

Auditors' Report on Financial Results**For the Quarter and year ended 31st March 2017****The Board of Directors of****The India Jute and Industries Limited**

1. We have audited the quarterly financial results of The India Jute and Industries Limited ('the company') for the quarter and year ended 31st March, 2017, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the SEBI Regulations') and has been initialed by us for identification. The financial results for the quarter ended 31st March, 2017 have been prepared on the basis of the audited financial statements for the year ended 31st March, 2017 and the financial results for the nine months ended 31st December, 2016, which were subject to limited review and are the responsibility of the company's management and have been approved by the Board of Directors of the Company. Our responsibility is to express an opinion on these financial results based on our audit of the financial results as at and for the year ended 31st March, 2017 and our review of the financial results for the nine month period ended 31st December 2016, which was prepared in accordance with the recognition and measurement principles laid down in Accounting Standard for Interim Financial Reporting (AS 25), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder, as applicable and other accounting principles generally accepted in India and the relevant requirements of the SEBI Regulations.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. Attention is drawn to the following notes of the accompanying results:
 - a) Note no. 4 regarding non-provision of liquidated damages aggregating to Rs. 9,66,82,879 (including Rs. 61,90,975 for the year) on excise duty loan and penal interest etc. amounting to Rs. 28,39,466 (including Rs. 1,62,757 for the year) on sales tax loan from West Bengal Industrial Development Corporation of India to the extent ascertained in accordance with Accounting Standard- 29 on "Provisions, Contingent Liabilities and Contingent Assets";
 - b) Note no 8 regarding non-provision of interest on unsecured loan aggregating to Rs. 3,07,26,403 (including Rs. 10,90,500 for the year) in accordance with Accounting Standard- 29 on "Provisions, Contingent Liabilities and Contingent Assets";
 - c) Note no. 10 regarding non-provision of actuarially ascertained liability (to the extent identified and ascertained) for gratuity aggregating to Rs.1,94,63,299 (including Rs Nil for the year) in accordance with Accounting Standard-15 on "Employee Benefits".



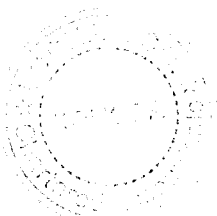
Further the valuation of Gratuity from year ending 31st March 2012 & non-valuation of Liability for compensated absences on the actuarial valuation in accordance with the Revised Accounting Standard-15, the impact of which is presently not ascertainable;

- d) Note no. 3 regarding classification of Loans under current and non-current as required under Schedule III of the Companies Act, 2013;
- e) Note no 4 regarding non-ascertainment and extent of dues payable with regard to loan/interest/penal interest, liquidated damages etc. payable to financial institution/assignee/other parties in accordance with Accounting Standard- 29 on "Provisions, Contingent Liabilities and Contingent Assets", the impact of which is presently not ascertainable;
- f) Note no 5 regarding shortfall in the book value of security as compared to the amount of secured loan;
- g) Note no. 6 regarding creation of Security in respect of Deferred payment liabilities and charge in respect of Assignee's of Modernisation and Rehabilitation Term Loans is yet to be created/modified; and
- h) Note no. 9 regarding non-ascertainment of dues to Micro, Small and Medium Enterprises as required under the "Micro, Small & Medium Enterprise Development Act (2006)";
- i) Note no 11 regarding non-provision for dues, interest, penalty and other liability for delay / default in payment of statutory / other liabilities/gratuity/listing fees etc.;
- j) Note no 13 regarding non-ascertainment and non-provision for impairment of assets in accordance with Accounting Standard- 28 on "Impairment of Assets";
- k) Note no 14 with regard to non-ascertainment of status and recoverability of fixed deposit for Rs 13,20,593 pledged with State Bank of India;
- l) Note no 15 regarding non-ascertainment of recoverability and non-provision for shortfall in the value of inventories in accordance with Accounting Standard-2 on "Valuation of Inventories" the extent of which cannot be commented upon by us;
- m) Note no 16 regarding confirmation of certain balances and consequential reconciliation and adjustments arising regarding eventual shortfall in values and their impact in respect of Security Deposits, Fixed Deposits, Inventories, Trade Receivables and Loans and Advances which is currently not ascertainable;
- n) Note no 18 regarding payment of remuneration to managerial personnel which is subject to approval of Central Government;
- o) Note no 19 regarding giving the Cotton and Synthetic division on right to use basis to third parties. Impact of legal implication including non-obtaining of approval from relevant authorities for such transaction on these accounts is not ascertainable; and
- p) The Company has suffered substantial losses in earlier years leading to erosion of its net worth as on 31st March 2017. For the reasons mentioned in Note no 2 of the results, the accounts of the Company have been prepared on going concern basis. However, the ability of the Company to continue as a going concern is dependent upon the future profitability and viability of operations which presently cannot be commented upon.
- q) We further report that, without considering the impact of items mentioned in point (d) to (p) above, the effect of which could not be ascertained presently, had the impact of the item referred to in Point (a) to (c) above been given in the financial statement, the loss for the quarter and year ended would have been Rs.



14,35,73,242 (as against the reported profit of Rs. 61,38,805) and Rs. 15,23,71,853 (as against reported loss of Rs. 26,59,806) respectively.

4. In our opinion and to the best of our information and according to the explanations given to us, except for matters described in Paragraph 3 above, these quarterly financial results as well as the year to date results read with notes thereon:
 - I. are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
 - II. give a true and fair view of the net profit and other financial information for the quarter and year ended 31st March 2017.
5. These financial results include the results for the quarter ended 31st March, being the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto 31st December of the relevant financial year, which were subject to limited review by us as stated in Paragraph 1 above, as required under the SEBI Regulations.
6. We were the statutory auditors of the company till the financial year ended 31st March, 2017 and thereafter till the conclusion of the Annual General Meeting on 23rd September, 2017. The figures stated, notes and other disclosures in the accompanying statement have been made for the purpose stated in Note no. 1 and are therefore based on the accounts, balances and state of affairs as on 31st March 2017 and events subsequent to that (till the date of authentication of this statement) and impact if any in this respect, as such have neither been informed nor considered therein. This Report has been issued at the request of the Management of the Company, for submission to The Calcutta Stock Exchange Limited as given in Note no. 1 of the accompanying Statement and should not be used by or distributed to anyone for any other purpose.



Place: Kolkata
Date: 13th February 2019

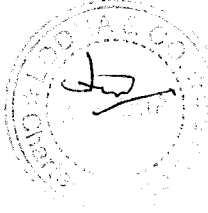
For Lodha & Co,
Chartered Accountants
Firm's ICAI Registration No.:301051E


H. K. Verma

Partner
Membership No.055104

THE INDIA JUTE AND INDUSTRIES LIMITED CIN: L17119WB1916PLC002720 Registered Office: 4A, Shree Ganesh Business Centre, 216, Acharya J.C. Bose Road, Kolkata - 700 017 Tel No.: +91 033 2287 1640 E-mail: kaaleen@cal2.vsnl.net.in					
STATEMENT OF AUDITED RESULTS FOR THE QUARTER AND YEAR ENDED 31/03/2017					
Particulars	3 months ended 31/03/2017	Preceding 3 months ended 31/12/2016	Corresponding 3 months ended in the previous year 31/03/2016	Year to date figures for current period ended 31/03/2017	Year to date figures for previous period ended 31/03/2016
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1 Income from operations					
(a) Revenue from operations	7,37,39,932	6,90,83,590	8,95,31,918	27,14,77,362	29,56,88,248
(b) Other income	12,00,669	62,730	1,85,947	14,92,509	52,60,465
Total Revenue	7,49,40,601	6,91,46,320	8,97,17,865	27,29,69,871	30,09,48,713
2 Expenses					
(a) Cost of materials consumed	2,98,85,879	3,03,45,390	4,18,15,862	11,86,87,680	13,83,69,398
(b) Changes in inventories of finished goods, work in progress and stock-in-trade	37,15,766	42,18,470	(45,15,729)	90,15,246	1,15,89,701
(c) Employee benefits expense	28,37,465	19,19,660	57,16,229	1,22,02,625	2,21,11,669
(d) Finance costs	18,62,826	21,62,590	21,97,155	85,47,436	94,31,725
(e) Depreciation and amortisation expense	4,58,196	4,58,190	3,65,149	18,32,766	14,60,569
(f) Processing Charges	2,73,03,294	2,66,04,240	4,05,62,098	11,58,37,864	9,71,26,648
(g) Other expenses	27,38,370	18,93,740	37,98,970	95,06,060	1,35,46,180
Total expenses	6,88,01,796	6,76,02,280	8,99,39,734	27,56,29,677	29,36,35,890
3 Net Profit/(loss) from ordinary activities (1 - 2)	61,38,805	15,44,040	(2,21,869)	(26,59,806)	73,12,823
4 Paid-up equity share capital (Face value - Rs. 10/-)	2,58,00,00,000	2,58,00,00,000	2,58,00,00,000	2,58,00,00,000	2,58,00,00,000
5 Reserves excluding revaluation reserve				(14,36,07,333)	(14,09,61,333)
6 Earnings Per Share (EPS) of Rs. 10 each					
Basic (Rs.)	2.38	0.60	(0.09)	(1.03)	2.83
Diluted (Rs.)	2.38	0.60	(0.09)	(1.03)	2.83

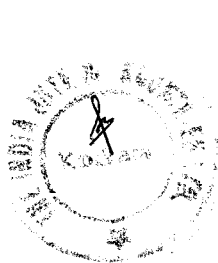
Statement of Assets and Liabilities		
Amount in Rupees		
Particulars	As at 31/03/2017	As at 31/03/2016
A EQUITY AND LIABILITIES		
1 Shareholder's funds		
(a) Share Capital	2,58,00,000	2,58,00,000
(b) Reserves and surplus	(11,61,12,512)	(11,34,52,706)
2 Non-current liabilities		
(a) Long-term borrowings	9,08,49,144	12,11,12,144
(c) Other long-term liabilities	56,93,390	56,93,390
3 Current Liabilities		
(a) Trade payables	1,55,98,722	1,46,41,316
(b) Other current liabilities	2,69,75,763	3,36,22,251
(c) Short-term provisions	2,41,14,836	2,46,61,618
TOTAL	7,29,19,343	11,20,78,013
B ASSETS		
1 Non-current assets		
(a) Fixed assets		
(i) Tangible assets	4,34,24,932	4,18,82,021
(b) Non-current investments	6,800	6,800
(c) Long-term loans and advances	24,04,077	23,58,444
(d) Other non-current assets	43,24,988	43,24,741
2 Current assets		
(a) Inventories	47,72,413	2,70,21,643
(b) Trade receivables	1,28,86,568	1,30,91,609
(c) Cash and cash equivalents	9,77,759	48,25,909
(d) Short-term loans and advances	39,16,477	1,83,41,072
(e) Other current assets	2,05,329	2,25,774
TOTAL	7,29,19,343	11,20,78,013



Segment Wise Revenue, Results, Assets and Liabilities are as follows:						Amount in Rupees
Sl. No.	Particulars	Quarter Ended			Year Ended	
		31/03/2017	31/12/2016	31/03/2016	31/03/2017	31/03/2016
A.	Segment Revenue					
	Textile	6,96,56,080	6,90,83,590	7,95,52,400	26,59,81,679	27,68,81,321
	Fine Yarn	40,83,850	-	99,79,530	54,95,683	1,88,06,927
	Carpet	-	-	-	-	-
	Net Revenue from Operations and interdivisional transfers	7,37,39,930	6,90,83,590	8,95,31,930	27,14,77,362	29,56,88,248
	Less: inter Segment transfers	-	-	-	-	-
	Net Revenue from Operations	7,37,39,930	6,90,83,590	8,95,31,930	27,14,77,362	29,56,88,248
B.	Segment Results					
	Textile	53,98,911	39,20,180	(26,17,964)	74,31,558	1,86,49,277
	Fine Yarn	25,80,980	(2,48,420)	46,07,730	(16,83,095)	(18,06,083)
	Carpet	(15,880)	(13,320)	(60,600)	(55,829)	(2,35,561)
	Sub-Total	79,64,011	36,58,440	19,29,166	56,92,634	1,66,07,633
	Less: inter Segment transfers	-	-	-	-	-
	Finance Costs	18,62,830	21,62,590	21,97,155	85,47,436	94,31,725
	Other un-allocable expenditure net of unallocable income	(37,624)	(48,190)	(46,120)	(1,94,996)	(1,36,915)
	Profit before Tax	61,38,805	15,44,040	(2,21,869)	(26,59,806)	73,12,823
C.	Segment Assets					
	Textile	3,20,07,826	7,00,73,294	6,74,21,001	3,20,07,826	6,74,21,001
	Fine Yarn	2,78,49,365	2,77,87,622	2,76,91,646	2,78,49,365	2,76,91,646
	Carpet	71,55,164	71,69,024	72,08,986	71,55,164	72,08,986
	Unallocated/Corporate Assets	59,06,988	71,71,374	97,56,380	59,06,988	97,56,380
	Total Segment Assets	7,29,19,343	11,22,01,314	11,20,78,013	7,29,19,343	11,20,78,013
D.	Segment Liabilities					
	Textile	4,02,48,170	5,48,09,059	4,39,26,984	4,02,48,170	4,39,26,984
	Fine Yarn	2,27,73,724	2,44,98,830	2,04,36,175	2,27,73,724	2,04,36,175
	Carpet	14,82,753	14,82,750	14,82,753	14,82,753	14,82,753
	Unallocated/Corporate Liabilities	9,87,27,208	12,78,61,992	13,38,84,807	9,87,27,208	13,38,84,807
	Total Segment Liabilities	16,32,31,855	20,86,52,631	19,97,30,719	16,32,31,855	19,97,30,719

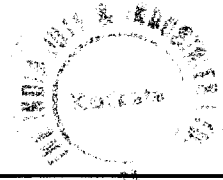
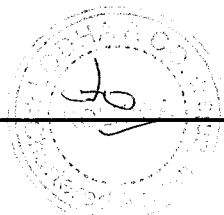
Notes:-

- The Company is in the process of complying with the requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 ('the regulation') and accordingly in connection therewith, the company is required to submit the Quarterly, Year to Date and Annual Financial Results for the period beginning from Quarter ended June 30, 2015 ('the results') subject to limited review by the Statutory Auditor's of the company. The company has since prepared the aforesaid results for the said period and placed the same before the Board of Directors of the company in their meeting held on 13th February 2019 for approval thereof. The Statutory Auditor's of the company have carried out a limited review of the results.
- The operating results have adversely affected due to adverse market conditions and accumulated losses of the company as at 31st March 2017 stands at Rs.11,61,12,512 as against the share capital of Rs.2,58,00,000. Also current liabilities as at 31st March 2017 exceeds current assets by Rs.4,47,92,925. The company had already made reference to The Board for Industrial and Financial Reconstruction (BIFR) under section 15 of the Sick Industrial (Special Provisions) Act, 1985 which declared the Company Sick Industrial Company vide its order dated 20th December 1999. BIFR appointed IFCI Ltd as an operating Agency (OA). BIFR vide its orders in several meeting directing OA to submit fully tied up Draft Rehabilitation Scheme (DRS) for consideration of BIFR. OA vide their letter dated 16th May, 2014 forwarded the DRS to the Hon'ble BIFR. The Hon'ble BIFR in its meeting held on 22nd May, 2014 has directed the BIFR's Board office to re-examine the DRS submitted by IFCI (OA) for early circulation, if found viable. However, the said Act has been repealed on and from 1st December, 2016 on notification of Sick Industrial Companies (Special Provision) Repeal Act, 2003 by the Central Government as published in the official gazette dated 28th November, 2016. The company has not yet made reference under the new law. The Company has positive EBITDA both in the current and the previous financial years and the Management is in the process of rationalizing the expenses as well as considering the measures to generate revenue. Further, with the improvement in the industrial scenario, the company is able to utilise its production capacities and it is expected that the overall financial health of the Company would improve considerably. Accordingly, the Company continues to prepare its accounts on a "Going Concern" basis.
- As referred to in above note, the company is a sick company and the repayment schedule of the loans is dependent on the sanction of the revival scheme by Honourable BIFR. Pending decision of Honourable BIFR, the loans have been treated as long term borrowings and the repayment schedule for current and non current is presently not ascertainable and accordingly, current maturities/non-current portion of long term loans could not be worked out and disclosed as required by Schedule III of the Companies Act, 2013.
- Due to continued adverse workings, the Company could not repay the principal amounts due for repayment and interest on secured loans to the Financial Institutions / Assignees / Other Parties interest, penal interest, liquidated damages, payable due to such default as per the agreements have been decided to be accounted for as and when paid / settled with the lenders / assignee. Accordingly, liquidated damages estimated by the management based on the available information amounting to Rs.9,66,82,879 (including Rs. 61,90,975 for the year) on Excise Duty Loan from the Government of India and penal interest, etc. amounting to Rs.28,39,466 (including Rs.1,62,757 for the year) on Sales tax loan from West Bengal Development Corporation of India has not been provided. The interest, penal interests, liquidated damages etc. payable to the Financial Institutions / Assignees / Other Parties, the amount of which presently not ascertainable, have also not been provided for in these financial statements since 01st April,2002.
- As compared to the amount of secured loan and the value of Security there is a shortfall in the book value of security. Therefore, to the extent there is a shortfall in the value of security the amount of secured loan is not secured.
- The Company is yet to enter into fresh agreement with the lender/ assignee. In absence of the same, the Loan taken from financial institution has been continued to be considered as default to financial institution in terms of Schedule III of the Companies Act, 2013. Based on the same, the Company has defaulted in the repayment of principal amount of loans. Further the company has defaulted in repayment of interest due on loan from financial institutions/others.



- 7 Though the loans have been assigned by original lender to others, the charge in respect of assignees except in respect of United Credit Limited is yet to be modified. Steps are being taken to modify the same in favour of assignees.
- 8 Interest accrued upto 31st March, 2017 aggregating to Rs.3,07,26,403 (including Rs. 10,90,500 for the year) on unsecured loan amounting to Rs. 63,00,000 as estimated by the management (without considering additional interest, if any, on non-payment of principal interest) has not been provided for and the same will be accounted for as and when paid/settled.
- 9 Disclosure of Trade payables regarding the status of supplier's as defined under the "Micro, Small & Medium Enterprises Development Act, 2006" (the Act) has not been made since there has been no such confirmation sent by the company to their supplier regarding their status. Hence relevant disclosure U/s 22 of the act has not been made.
- 10 As per consistent policy, no provision has been made in these financial statements for accrued liability for gratuity for the period upto 31st March, 2003 in respect of employees of Fine Yarn and Carpet Division amounting to Rs. 24,30,173 and Rs. 9,99,787 respectively and for employees of Textiles Division and Head Office who are in the service of the company as on 31st March, 2011 amounting to Rs.153,23,102 and Rs. 7,10,237 respectively, to the extent identified. From the year ended 31st March, 2012, no actuarial valuation has been carried out in respect of employees existing as on 31st March, 2017 and has been only provided in respect of employees retired during the period. However, in absence of actuarial valuation as per AS - 15 on employee benefit has not been ascertained and necessary provision has not been made.
- In terms of AS-15, no actuarial valuation has been carried out in respect of liability for gratuity and compensated absences. Liability for leave encashment has not been provided for. In absence of actuarial valuation, the liability that would arise could not be ascertained and necessary disclosure has not been made.
- 11 Pending ascertainment of the amounts, no provision has been made in these financial statements for dues, interest, penalty or other liability for delay / default in payment of statutory / other liabilities including in respect of provident fund, gratuity, excise duty, sales tax listing fees etc. Due to huge losses and non - availability of sufficient cash, the company is in the process of making payment of statutory dues (including gratuity) as and when the sufficient funds will be available.
- 12 Cost / Book value of all the fixed assets of the Company as on 31st March, 1987 was written up on revaluation by Rs.24,95,38,035 by crediting the corresponding amount to Revaluation Reserve on Revaluation of fixed assets as on 31st March, 1987. Revaluation Reserve Account was pending reconciliation with the asset wise details. Consequential adjustment arising out of such reconciliation including adjustments on account of assets sold till 31st March 2014 were not determined.
- 13 Due to huge losses and various divisions being run by licensee / third parties under licensing / other agreement the management has not carried out any exercise with regard to measurement and recognition of loss on impairment of assets.
- 14 Pending confirmation with regard to a fixed deposit of Rs. 13,20,593 pledged with the State Bank of India for utilization of bank guarantee, no adjustment has been made in the financial statements.
- 15 Inventories as on 31st March 2017 amounting to Rs. 7,95,177 is lying for more than one year. The Company is taking necessary steps to dispose off the same. In the opinion of management there would be no shortfall in their realizable value in the ordinary course of the business. Consequently no further provision have been considered necessary in this regard.
- 16 Debit and Credit balances including trade receivables, fixed deposits, Deposit in NLA with IFCL, Security Deposits, Loans and Advances, trade payables, current liabilities including advances from customers, other liabilities, long term borrowings etc. are subject to confirmation/reconciliation with respect to individual details from concerned parties. Necessary adjustments in this respect will be carried out on ascertainment of amount thereof.
- 17 In view of the management, due to huge carried forward losses, unabsorbed depreciation and current year results, deferred tax assets are in much excess of the deferred tax liability which are not accounted for as there is no virtual certainty that there will be sufficient future taxable income.
- 18 In view of inadequacy of profit, remuneration of Rs. 26,31,242 paid to Managing Director and Whole Time Director is subject to approval of the Central Government.
- 19 The Company had entered into an agreement with Adinath Cotton And Synthetic Spinners Private Limited (Adinath) on 23rd March, 2006 and 26th July, 2006 wherein, the doubling unit and single yarn unit of Synthetic and Cotton manufacturing unit which are under suspension of work w.e.f. 16th August, 2002 were given to Adinath w.e.f. 09th March, 2006 and 26th July, 2006 respectively as right to use for running such units with entitlement to use all existing fixed assets and other equipments belonging to the Company at such units. Since no production has been made in the unit directly by the Company during the year, no provision has been made for cost of employees relating to the unit.
- 20 The figures for the Quarter ended 31st March, 2017 and 31st March, 2016 are the balancing figure between the audited figures in respect of full financial year and the year to date upto the quarter ended 31st December of the respective year.
- 21 Previous periods figure have been re-arranged/ re-grouped wherever necessary.

Place : Kolkata
Date: 13/02/2019



For the India Jute and Industries Limited


B. K. JALAN
Managing Director
DIN No: 00876208