obligation of Rs.139.14 lacs under the above scheme.		

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

Notes to Financial Statements for the year ended 31st March, 2019

38. EMPLOYEE BENEFITS

In accordance with Ind-As 19 on Employee Benefits, the requisite disclosure are as follows :

38.1. Defined Contribution Plans : The company makes contribution towards Provident Fund, ESIC, Superannuation Fund to a defined contribution retirement benefit plan for qualifying employees. The Provident fund plan is operated partly by Regional Provident Fund Commissioner and partly by an independent trust, ESIC by government agencies and Superannuation Fund by a trust created for the purpose. Under the said schemes the company is required to contribute a specific percentage of pay roll costs in respect of eligible employees to the retirement benefit scheme to fund the benefits. The amount recognized as expense for the Defined Contribution Plans are as under :-

Particulars	For the year ended	For the year ended
	31st March, 2019	31st March, 2018
	Rs.	Rs.
Employer's Contribution to Provident Fund	98,92,966	1,05,66,177
Employer's Contribution to Superannuation Fund	4,97,920	4,14,750
Employer's Contribution to Pension Scheme	3,29,73,163	3,68,45,012
Employer's Contribution to Employees State Insurance Scheme	2,43,55,838	2,69,53,653

38.2 Defined Benefit Plans :

Post Employment Benefit in the form of gratuity is considered as defined benefit obligation. Every employee who has completed continuous five years or more of service is entitled to gratuity on terms not less favourable than the provisions of the Payment of Gratuity Act, 1972. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit to employee benefit entitlement and measures each unit separately to build up the final obligation.

Risk Exposure : Defined benefit plans expose the Company to actuarial risks such as interest rate risk, salary risk & demographic risk.

- a) **Interest rate risk :** The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.
- b) **Salary risk :** Higher than expected increases in salary will increase the defined benefit obligation.
- c) **Demographic risk :** This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

Notes to Financial Statements for the year ended 31st March, 2019

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the plan.

I PARTICULARS	As at March 31, 2019	Amount in Rs. As at March 31, 2018
Present Value of funded obligations	30,14,99,970	28,70,37,508
Fair value of plan assets	79,86,986	2,45,37,134
Liabilities in respect of funded obligations on actuarial valuation basis	<u>29,35,12,984</u>	<u>26,25,00,374</u>

II. Changes in the present value of defined funded obligation representing reconciliation of opening and closing balances thereof as follows :

Present value of defined benefit obligation at the beginning of the year	28,70,37,508	28,79,47,590
Employer Service Cost	1,70,11,236	1,57,22,036
Interest Cost	2,08,39,090	2,16,29,227
Plan Amendments : Vested portion at the end of period(past service)	-	16,50,543
Actuarial Gain (-) / Loss (+)	60,45,971	(1,89,11,888)
Benefits paid	(2,94,33,835)	(2,10,00,000)
Present value of defined benefit obligation at the end of the year	<u>30,14,99,970</u>	<u>28,70,37,508</u>

III. Changes in the fair value of plan assets representing Reconciliation of opening and closing balances thereof are as follows :

Fair value of Plan Assets at the beginning of the year	2,45,37,134	2,67,07,273
Acquisition adjustments	-	-
Expected return on Plan Assets	18,63,284	20,56,460
Actual Company Contribution	1,25,00,000	1,85,00,000
Benefit Payments	(2,94,33,835)	(2,10,00,000)
Appreciation / Depreciation of Plan Assets	-	-
Actuarial Gain (+) / Loss(-)	(14,79,597)	(17,26,599)
Fair Value of Plan Assets at the end of the year	<u>79,86,986</u>	<u>2,45,37,134</u>

IV. The amounts recognized in the statement of Profit and Loss thereof are as follows :

Current Service Cost - Gratuity (Funded)	1,70,11,236	1,57,22,036
Past Service cost (vested)	-	16,50,543
Net Interest Cost/(Income) on the Net Defined Benefit Liability/(Asset)	1,89,75,806	1,95,72,767
Expenses recognized in the Statement of Profit and Loss	<u>3,59,87,042</u>	<u>3,69,45,346</u>

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

Notes to Financial Statements for the year ended 31st March, 2019

Amount in Rs.

V. Remeasurement recognized in Other Comprehensive Income

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Actuarial (gains) / losses		
- change in demographic assumptions	-	-
- change in financial assumptions	11,65,110	(48,36,736)
- experience variance (i.e. Actual experience vs assumptions)	48,80,861	(1,40,75,152)
- others	-	-
Return on plan assets, excluding amount recognized in net interest expenses	14,79,597	17,26,599
Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling	-	-
Components of defined benefit cost recognised in other comprehensive income	75,25,568	(1,71,85,289)

VI. The major categories of plan assets as a percentage of total plan assets are as follows :

Particulars	As at March 31, 2019	As at March 31, 2018
Qualifying insurance policy	100%	100%

VII. The principal actuarial assumptions at the Balance Sheet date are as follows :

Particulars	As at March 31, 2019	As at March 31, 2018
1. Mortality	IALM 2006-2008 Ultimate	IALM 2006-2008 Ultimate
2. Discount Rate	7.66%	7.70%
3. Salary Increase	4.00% On long term basis it has been assumed at 6.00%	4.00% On long term basis it has been assumed at 6.00%
4. Normal Age of Retirement	58 Years	58 Years

VIII. A quantitative sensitivity analysis for significant assumption as at 31 March 2019 is as shown below :

Increase/ Decrease in present value of defined benefit obligation due to following factors :	Sensitivity Level	31-Mar-19		31-Mar-18	
		Increase	Decrease	Increase	Decrease
Discount Rate	0.50 %	28,96,04,488	31,43,53,854	27,55,70,593	29,94,14,307
Further Salary Increase	0.50 %	31,46,30,668	28,92,64,002	29,97,20,895	27,52,10,871
Attrition Rate	0.50 %	30,20,67,132	30,09,32,808	28,75,96,539	28,64,78,477
Mortality Rate	0.50 %	30,32,08,395	29,97,91,545	28,87,32,487	28,53,42,529

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

IX. Expected Cash Flows over the next (valued on undiscounted basis) :

Particulars	As at March 31, 2019
Within the next 12 months	6,83,06,126
Between 2 and 5 years	8,55,01,432
Between 6 and 10 years	9,91,09,642
Beyond 10 years	44,12,53,654

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

Notes to Financial Statements for the year ended 31st March, 2019

- X.** As at 31st March, 2019, the weighted average duration of defined benefit obligation was 17 years.
- XI.** The Company expects to contribute Rs. 3,00,00,000/- (P.Y- Rs. 3,00,00,000/-) to its gratuity fund
- XII.** The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors.

39. EARNINGS PER SHARE (EPS)

Amount in Rs.

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Net Profit for the Year (Rs.)	(18,06,30,617)	(55,49,398)
Basic & Weighted average number of Equity Shares outstanding during the year	25,89,490	25,89,490
Nominal Value of Shares (Rs.)	10	10
Basic & Diluted EPS (Rs.)	(69.76)	(2.14)

40. SEGMENT REPORTING

The Company operates within a single business segment i.e. Jute and Jute Products and accordingly has considered the Business Segment to be the Primary Segment.

40.1 Geographical Segments

The Company primarily operates in India and therefore the geographical segments considered for disclosures on the basis of sales are as under :-

Particulars	31st March, 2019		31st March, 2018	
	India	Overseas	India	Overseas
Revenue from operations (Sale of Jute Goods)	2,16,95,13,652	10,64,313	2,31,22,45,648	4,39,62,191
Non Current Assets Other than financial instruments*	72,40,00,930	-	77,80,26,607	-

* Non Current Assets other than financial instruments includes Property, Plant & Equipment, Capital Work-in-progress, Other Intangible Assets and other Non Current Assets

40.2 Extent on reliance on major customer :

Revenue from government agencies amounting to Rs. 1,66,30,68,558/- (approx 77% of revenue) [FY 2017-18- Rs. 1,67,55,92,380/- (71 % of revenue)] arising on sale of Jute sacking bags within India.

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

Notes to Financial Statements for the year ended 31st March, 2019

41. Related Party Transactions

Related Party disclosures as identified by the Management as per Ind-AS 24 are given below :

41.1 Names of Related Parties

i) Key Managerial Personnel (KMP)

1. Shri Pawan Kumar Kanoria - Executive Chairman
2. Shri Sanjay Hada - Managing Director & CEO
3. Shri Vijendra Kumar Chaukhani - Whole time Director
4. Shri Pranab Kumar Mookerjee- Independent Director
5. Shri Pradeep Kumar Jain- Independent Director
6. Shri Rohit Banka- Independent Director
7. Shri Piyush Bhartia- Independent Director
8. Smt. Smita Poddar-Non Executive Director
9. Shri Shiv Kumar Agarwal - CFO & Company Secretary

ii) Relatives of Key Management Personnel

1. Smt. Usha Kanoria
2. Smt. Vinita Ahmed
3. Smt. Sonal Hada
4. Smt. Uma Hada
5. Ms. Ashima Jain
6. Mr. Vihaan Hada

iii) Entities over which KMP and relatives of KMP exercise Control/ Significant Influence

1. B.P. Investments Limited
2. Excellent Dealers LLP (Excellent Dealers Ltd. till 28.12.2018)
3. Vanila Tracom Private Limited
4. P.K. Business Enterprise Limited
5. Vapi Investments Limited
6. Softlink Merchants Pvt. Limited
7. Devang Tradecom Pvt. Limited
8. Arawali Niwas Pvt. Limited
9. Ajay Investment Enterprise Ltd.
10. Shraddha Investments Ltd.
11. Pawan Kumar Kanoria (HUF)
12. Automation Tracom Pvt. Limited
13. Valio Merchants Pvt. Limited

iv) Post Employment Benefit Plan Entities

Reliance Jute Mills Co.Ltd. Employees Provident Fund

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

Notes to Financial Statements for the year ended 31st March, 2019

Amount in Rs.

41.2 Particulars of Transactions during the year ended 31st March, 2019 :

Nature of Transaction	Period	Key Management Personnel	Relatives of Key Management Personnel	Entities where control exists	Post Employment Benefit Plan Entities
Remuneration*	2018-19	2,19,02,919	1,20,000	-	-
	2017-18	2,16,44,182	-	-	-
Purchase of Raw Jute	2018-19	-	-	16,39,28,420	-
	2017-18	-	-	20,27,76,401	-
Rent Paid/Service Charges	2018-19	6,72,000	10,08,000	3,06,000	-
	2017-18	5,04,000	11,76,000	2,88,000	-
Sitting Fees	2018-19	90,500	12,000	-	-
	2017-18	50,000	-	-	-
Interest Paid	2018-19	11,07,444	26,39,778	8,27,079	-
	2017-18	-	-	7,26,060	-
Service Charges	2018-19	-	-	1,44,000	-
	2017-18	-	-	1,44,000	-
Contribution made to PF Trust (including Employees' share)	2018-19	-	-	-	11,36,23,603
	2017-18	-	-	-	12,24,84,839
Loan Taken	2018-19	2,77,00,000	2,20,50,000	8,00,000	-
	2017-18	-	57,50,000	8,00,000	-
Loan Repaid	2018-19	2,77,00,000	5,04,50,000	-	-
	2017-18	-	1,38,50,000	-	-
Sale of Land	2018-19	1,32,00,000	5,00,00,000	5,25,00,000	-
	2017-18	-	-	-	-

Balance outstanding at the year end

Security Deposit	31st March,2019	48,34,320	1,12,80,245	-	-
	31st March,2018	44,28,848	1,03,33,977	26,99,488	-
Loan	31st March,2019	-	-	76,00,000	-
	31st March,2018	-	2,84,00,000	68,00,000	-
Interest Payable	31st March,2019	9,96,700	22,83,483	7,44,371	-
	31st March,2018	-	-	6,53,454	-
PF Contribution Payable	31st March,2019	-	-	-	7,95,864
	31st March,2018	-	-	-	1,03,56,641
Trade Payable	31st March,2019	-	-	1,06,40,356	-
	31st March,2018	-	-	2,28,82,449	-

* The remuneration of key management personnel does not include post employment benefits being provision made for gratuity and leave encashment as the same is determined on actuarial valuation basis for the Company as a whole.

* All the transactions with Related Parties have been done on Arm's Length price.

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

Notes to Financial Statements for the year ended 31st March, 2019

42. Based on the information available with the company from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006, there are no outstanding dues to suppliers / service providers covered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED'). The disclosures as required under the said Act are as under :-

Particulars	As at March 31, 2019	As at March 31, 2018
i) Principal amount and interest due to Supplier under MSMED act and remaining unpaid.	—	—
ii) Interest paid and any payment made to supplier beyond appointed date (under section 16 of the Act)	—	—
iii) Interest due and payable to Suppliers under MSMED Act.	—	—
iv) Interest accrued and remaining unpaid	—	—
v) Interest remaining due and payable under section 23 of the Act	—	—

43. **Leases (Operating Leases)**

The Company has taken certain office and other premises on operating lease for a period of 3 years on cancellable basis. Lease payment recognised in the Statement of profit and loss during the year amounts to Rs. 36,11,414/- (P.Y. Rs.35,89,052/-).

44. **Going Concern**

The Company's financial position has further worsened due to cash loss incurred during the current year ended 31st March, 2019. Due to labour problem, suspension of work at the Company's mill was declared w.e.f. 2nd March, 2019 which also contributed to higher losses. The financial stress faced by the company may cast a significant doubt on the Company's ability to continue as a going concern. The management has already taken steps to arrange finance through sale of immovable assets and otherwise. The promoters continue to be committed to provide the required operational and financial support to the company. Accordingly, the financial statements has been prepared on the basis that the company is a going concern and that no adjustments are required to the carrying values of assets and liabilities.

45. **Dividend on 6% Cumulative Redeemable Preference shares**

Based on the request made by the company and considering the acute financial stress as a result of recurring losses in the last few years, the preference shareholders have accorded their consent in writing by waiving the cumulative preference dividend payable to them upto 31st March, 2019. The said matter was taken on record by the Board of Directors of the Company at their meeting held on 18th March, 2019 and accordingly the accrued dividend liability of Rs.16,27,987/- accounted for in the books of account till 31st March, 2018 was reversed during the current year.

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

Notes to Financial Statements for the year ended 31st March, 2019

Amount in Rs.

46. Deferred Tax Assets (Net)

The company has assessed the status of Deferred Tax Asset (Net) as at the reporting date. However, in absence of reasonable certainty of future taxable profits and on the grounds of prudence, the Company has not recognised deferred tax assets (net). Hence, no provision of current and deferred tax has been considered in the Statement of profit and loss. The details of which is given as below :

	<u>31.03.2019</u>	<u>31.03.2018</u>
A) <u>Deferred Tax Asset</u>		
Section 43B items	7,32,80,452	7,64,44,961
Business Losses & Unabsorbed Depreciation	11,35,57,148	4,49,04,959
Provisions on Expected Credit Loss (ECL)	1,67,63,218	1,58,31,850
MAT Credit Entitlement	4,37,666	4,37,666
Others	22,03,831	35,70,045
Total (A)	<u>20,62,42,315</u>	<u>14,11,89,481</u>
B) <u>Deferred Tax Liability</u>		
Fair value gain on Preference share	1,05,49,042	1,03,86,323
Depreciation	73,38,138	18,48,219
Total (B)	<u>1,78,87,180</u>	<u>1,22,34,542</u>
Net Deferred Tax Asset (A-B)	<u>18,83,55,135</u>	<u>12,89,54,939</u>

47. Disclosure as per IND AS 115

- A. Nature of goods and services :** The Company is engaged in the manufacturing and sale of Jute goods and the same is only the reportable segment of the Company.
- B. Disaggregation of revenue :** In the following table, revenue is disaggregated by primary geographical market, major products lines and timing of revenue recognition.

i) <u>Primary Geographical Markets</u>	<u>31.03.2019</u>
Within India	2,16,95,13,652
Outside India	10,64,313
Total	<u>2,17,05,77,965</u>
ii) <u>Major Products</u>	
Jute Goods	2,17,05,77,965
Total	<u>2,17,05,77,965</u>
iii) <u>Timing of Revenue</u>	
At a point in time	2,17,05,77,965
Over time	-
Total	<u>2,17,05,77,965</u>
iv) <u>Contract Duration</u>	
Long Term	2,17,05,77,965
Short Term	-
Total	<u>2,17,05,77,965</u>
v) <u>Sales Channel</u>	
Direct to Customers	2,17,05,77,965
Through Intermediaries	-
Total	<u>2,17,05,77,965</u>

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

Notes to Financial Statements for the year ended 31st March, 2019

Amount in Rs.

C. Contract balances : The following table provides information about receivables, contract assets and contract liabilities from contracts with customers.

	<u>31.03.2019</u>
Receivables, which are included in 'Trade receivables'	3,86,92,750
Contract assets	-
Contract liabilities (Advance from Customer)	<u>2,88,506</u>
Total (Assets-Liabilites)	3,84,04,244

D. Other Information

i) Transaction price allocated to the remaining performance obligations.	Nil
ii) The amount of revenue recognised in the current year that was included in the opening contract liability balance.	Nil
iii) The amount of revenue recognised in the current year from performance obligations satisfied fully or partially in previous years.	Nil
iv) Performance obligations - The Company satisfy the performance obligation on shipment/delivery.	Nil
v) Significant payment terms	
Financing Component	Nil
Volume Discount	Nil

E. The Company has consistently applied the accounting policies to all periods presented in these Standalone financial statements. The Company has adopted Ind AS 115 Revenue from Contracts with Customers with a date of initial application of 1 April 2018. As a result, the Company has changed its accounting policy for revenue recognition. The company has adopted modified retrospective approach and had applied Ind AS 115 only retrospectively to the current period by recognizing the cumulative effect of initially applying Ind AS-115 as an adjustment to the opening balance of retained earnings at the date of initial application i.e. April 1, 2018. Under the modified retrospective method, the comparative information in the financial statement is not restated and would be presented based on the requirements of the previous standards (e.g. Ind AS-18). However, there is no impact on financial statements with respect to change in accounting policy.

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

Notes to Financial Statements for the year ended 31st March, 2019

48. Capital management

The Company's objective to manage its capital is to ensure continuity of business while at the same time provide reasonable returns to its various stakeholders but keep associated costs under control. In order to achieve this, requirement of capital is reviewed periodically with reference to operating and business plans that take into account capital expenditure. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. Apart from internal accrual, sourcing of capital is done through judicious combination of equity and borrowing, both short term and long term. The Company is not subject to any externally imposed capital requirements. The Company monitors capital using current and debt equity ratio.

	As at March 31, 2019	As at March 31, 2018
	Rs.	Rs.
Quantitative data		
Current Assets	28,42,46,361	66,30,70,695
Current Liabilities	61,10,79,498	85,31,74,701
Current Ratio	0.47	0.78
Debt *	21,87,09,531	26,59,50,176
Equity	6,86,72,545	25,68,28,730
Debt Equity ratio	3.18	1.04

* Debt = Non current borrowings + Current maturities of long term borrowings+ current borrowings- cash and cash equivalent- other bank balances.

Notes to Financial Statements for the year ended 31st March, 2019

49. FAIR VALUE MEASUREMENT

A. FAIR VALUE MEASUREMENT

The following table shows the carrying amount and fair values of financial assets and liabilities by category : Amount in Rs.

	March 31, 2019		March 31, 2018	
	FVTPL	FVOCI	FVTPL	FVOCI
		Amortised Cost		Amortised Cost
Financial Assets (Non-Current)				
(i) Investments - Equity Instrument	-	-	9,028	-
(ii) Loans	-	1,61,14,565	-	1,74,62,312
Total (a)	-	1,61,14,565	9,028	1,74,62,312
Financial Assets (Current)				
(i) Trade receivables	-	3,86,92,750	-	13,92,97,647
(ii) Cash and cash equivalents	-	55,62,687	-	2,17,70,522
(iii) Bank Balances other than cash and cash equivalents	-	78,02,511	-	1,43,68,484
(iv) Loans	-	-	-	2,18,269
(v) Other current financial assets	-	19,74,810	-	67,92,855
(vi) Other Receivable	-	66,24,820	-	93,69,439
Total (b)	-	6,06,57,578	-	19,18,17,216
Total Financial assets (a+b)	-	7,67,72,143	9,028	20,92,79,528

Financial Liabilities (Non-Current)

- (i) Borrowings
(ii) Other Financial Liabilities

Total (a)

Financial Liabilities (Current)

- (i) Borrowings
(ii) Trade Payables
(iii) Other Financial Liabilities

Total (b)

Total Financial Liabilities (a+b)

	March 31, 2019		March 31, 2018	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
	-	5,67,39,049	-	9,55,69,405
	-	-	-	12,000
Total (a)	-	5,67,39,049	-	9,55,81,405
	-	17,32,71,134	-	20,47,54,009
	-	32,39,10,817	-	51,78,52,927
	-	3,90,18,556	-	3,80,28,666
Total (b)	-	53,62,00,507	-	76,06,35,602
Total Financial Liabilities (a+b)	-	59,29,39,556	-	85,62,17,007

Notes to Financial Statements for the year ended 31st March, 2019

Amount in Rs.

B. FAIR VALUE OF FINANCIAL ASSETS & LIABILITIES

The following is the comparison by class of the carrying amounts and fair value of the Company's financial instruments that are measured at amortized cost:

Particulars	31st March 2019		31st March 2018	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets				
Loans	1,61,14,565	1,61,14,565	1,76,80,582	1,76,80,582
Trade Receivables	3,86,92,750	3,86,92,750	13,92,97,647	13,92,97,647
Cash and Cash Equivalents	55,62,687	55,62,687	2,17,70,522	2,17,70,522
Bank Balances other than Cash and Cash equivalent	78,02,511	78,02,511	1,43,68,484	1,43,68,484
Other current financial assets	85,99,630	85,99,630	1,61,62,294	1,61,62,294
Total Financial Assets	7,67,72,143	7,67,72,143	20,92,79,529	20,92,79,529
Financial Liabilities				
Long term Borrowings	5,67,39,049	5,67,39,049	9,55,69,405	9,55,69,405
Other non-current financial liabilities	-	-	12,000	12,000
Short Term Borrowings	17,32,71,134	17,32,71,134	20,47,54,009	20,47,54,009
Trade Payables	32,39,10,817	32,39,10,817	51,78,52,927	51,78,52,927
Other Current Financial Liabilities	3,90,18,556	3,90,18,556	3,80,28,666	3,80,28,666
Total Financial Liabilities	59,29,39,556	59,29,39,556	85,62,17,007	85,62,17,007

The management has assessed that the fair values of cash and cash equivalents, trade receivables, trade payables, short term borrowings, and other current financial liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments. The management has assessed that the fair value of floating rate instruments approximates their carrying value.

C. FAIR VALUE HIERARCHY

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels :

Level 1 : Quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2 : Inputs other than quoted price including within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Notes to Financial Statements for the year ended 31st March, 2019

50. Financial risk management objectives and policies

The Company's activities expose it to the following risks :

- a) Credit Risk, b) Liquidity Risk, c) Market Risk

a) Credit Risk

Credit risk is the risk that counter party will not meet its obligations under a financial instruments or customer contract leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities including deposits with banks and financial institutions, intercorporate loans, investments, foreign exchange transactions and other financial instruments.

i) Trade Receivables

Customer credit risk is managed by the Company subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored and major customers are generally from government agencies. As a practical expedient, the provision matrix is prepared based on historically observed default rates over the expected life of trade receivable and is adjusted for forward looking estimates. The provision matrix at the end of reporting period is given below :

(117)

Particulars	As at 31st March, 2019			As at 31st March, 2018		
	Less than 2 years	More than 2 years	Total	Less than 2 years	More than 2 years	Total
Gross Carrying Amount	3,86,92,750	33,47,835	4,20,40,585	13,92,97,647	33,47,835	14,26,45,482
Expected loss rate	0%	100%		0%	100%	
Expected credit losses (loss allowance provision)	-	33,47,835	33,47,835	-	33,47,835	33,47,835
Carrying amount of trade receivables (net of impairment)	3,86,92,750	-	3,86,92,750	13,92,97,647	-	13,92,97,647

ii) Loans and Other Financial Assets

The Company expose to credit risk in relation to inter corporate loans, investment in deposit with banks and other receivables. The credit risk on inter corporate loans and deposit with bank is limited because the counter parties are banks/ other corporates with high credit rating. As a practical expedient, the provision matrix is prepared based on financial stability of the counter party, historically observed default rates over the expected life of financial assets and is adjusted for forward looking estimates.

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

Notes to Financial Statements for the year ended 31st March, 2019
Loans to Body Corporate (including accrued interest)

Particulars	As at 31st March, 2019			As at 31st March, 2018		
	Less than 2 years	More than 2 years	Total	Less than 2 years	More than 2 years	Total
Gross Carrying Amount	-	1,58,28,123	1,58,28,123	-	1,58,28,123	1,58,28,123
Expected loss rate	0%	100%		0%	100%	
Expected credit losses (loss allowance provision)	-	1,58,28,123	1,58,28,123	-	1,58,28,123	1,58,28,123
Carrying amount of loans (net of impairment)	-	-	-	-	-	-

Insurance Claim receivable

Particulars	As at 31st March, 2019			As at 31st March, 2018		
	Less than 1 year	1- 2 year	More than 2 years	Less than 1 year	1- 2 year	More than 2 years
Gross Carrying Amount	-	-	4,10,80,037	-	-	4,10,80,037
Expected loss rate	0%	25%	100%	0%	25%	100%
Expected credit losses (loss allowance provision)	-	-	4,10,80,037	-	-	4,10,80,037
Carrying amount of Claims receivable (net of impairment)	-	-	-	-	-	-

Reconciliation of Loss Allowance provision	Trade Receivable	Loans to body Corporate	Insurance Claim receivable
Loss allowance as on 31st March, 2018	33,47,835	1,58,28,123	4,10,80,037
Change in Loss Allowance (net)	-	-	-
Loss allowance as on 31st March, 2019	33,47,835	1,58,28,123	4,10,80,037

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

Notes to Financial Statements for the year ended 31st March, 2019

b) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Typically the Company ensures that it has sufficient cash on demand to meet expected short term operational expenses. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans/internal accruals. The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date.

Amount in Rs.

Particulars	On Demand	0 to 12 Months	More than 1 years to 5 years	More than 5 years	Total
Year ended 31 March 2019					
Long Term borrowings	-	-	1,08,57,962	4,58,81,087	5,67,39,049
Security Deposit	-	-	-	-	-
Short Term borrowings	-	17,32,71,134	-	-	17,32,71,134
Trade payables	-	32,39,10,817	-	-	32,39,10,817
Current maturities of long-term debt	-	20,64,546	-	-	20,64,546
Interest accrued but not due on borrowings	-	1,34,42,513	-	-	1,34,42,513
Interest payable (other than borrowings)	-	2,26,41,971	-	-	2,26,41,971
Liability for Capital Expenditure	-	4,00,500	-	-	4,00,500
Payable to Employees	-	4,69,026	-	-	4,69,026
Total	-	53,62,00,507	1,08,57,962	4,58,81,087	59,29,39,556
Year ended 31 March 2018					
Long Term borrowings	-	-	88,31,409	8,67,37,996	9,55,69,405
Security Deposit	-	-	12,000	-	12,000
Short Term borrowings	2,84,00,000	17,63,54,009	-	-	20,47,54,009
Trade payables	-	51,78,52,927	-	-	51,78,52,927
Current maturities of long-term debt	-	17,65,768	-	-	17,65,768
Interest accrued but not due on borrowings	-	81,84,340	-	-	81,84,340
Interest payable (other than borrowings)	-	45,73,270	-	-	45,73,270
Dividend Accrued on Cumulative Preference Shares	-	16,27,987	-	-	16,27,987
Payable to Employees	-	2,18,77,301	-	-	2,18,77,301
Total	2,84,00,000	73,22,35,602	88,43,409	8,67,37,996	85,62,17,007

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

Notes to Financial Statements for the year ended 31st March, 2019

c) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two type of risks: Foreign Exchange Risk and Interest Rate Risk.

i) Foreign Currency Exchange Risk

It is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company has Foreign Currency Exchange Risk on imports of Raw Materials & Capital Equipment(s), Buyer's Credit in foreign currency and export of Jute goods for its business. The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. To mitigate the risk, the Company adopts a policy of selective hedging based on risk perception of the management using forward contract.

The Company does not have any hedged foreign currency exposures whereas unhedged exposure to foreign currency risk at the end of reporting period are as follows :

Unhedged Foreign currency exposure

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	USD	INR	USD	INR
Financial Assets				
Trade Receivables	-	-	-	-
Financial Liabilities				
Buyers Credit	-	-	-	-
Trade Payables	-	-	2,20,355	1,44,46,492
Net Exposure in foreign currency	-	-	(2,20,355)	(1,44,46,492)

Sensitivity Analysis

The Analysis is based on assumption that the increase/decrease in foreign currency by 5% with all other variables held constant, on the unhedged foreign currency exposure.

Particulars	31st March, 2019		31st March, 2018	
	Sensitivity Analysis	Impact On	Sensitivity Analysis	Impact On
		Profit before Tax		Profit before Tax
		Other Equity		Other Equity
USD Sensitivity (Increase)	5%	-	5%	(7,22,325)
USD Sensitivity (Decrease)	5%	-	5%	7,22,325

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

Notes to Financial Statements for the year ended 31st March, 2019

ii) Interest rate risk

- a) The Company is exposed to risk due to interest rate fluctuation on borrowings. Such borrowings are based on fixed as well as floating interest rate. Interest rate risk is determined by current market interest rates, projected debt servicing capability and view on future interest rate. Such interest rate risk is actively evaluated and is managed through portfolio diversification and exercise of prepayment/refinancing options where considered necessary.

Amount in Rs.

Particulars	31st March 2019	31st March 2018
<u>Fixed Rate Instruments</u>		
Financial Assets	78,02,511	1,43,68,484
Financial Liabilities	9,37,18,727	12,48,66,511
	10,15,21,238	13,92,34,995
<u>Variable Rate Instruments</u>		
Financial Assets	-	-
Financial Liabilities	13,83,56,002	17,72,22,671
	13,83,56,002	17,72,22,671

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows :

Particulars	Increase/decrease in basis points	Effect on profit before tax	Effect on Equity
As at 31st March, 2019	+50	(6,91,780)	(6,91,780)
	-50	6,91,780	6,91,780
As at 31st March, 2018	+50	(8,86,113)	(8,86,113)
	-50	8,86,113	8,86,113

51. Previous year figures have been regrouped / rearranged wherever considered necessary.

The accompanying notes are an integral part of the Financial Statements

As per our Report annexed

On behalf of the Board of Directors

For J K V S & Co.

Chartered Accountants

FRN No. - 318086E

SUPRIO GHATAK

Partner

Membership No. 051889

Kolkata, the 14th Day of May, 2019

P. K. Kanoria – Chairman (DIN : 00305297)

S. Hada – Managing Director & CEO (DIN : 00305476)

V. K. Chaukhani – Whole time Director (DIN : 00309895)

R. Banka – Director (DIN : 07521286)

S. K. Agarwal – CFO & Company Secretary

RELIANCE JUTE MILLS (INTERNATIONAL) LIMITED

ROUTE MAP TO THE AGM VENUE

BHARATIYA BHASHA PARISHAD

The Sitaram Seksaria Auditorium
36A, Shakespeare Sarani, 4th Floor,
Kolkata - 700 017

