

ANNUAL REPORT & ACCOUNTS 2015-2016



THE RAMESHWARA JUTE MILLS LIMITED

THE RAMESHWARA JUTE MILLS LIMITED

CIN : L17119WB1935PLC046111

DIRECTORS :

R. P. Pansari, *Chairman*

H. C. Daga

K. P. Chaudhury

S. S. Jajodia

U. C. Jain

G. Ganguli

Smt. S. P. Patjoshi

P. K. Chhawchharia

Chief Executive Officer

Suresh Sharma

Chief Finance Officer

Kishor Kumar Sharma

Company Secretary

Shampa Ghosh Ray (*Upto 27.05.2016*)

AUDITORS :

G. Basu & Co.

Chartered Accountants

BANKERS :

CITI Bank

UCO Bank

State Bank of India

Axis Bank

REGISTERED OFFICE :

"Birla Building", 8th Floor

9/1, R. N. Mukherjee Road

Kolkata 700 001

Phone No. : 033-30573700/30410900 (Extn. 1883)

E-mail : rjm.ho@rjm.co.in

Website : <http://www.rameshwarajute.com>

SHARE DEPARTMENT :

"Birla Building", 8th Floor

9/1, R. N. Mukherjee Road

Kolkata 700 001

THE RAMESHWARA JUTE MILLS LIMITED

NOTICE to the Members

NOTICE is hereby given that the Annual General Meeting of **THE RAMESHWARA JUTE MILLS LIMITED** will be held at 3:00 P.M. on Friday, the 23rd September, 2016 at 16th Floor, Birla Building, 9/1 R N Mukherjee Road, Kolkata -700001, to transact the following business :

GENERAL BUSINESS

1. To consider and adopt the Audited Financial Statement for the year ended 31st March, 2016, the Report of the Auditors thereon and the Report of the Board of Directors of the Company for the year ended 31st March, 2016.
2. To appoint a Director in place of Shri S S Jajodia (DIN 00065195), who retires by rotation and being eligible, offers himself for re-election.
3. To appoint Auditors and to fix their remuneration.

Registered Office :

“BIRLA BUILDING”, 8th Floor
9/1, R. N. Mukherjee Road
Kolkata 700 001
Dated : 27th May, 2016

By Order of the Board

SURESH SHARMA
Chief Executive Officer

Notes :

1. **A Member entitled to attend and vote at the above Meeting is entitled to appoint one or more proxies to attend and vote instead of himself / herself and a proxy need not be a Member of the Company. The Instrument of Proxy to be effective, must be lodged with the Company not less than 48 hours before the commencement of Meeting.**
A person can act as a Proxy on behalf of Members not exceeding fifty and holding in aggregate shares not more than ten percent of the total Share Capital of the Company. A member holding more than ten percent of the total Share Capital of the Company carrying voting rights may appoint a single person to act as proxy and such person shall not act as proxy for any other person or shareholder.
2. The Register of Members shall remain closed from 17th September, 2016 to 23rd September, 2016 (*both days inclusive*).
3. (i) A person, whose name is recorded in the Register of Members as on the **cut-off date i.e. 16th September, 2016** only shall be entitled to avail the facility of either remote e-Voting or voting at the AGM through Ballot Paper. A person who is not a Member as on the **cut-off date** should treat this Notice for information purpose only.
(ii) Persons, who have acquired Shares and become Members of the Company after the despatch of the Notice for the AGM, but before the **cut-off date**, will follow instructions given under Note No. 16.
4. The Notice of the AGM will also be available on the Company's website **www.rameshwarajute.com** and the website of Central Depository Services (India) Limited (“CDSL”) at **www.cdslindia.com**.
5. **Members are requested to notify change of address**, if any, along with address proof i.e. self attested copy of Voter Identity Card, Electric/Telephone Bill, Driving License or a copy of the Passport, Aadhar Card or Bank Statement to the **Share Department of the Company**.
6. In case the mailing address mentioned on the envelope of this Annual Report is either without Pin Code or with incorrect Pin Code, Members are urged to advise the correct Pin Code to the **Share Department of the Company** immediately, for speedier delivery of documents in future.

7. (a) Members desirous of receiving Notices and/or documents from the Company through the **electronic mode** are urged to update their email addresses with the **Share Department of the Company**.
(b) E-mail addresses of Members as advised to the **Share Department of the Company** will be deemed to be the Member's registered E-mail address for serving Company's documents/notices as per provisions of the Act and the instructions of the Ministry of Corporate Affairs. Members intending to refresh/update their E-mail addresses should do so as soon as possible.
8. Members holding Shares in identical order of names in more than one Folio, are requested to write to the **Share Department of the Company** enclosing the relevant Share Certificates requesting consolidation of such Folios into one Folio for their own convenience.
9. Physical copy of the Annual Report 2015-16, Notice of the AGM along with Attendance Slip, Electronic Voting Particulars and Proxy Form are being sent to all the Members at their registered addresses as none of the Members have so far registered their e-mail IDs with the Company.
10. Corporate Members/AOPs are required to send to the Company a certified copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013, authorising their representative to attend and vote at the Annual General Meeting.
11. As per the provisions of the Act, the facility for making /varying/ cancelling nominations is available to individuals holding shares in the Company. Nominations can be made in **Form SH.13** and any variation/ cancellation thereof can be made by giving notice in **Form SH.14**, prescribed under the Companies (Share Capital and Debentures) Rules, 2014 for the purpose. The Forms can be obtained from the **Share Department of the Company** or downloaded from the website of **Ministry of Corporate Affairs at www.mca.gov.in**.
12. **Members, desirous of getting any information in relation to the Company's Annual Report 2015-16, are requested to address their query(ies) well in advance, i.e. at least 10 days before the Meeting, to the Chief Executive Officer to enable the Management to keep the information readily available at the Meeting.**
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) for all securities market transactions. Thereafter it was clarified vide Circular no. MRD/DOP/Cir-05/2009 dated May 20, 2009 that for securities market transactions and off market transactions involving transfer of shares in physical form of listed companies, it shall be mandatory for the transferee(s) to furnish a copy of PAN Card to the Company for registration of such transfer of shares. Members should submit their PAN details to the Company.
14. Members are requested to claim their unclaimed shares lying with the Company by sending proper documentary evidence to establish their bonafides. Till such claim, as per Clause 5A II of the Listing Agreement with The Calcutta Stock Exchange Limited ("CSE")/Para E in Schedule VI of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, voting rights on such shares shall remain frozen.
15. As per Section 108 of the Companies Act, 2013 read with Companies (Management and Administration) Amendment Rules, 2014 as amended vide Companies (Management and Administration) Amendment Rules, 2015 effective 19th March, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:
 - i) the items of business set out in the attached Notice may be transacted also through the electronic voting system from a place other than the venue of the Meeting ("remote e-Voting") under an arrangement with Central Depository Services (India) Limited ("CDSL") as specified more fully in the instructions under Serial No. 16, provided that, once the vote on a Resolution is cast by remote e-voting, a Member shall not be allowed to change it subsequently or cast the vote again.

THE RAMESHWARA JUTE MILLS LIMITED

- ii) the facility for voting through Ballot Paper shall also be made available at the Annual General Meeting and members attending the Meeting, who have not already cast their vote by remote e-Voting shall be able to exercise their right at the Meeting.
- iii) the members who have cast their vote by remote e-Voting prior to the Meeting may also attend and participate in the Meeting but shall not be entitled to cast their vote again.

16. The instructions for members to vote electronically are as under :-

- (i) The voting period begins at **9:00 A.M. on Tuesday, 20th September, 2016** and ends at **5:00 P.M. on Thursday, 22nd September, 2016**. During this period, Members of the Company as on the **cut-off date i.e. Friday, 16th September, 2016** may cast their vote electronically. The e-Voting module shall be disabled by CDSL for voting thereafter. The facility for voting through Ballot Paper shall be made available at the Meeting to the Members as on the **“cut-off date” i.e. record date**, attending the Meeting and who have not cast their vote by remote e-Voting shall be able to exercise their right to vote at the Meeting through Ballot Paper.
- (ii) The shareholders should log on to the e-Voting website www.evotingindia.com during the voting period.
- (iii) Click on “SHAREHOLDERS” tab.
- (iv) Now Enter your USER ID :
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on LOGIN.
- (vi) If you are a first time user follow the steps given below :

| | |
|-----------------------|--|
| PAN | Enter your 10 digit alpha-numeric PAN issued by Income Tax Department. <ul style="list-style-type: none">● Members who have not updated their PAN with the Company are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.● In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. |
| DOB | Enter the Date of Birth as recorded in the company records for the said Folio in dd/mm/yyyy format. |
| Dividend Bank Details | Enter the Dividend Bank Details as recorded in the company records for the said Folio. <ul style="list-style-type: none">● Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the Company please enter the Member Id/ Folio Number in the Dividend Bank details field as mentioned in instruction (iv). |

- (vii) After entering these details appropriately, click on “SUBMIT” tab.
- (viii) Members will then directly reach the Company selection screen.
- (ix) For Members, the details can be used only for e-Voting on the Resolutions contained in this Notice.
- (x) Click on the EVSN for “**THE RAMESHWARA JUTE MILLS LIMITED**” on which you choose to vote.
- (xi) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option “YES” or “NO” as desired. The option “YES” implies that you assent to the Resolution and option “NO” implies that you dissent to the Resolution.
- (xii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

- (xiii) After selecting the Resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiv) Once you “CONFIRM” your vote on the Resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on “Click here to print” option on the voting page.
- (xvi) **Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xvii) Note for Institutional Shareholders:
- Institutional shareholders (i.e. other than Individuals, HUF, NRI) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a Compliance User using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts, they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (PoA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Institutional Shareholders (i.e., other than individual, HUF, NRI) are required also 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 through email at rjm.ho@rjm.co.in with a copy marked to helpdesk.evoting@cdslindia.com.
- (xviii) In case you have any queries or issues regarding e-Voting, you may refer the Frequently Asked Questions (“FAQs”) and e-Voting manual available at www.evotingindia.com under “Help” section or write an email to helpdesk.evoting@cdslindia.com. For any query relating to the Resolutions proposed to be passed at the ensuing Annual General Meeting (AGM), it may be addressed to Shri Suresh Sharma, Chief Executive Officer at the Registered Office or at email: rjm.ho@rjm.co.in or at 033-22437121.
17. The voting rights of Members shall be in proportion to their shares of the Paid-Up Equity Share Capital of the Company as on the cut-off date.
18. Shri Kamal Kumar Sharma, (FCS 3337 and CP Registration No 4057), Practicing Company Secretary has been appointed as Scrutinizer for providing facility to the Members of the Company to scrutinize the voting at venue of AGM and remote e-voting process in a fair and transparent manner.
19. The Chairman shall, at the AGM, at the end of discussion on the Resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of Ballot Paper for all those Members who are present at the AGM and have not cast their votes by availing the remote e-voting facility.

THE RAMESHWARA JUTE MILLS LIMITED

20. The Scrutinizer shall after the conclusion of voting at the AGM, first count the votes cast at the Meeting and thereafter unblock the votes cast through remote e-Voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
21. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be simultaneously communicated to the Calcutta Stock Exchange Limited.
22. On receipt of the requisite number of votes, the Resolutions shall be deemed to have been passed on the date of the Annual General Meeting.
23. The landmark and route map of the venue of the AGM is given on the backside of the Attendance Slip in the Annual Report 2015-16.

Registered Office :

"BIRLA BUILDING", 8th Floor
9/1, R. N. Mukherjee Road
Kolkata 700 001
Dated : 27th May, 2016

By Order of the Board

SURESH SHARMA
Chief Executive Officer

DIRECTORS' REPORT

Your Directors present the Annual Report together with the Audited Financial Statement of the Company for the year ended 31st March, 2016.

FINANCIAL RESULTS

(₹ in lacs)

| Particulars | 31st March, 2016 | 31st March, 2015 |
|---|-------------------------|-------------------------|
| Income from Operations | - | 2713.27 |
| Add : Other Operating Income | 149.64 | 177.53 |
| Total income from Operations | 149.64 | 2890.80 |
| Add : Other Income | 34.72 | 36.75 |
| Total Income (A) | 184.36 | 2927.55 |
| Less : Depreciation | 63.68 | 65.19 |
| Finance Cost | 27.88 | 7.75 |
| Other Operating Expenses | 657.07 | 1147.95 |
| Extraordinary Items | - | 14.51 |
| Total Expenses (B) | 748.63 | 1235.40 |
| Profit/(Loss) before Tax (A-B) | (564.27) | 1692.15 |
| Less : Income Tax | - | 604.19 |
| Net Profit/(Loss) for the year | (564.27) | 1087.96 |
| Profit/(Loss) brought forward from last Account | 1378.83 | 291.00 |
| Less : Depreciation taken to Reserves | - | 0.13 |
| Profit Carried to Balance Sheet | 814.56 | 1378.83 |

BUSINESS OPERATIONS

The Division has made a loss of ₹ 521.20 Lac during FY' 2015-16 as against a profit of ₹ 1708.32 Lac in FY' 2014-15. Iron Ore Production in FY' 2015-16 was Nil as against 0.77 lac MT in FY'2014-15. However, mining operation remained suspended from 9th August, 2014 due to non-applicability of deemed extension clause as per the modified Rule 24A (6) of Mineral Concession Rules, 1960.

Against rejection of the mining lease by the Jharkhand Government, appropriate proceedings have been initiated before the Mining Tribunal. Against subsequent notice from the State government authorities for surrender of such lease and notification for auction of the Company's mining lease, the matter was taken up before the Hon'ble Jharkhand High Court. Pursuant to the orders of the said Hon'ble High Court, requisite revision application has been made before the Mining Tribunal and the decision thereof is still awaited. In the mean time, the State Government has been restrained by the Hon'ble High Court for any coercive action.

Eviction proceedings in respect of office premises taken by the Company on tenancy from a nationalized bank are being contested by the Company before the Estate Officer of the said bank. Besides, in respect of a portion of the Company's office space seized by the said bank, the matter has been challenged in a suit filed before the Hon'ble High Court at Delhi wherein an order of status quo has been issued by the Hon'ble High Court.

DIVIDEND

In view of the loss for the year and need of augmenting resources, no dividend is recommended for the Financial Year under report. No transfer to reserves is proposed in respect of the Financial year under report.

SHARE CAPITAL

The Paid-up Equity Share Capital as on 31st March, 2016 remained at ₹ 26.61 Lakhs. During the year under report, the Company has not issued any share with or without differential voting rights, granted any stock options or issued any sweat equity shares.

THE RAMESHWARA JUTE MILLS LIMITED

AUDITORS REPORT

There are no qualifications in the Auditors Report.

DIRECTORS

The Company has the required number of Independent Directors as envisaged under Section 149(4) of the Companies Act, 2013 ("the Act"). During the year, there was no change in the Board.

All Independent Directors have given to the Company the requisite declarations that they meet the Independence criteria as laid down under Section 149(6) of the Act.

Shri S. S. Jajodia (DIN: 00065195), Director of your Company, retires from the Board by rotation and being eligible, offers himself for re-appointment. Shri Jajodia (76) is a Commerce Graduate with a degree in Law. His experience in handling legal and administrative matters spans over four decades. Other than being a major partner in Krishna Kunj a partnership firm, he holds Directorships in India Silica Magnesite Works Limited, Bengal Stores Limited, and Integrated Development Enterprises Limited. He is currently associated with Shekhawati Investments and Traders Limited. He does not have any shareholding in the Company.

KEY MANAGERIAL PERSONNEL (KMP)

Except Smt. Shampa Ghosh Ray ceasing to be the Company Secretary with effect from close of business of 27th May, 2016, there has been no change in KMPs during the year under report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) the Act and, based upon representations from the Management, the Board, to the best of its knowledge and belief, confirms that:

- (a) in the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures; if any.
- (b) such accounting policies had been selected and applied consistently and such judgments and estimates had been made that were 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 ended 31st March, 2016 and of the loss of the Company for that period;
- (c) proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Annual Accounts had been prepared on a going concern basis;
- (e) internal financial controls had been laid down to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- (f) proper systems had been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

EVALUATION OF BOARD PERFORMANCE

In compliance with the provisions of the Act, the Board evaluated its own performance during the year under report along with its various Committees and its individual Directors. The Independent Directors also reviewed the performance of the Non-Independent Director of the Company.

NUMBER OF BOARD MEETINGS

The Board met four times during the Financial Year 2015-16 (on 28th May, 2015, 6th August, 2015, 13th November, 2015 and 8th February, 2016).

NOMINATION AND REMUNERATION POLICY

The Company has in place a formal Nomination and Remuneration Policy formulated as per the provisions of Section 178(3) of the Act. As required by Section 178(4) of the Act, the text of the Policy is given as **Annexure I** of this Report.

AUDIT COMMITTEE

The Board's Audit Committee comprises of Shri R. P. Pansari, Shri K. P. Chaudhary and Shri Gautam Ganguli. Shri R. P. Pansari is the Chairman of the Committee. During the year under report, there were no disagreements whatsoever between the Audit Committee and the Board.

RELATED PARTY TRANSACTIONS

All Related Party transactions that were entered into during the Financial Year were on an arm's length basis and in the ordinary course of business and as such the provisions of Section 188 of the Act were not applicable. Hence, the disclosure in Form AOC-2 is not required to be given.

Except the disclosure under Note No. 25 of the Notes to the Financial Statement, there were no materially significant Related Party Transactions made by the Company with Promoters, Directors, Key Managerial Personnel, which could conflict with the interest of the Company at large.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Except an investment of ₹ 6.41 lacs for acquiring 12,500 shares of ₹ 10 each of Universal Cables Ltd. on rights basis at a premium of ₹ 41 per share covered under Section 186 of the Act the Company has not given any loans, or made investments or issued corporate guarantees during the year under report.

DEPOSITS

The Company has not accepted any deposits during the Financial Year under report.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Pursuant to the provisions of Section 135 of the Act, the Company has adopted a Corporate Social Responsibility Policy, the text whereof is available on www.rameshwarajute.com. As required by the provisions under this Section, the Company has also constituted a Corporate Social Responsibility Committee consisting of three Directors, Shri R P Pansari, Shri K P Chaudhary and Shri U C Jain. Shri R P Pansari is the Chairman of the Committee.

In view of the continued suspension of mining operations, the Company's key revenue stream, there has been acute denudation of the Company's profitability and therefore liquidity. Consequently, it has been a challenge for the Company keeping its existing operations going. This situation has put a brake on the Company's ability to make any spending on CSR. The Company is fully aware and committed to fulfill its Corporate Social Responsibilities and shall comply with the provisions of Section 135 of the Company's Act, 2013 and the Rules made there under, once the Company starts its Mining operations and generating revenues, to spend the same.

The Report on Corporate Social Responsibility (CSR) activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is given in **Annexure II** to this Report.

VIGIL MECHANISM

In compliance of Section 177(9) of the Act, the Company has hosted a codified Vigil Mechanism on its website www.rameshwarajute.com.

STATUTORY AUDITORS

M/s G. Basu & Co (Firm Registration No: 301174E), Chartered Accountants, Auditors of the Company retire at the forthcoming Annual General Meeting. Being eligible, they offer themselves for re-appointment from the conclusion of the ensuing Annual General Meeting to the conclusion of the next Annual General Meeting as per the provisions of the Act read with the Companies (Audit and Auditors) Rules, 2014.

M/s G. Basu & Co have confirmed that their appointment satisfies the criteria prescribed in Section 141 of the Act and are not disqualified to be appointed.

THE RAMESHWARA JUTE MILLS LIMITED

SECRETARIAL AUDIT

Pursuant to provisions of Section 204 of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board appointed Shri Kamal Kumar Sharma, Practising Company Secretary (ICSI CP Registration No. 4057) to audit the secretarial records of the Company in respect of the Financial Year 2015-16.

The Report of the Secretarial Auditor is given as **Annexure III** to this Report. There are no qualifications in the Report.

RISK MANAGEMENT

The Company is continuously endeavouring to deal with perceived risks in its business by identifying and evaluating business risks and opportunities.

The Company has during the year under report received show-cause notices from regulators with regard to mining and environmental issues to which suitable replies with necessary documents have been submitted. The Board closely monitors such business risks, its implications and mitigation. The aforesaid issues in relation to mining and discussions with its present landlords in relation to occupation of office space in New Delhi, if not amicably resolved, may significantly impact operations.

SIGNIFICANT AND MATERIAL ORDERS

During 2015-16, there were no orders passed by regulators or courts or tribunals impacting the Company's going concern status and its future operations. The Company received a Notice dated 4th September 2014 from District Mining Office, Chaibasa, Singhbhum asking the Company to stop mining operations and the mining operations of the Company continues to be under suspension effective 9th August 2014. The same status continued during financial year 2015-16.

INTERNAL CONTROL SYSTEMS

The Company has an adequate system of internal control commensurate with the size and nature of business. The Internal control system is monitored and evaluated by the Audit Committee. The Internal Auditor reports to the Audit Committee.

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

The provisions of Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 with regard to conservation of energy, technology absorption, foreign exchange earnings and outgo during the year under reference, are not applicable to the Company.

DETAILS OF REMUNERATION

Provisions of Section 197 of the Act read with Rule 5(2)&(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable as no employee or Director of the Company was in receipt of such remuneration as prescribed under Rule 5(2) aforesaid.

Details as per Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in **Annexure IV** of this Report.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

Following the implementation of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013, the following is a summary of complaints received or disposed of during the Financial Year 2015-16:

| | |
|--------------------------------|-----|
| No. of complaints received | Nil |
| No. of complaints disposed off | Nil |

EXTRACT FROM ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT 9 is given as **Annexure V** to this Report.

ANNEXURES FORMING PART OF THIS REPORT

| Annexure | Particulars |
|----------|---|
| I | Nomination & Remuneration Policy |
| II | Report on Corporate Social Responsibility (CSR) Activities |
| III | Secretarial Audit Report |
| IV | Details under Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 |
| V | Extract from the Annual Return in Form MGT 9 |

ACKNOWLEDGEMENT

The Board acknowledges the support and co-operation received from the employees of the Company and all stakeholders. It places on record its gratitude for the continuing support received from the State Government, Banks and Shareholders during the year.

Registered Office :
"BIRLA BUILDING", 8th Floor
9/1, R. N. Mukherjee Road
Kolkata 700 001
Dated: 27th May, 2016

| | |
|--------------------|------------------|
| R. P. PANSARI | <i>Chairman</i> |
| H. C. DAGA | |
| K. P. CHAUDHURY | |
| S. S. JAJODIA | |
| U. C. JAIN | <i>Directors</i> |
| G. GANGULI | |
| S. P. PATJOSHI | |
| P. K. CHHAWCHHARIA | |

Nomination and Remuneration Policy

The Board of Directors of the Rameshwara Jute Mills Limited ("the Company") constituted a Nomination and Remuneration Committee at the Meeting held on May 29, 2014 consisting of three (3) Non-Executive Directors of whom all three are Independent Directors.

1. OBJECTIVE

The Nomination and Remuneration Committee and this Policy will be in compliance with Section 178 of the Companies Act, 2013 together with the applicable rules thereto.

The Key Objectives of the Committee would be:

- 1.1. To guide the Board in relation to the appointment and removal of Directors, Key Managerial Personnel and other Senior Management Personnel one level below the Board.
- 1.2. To evaluate the performance of Board Members on the criteria decided.
- 1.3. To recommend to the Board on remuneration payable to Directors, Key Managerial Personnel and Senior Management.
- 1.4. To ensure that Key Managerial Personnel and Senior Management Personnel one level below the KMPs are remunerated based upon their efforts, performance, dedication and achievement relating to the Company's operations.
- 1.5. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons.
- 1.6. To devise a policy on Board diversity.
- 1.7. To evolve an evaluation process and develop a succession plan for the Board.

2. DEFINITIONS

- 2.1. Act means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.
- 2.2. Board means the Board of Directors of the Company.
- 2.3. Directors mean Directors constituting the Board of the Company.
- 2.4. Key Managerial Personnel (KMPs).
 - 2.4.1. Chief Executive Officer or the Managing Director or the Manager under the Act.
 - 2.4.2. Whole-time Director;
 - 2.4.3. Chief Financial Officer;
 - 2.4.4. Company Secretary; and
 - 2.4.5. Such other officer as may be prescribed by law.
- 2.5. Senior Management Personnel means personnel only those who are members of its core management team placed one level below the KMPs.

3. ROLE OF THE COMMITTEE

The role of the Committee inter alia will be the following:

- 3.1 To formulate a criteria for determining qualifications, positive attributes and independence of a Director;
- 3.2 To recommend to the Board the appointment and removal of Key Managerial Personnel and other Members of the Senior Management one level below the KMPs;
- 3.3 To carry out evaluation of Director's performance and recommend to the Board his/her re- appointment/ removal based on his/her performance;
- 3.4 To formulate, if so required, a policy relating to remuneration of Directors, Key Managerial Personnel and other Senior Management one level below the KMPs;
- 3.5 To ensure that the level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks;

- 3.6 To devise a policy on Board diversity;
- 3.7 To develop a succession plan for the Board.

4. MEMBERSHIP

- 4.1 The Committee shall consist of at least three Directors, two of whom should be Independent Directors.
- 4.2 Minimum two (2) members shall constitute a quorum for a Committee Meeting. However, Meetings can be conducted by circulation as well as through tele-conferencing. Meeting can be held as and when necessary.
- 4.3 Committee Members will continue in office at the discretion of the Board.

5. CHAIRMAN

- 5.1 The Chairman of the Committee shall be an Independent Director appointed by the Board.
- 5.2 In the absence of the Chairman, Members of the Committee present at a Meeting shall choose one amongst them to act as Chairman.

6. COMMITTEE MEMBERS' INTEREST

- 6.1 A Member of the Committee is not entitled to be present when his or her own remuneration is discussed or when his or her performance is being evaluated.
- 6.2 The Committee may invite such Executives, as it considers appropriate, to be present at meetings of the Committee.

7. SECRETARY

The Company Secretary of the Company shall act as Secretary of the Committee.

8. VOTING

- 8.1 Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- 8.2 In the case of equality of votes, the Chairman of the Meeting will have a casting vote.

9. NOMINATION DUTIES

The duties of the Committee in relation to nomination matters will include :

- 9.1 Ensuring that there is an appropriate induction in place for new Directors, Key Managerial Personnel and other Members of Senior Management one level below the KMPs ;
- 9.2 Ensuring that on appointment to the Board, Non-Executive Independent Directors receive a formal letter of appointment in accordance with the Act;
- 9.3 Determining an appropriate size, diversity and composition of the Board;
- 9.4 Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;
- 9.5 Developing a succession plan for the Board, Key Managerial Personnel and other Members of Senior Management one level below the KMPs. ;
- 9.6 Evaluating the performance of Board Members, Key Managerial Personnel and other Senior Management Members one level below the KMPs in the context of the Company's performance;
- 9.7 Delegating any of its powers to one or more of its members or to the Secretary of the Committee;
- 9.8 Recommend any necessary changes to the Board; and

THE RAMESHWARA JUTE MILLS LIMITED

9.9 Considering any other matter that may be referred to it by the Board.

10. REMUNERATION DUTIES

The duties of the Committee in relation to remuneration matters will include:

- 10.1 To consider and determine a rational Remuneration Policy, based on performance and bearing in mind the fact that remuneration should be reasonable and sufficient to attract, retain and motivate Members of the Board as well as those constituting the Senior Management and such other factors as the Committee may deem appropriate.
- 10.2 To approve the remuneration of Directors, Key Managerial Personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company. The remuneration of other Senior Management Personnel one level below the KMPs would be decided by the Key Managerial Personnel team.
- 10.3 To ensure that the Company has in place a professional indemnity and liability insurance for Directors and Key Managerial Personnel.

11. CRITERIA FOR APPOINTMENT AND QUALIFICATIONS

- 11.1 The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- 11.2 A person should possess adequate qualification, expertise and experience for the position before he/she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient/satisfactory for the concerned position.
- 11.3 The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

12. EVALUATION CRITERIA

- 12.1 The Committee shall carry out evaluation of performance of every Director at regular interval (yearly).
- 12.2 The Committee shall evaluate the performance of non-executive / independent directors through a peer evaluation process every year. Every board member evaluates each external board member based on the performance indicators. On the basis of the performance the decision will be taken whether to continue or extend the terms of appointment of an Independent Directors.
- 12.3 Independent Directors have three key roles, namely governance, control and guidance. Some of the performance indicators are based on which the independent directors are evaluated are:
 - Ability to contribute to and monitor our corporate governance practices.
 - Ability to contribute by introducing international best practices to address top Management issues.
 - Active participation in long term strategic planning.
 - Commitment to the fulfilment of a director's obligations and fiduciary responsibilities this include participation and attendance.
- 12.4 The evaluation process also considers the time spent by each of the board members, core competencies, personal characteristics, accomplishment of specific responsibilities and expertise.

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

ANNEXURE - II

1. A brief outline of the Company's CSR Policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs:

The Corporate Social Responsibility (CSR) has been an integral part of the way we have been doing our business. This has also enabled us to fulfill our commitment to be a socially responsible corporate citizen. The Company is fully aware and recognises the commitment towards social responsibilities.

The Company's CSR Policy has been hosted on the Company's website www.rameshwarajute.com.

2. The composition of the CSR Committee: The Committee is chaired by Shri R P Pansari with Shri K P Chaudhary and Shri U C Jain as Members.

3. Average net profit of the company for last three financial years:

| Particulars | Last three financial years (Rs in Crores) | | | Average Net Profit/(Loss) for calculating CSR expenditure (Rs in Crores) |
|--------------------|---|---------|----------|--|
| | 2014-15 | 2013-14 | 2012-13 | |
| Net Profit (Loss)* | 16.92 | 7.85 | (-) 2.41 | 7.46 |

4. Prescribed CSR Expenditure (2% of the amount as in item 3 above): Rs. 0.15 Crores.

5. Details of CSR spent during the financial year :

(a) Total amount to be spent for the financial year: Rs. 0.15 Crores.

(b) Amount unspent, if any : Rs. 0.15 Crores

(c) Manner in which the amount spent during the financial year is detailed below:

| Sl. No. | CSR project or activity identified | Sector in which the Project is covered | Projects or programs (1):Local area or other (2)Specify the State and district where projects or programs was undertaken | Amount outlay (budget) project or programs wise | Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads | Cumulative expenditure upto the reporting period | Amount spent : Direct or through implementing agency |
|----------------|------------------------------------|--|--|---|--|--|--|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| NOT APPLICABLE | | | | | | | |

6. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report:

In view of the continued suspension of mining operations, the Company's key revenue stream, there has been acute denudation of the Company's profitability and therefore liquidity. Consequently it has been a challenge for the Company keeping its existing operations going. This situation has put a brake on the Company's ability to make any spending on CSR. The Company is fully aware and committed to fulfill its Corporate Social Responsibilities and shall comply with the provisions of the Section 135 of the Companies Act, 2013 and the Rules made there under, once the Company starts its Mining operations and generating revenues, to spend the same.

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company:

It is hereby stated that the implementation and monitoring of CSR Policy is in compliance/ will be in compliance with CSR objectives and Policy of the Company.

For and on behalf of the Board of Directors

Place: Kolkata
Date: 27th May, 2016

Suresh Sharma
Chief Executive Officer

R P Pansari
Chairman of CSR Committee

FORM NO. MR-3
SECRETARIAL AUDIT REPORT

for the Financial Year ended 31st March, 2016

[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,
The Rameshwara Jute Mills Limited
'Birla Building', 8th Floor,
9/1, R. N. Mukherjee Road,
Kolkata – 700001.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by The Rameshwara Jute Mills 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, 2016 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 Rameshwara Jute Mills Limited (the Company) for the financial year ended on 31st March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder (Not Applicable to the Company during the Audit Period);
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (Not Applicable to the Company during the Audit Period);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 which came into effect from 15th May, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not Applicable to the Company during the Audit Period);
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not Applicable to the Company during the Audit Period);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable to the Company during the Audit Period);

- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993; regarding the Companies Act and dealing with client (Not Applicable to the Company during the Audit Period);
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;(Not Applicable to the Company during the Audit Period); and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;(Not Applicable to the Company during the Audit Period);
- (vi) Following other laws specifically applicable to the Company:
1. The Mines and Minerals (Development and Regulation) Act, 1957
 2. The Mines Act, 1952
 3. The Water (Prevention and Control of Pollution) Act, 1974
 4. The Water (Prevention and Control of Pollution) Cess Act, 1977
 5. The Environment (Protection) Act, 1986
 6. Air (Prevention and Control of Pollution) Act, 1981
 7. The Forest (Conservation) Act, 1980

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India:

I have examined compliances with the applicable clauses of Secretarial Standards(SS-1 and SS-2) issued by the Institute of Company Secretaries of India with effect from 1st July, 2015 and the Company has complied with the same to the extent possible.

- (ii) The Listing Agreements entered into by the Company with The Calcutta Stock Exchange Limited:

I further report that during the period under review the Company has complied with the Listing Agreement entered into by the Company with The Calcutta Stock Exchange Limited and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 with effect from 1st December 2015.

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

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors and Independent Directors. There was no change in the composition of the Board of Directors during the period under review.

Adequate notices were 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.

There is no disagreement of the Audit Committee with the Board requiring any notice of and/or disclosure by the Company in relation to any matter.

All decisions of the board were unanimous and the same were captured and recorded as part of the minutes.

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

THE RAMESHWARA JUTE MILLS LIMITED

I further report that

- The Company adopted new set of Articles of Association during the year as per Table F in Schedule 1 to the Companies Act 2013.

I further report that during the audit period there were no instances of:

- (i) Issue of Public/Right/Preferential issue of shares/debentures/sweat equity, etc.
- (ii) Redemption/buy-back of securities
- (iii) Major decisions taken by the members in pursuance to Section 180 of the Companies Act, 2013
- (iv) Merger/amalgamation/reconstruction, etc.
- (v) Foreign technical collaborations

(CS Kamal Kumar Sharma)

Place: Kolkata

FCS No. 3337

Date: 23rd May, 2016

C P No.: 4057

Note: This report is to be read with "Annexure-I" attached herewith and forms an integral part of this report

ANNEXURE-I

To
The Members
The Rameshwara Jute Mills Limited
'Birla Building', 8th Floor,
9/1, R. N. Mukherjee Road,
Kolkata – 700001.

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 my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records and other relevant records. I believe that the processes and practices followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of the financial records and Books of Accounts of the Company as it is a part of financial audit as per the provisions of the Companies Act, 2013.
4. Wherever 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, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedures on random 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.

(CS Kamal Kumar Sharma)

Place: Kolkata

FCS No. 3337

Date: 23rd May, 2016

C P No.: 4057

ANNEXURE - IV

Details as required under Sections 134(3)(q) and 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 for the year ended 31st March, 2016.

| Sl. No. | Requirement | Details |
|---------|---|---|
| (i) | The ratio of the remuneration of each Director to the median of remuneration of employees of the Company for the Financial Year. | Shri Rajendra Prasad Pansari - 0.01:1 Shri Umrao Chand Jain - 0.02:1 Shri Shyam Sundar Jajodia - 0.01:1 Shri Kashi Prasad Chaudhary - 0.03:1 Shri Hukum Chand Daga - 0.01:1 Shri Gautam Ganguli - 0.02:1 Shri Pawan Kumar Chhawchharia - 0.01:1 Smt Sarat Priya Patjoshi - 0.00:1 |
| (ii) | The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, in Financial Year. | <p>Directors : Shri Rajendra Prasad Pansari - (10.00)% Shri Umrao Chand Jain - 0.00% Shri Shyam Sundar Jajodia - 50.00% Shri Kashi Prasad Chaudhary - 21.43% Shri Hukum Chand Daga - 57.14% Shri Gautam Ganguli - (21.43)% Shri Pawan Kumar Chhawchharia - 350.00% Smt Sarat Priya Patjoshi - (33.33)%</p> <p>Key Managerial Personnel : Shri Suresh Kumar Sharma, CEO - 0.00% Smt Shampa Ghosh Ray, CS * - 0.00% Shri Kishor Kumar Sharma, CFO - 9.05% <i>*resigned effective 27/05/2016</i></p> |
| (iii) | The percentage increase in median remuneration of employees in the Financial Year. | 7.12% |
| (iv) | The number of permanent employees on the rolls of Company. | 37 employees as on 31.03.2016 |
| (v) | The explanation on the relationship between average increase in remuneration and Company performance. | The average increase in remuneration is 3.30% for FY 2015-16, which is lower than the inflation rate during the year; while the profit after tax (PAT) of the Company has decreased considerably i.e. by more than 150%. |
| (vi) | Comparison of the remuneration of KMP against the performance of the Company. | The PAT of the Company has decreased by more than 150% and the increase in remuneration of KMPs has been about 7.56% |
| (vii) | Variations in a) the market capitalisation of the Company. b) price earnings ratio, as at the closing date of the current Financial Year and previous Financial Year. | N.A # |

THE RAMESHWARA JUTE MILLS LIMITED

| Sl No. | Requirement | Details |
|--------|---|--|
| | c) percentage increase or decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with last public offer. | N.A # |
| (viii) | a) Average percentile increase already made in salaries of employees other than the managerial personnel in the last Financial Year b) its comparison with the percentile increase in the managerial remuneration. c) justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration. | a) 3.00% b) 7.56% c) The average percentage of increase in salary of Managerial Personnel is well within the line of remuneration in the industry. |
| (ix) | Comparison of the each remuneration of the KMP against the performance of the Company. | The increase in remuneration of CFO is 9.05% over last year; other than that there is no increase in remuneration as mentioned in (ii) above and decrease in PAT of the Company has been 150%. |
| (x) | The key parameters for any variable component of remuneration availed by the Directors. | None |
| (xi) | The ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year. | 0.002:1 ## |
| (xii) | Affirmation that the remuneration is as per the remuneration policy of the Company. | Yes. |

since there was no trading in shares during FY' 2015-16 & 2014-15 as such no share price was available at CSE.

other than sitting fee, no other remuneration is paid to Directors. Remuneration of employees as on 31.03.2016 only, has been considered in the computation mentioned above.

Form No. MGT-9
Extract of Annual Return
as on the Financial Year ended on 31st March, 2016
[Pursuant to Section 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 | L17119WB1935PLC046111 |
| (ii) | Registration Date | 20th August, 1935 |
| (iii) | Name of the Company | THE RAMESHWARA JUTE MILLS LIMITED |
| (iv) | Category/Sub-Category of the Company | Public Company |
| (v) | Address of the Registered Office and contact details | “Birla Building”, 8th Floor, 9/1, R.N. Mukherjee Road, Kolkata 700001. Phone: (033)3022 7208/7204 (Extn. 1883), E-mail: rjml.ho@rjm.co.in |
| (vi) | Whether listed company | Yes |
| (vii) | Name, Address and Contact details of Registrar and Transfer Agent, if any | Nil |

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 Product /service | % to total turnover of the Company |
|---------|--|----------------------------------|------------------------------------|
| 1 | Other Business Support Services | 561490 | 100% |

Note : Mining activities which constitute major part of the turnover of the Company remained suspended during the whole year and hence, Business Support Services has resulted into 100% of the Total Turnover.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

| Sl. No. | NAME AND ADDRESS OF THE COMPANY | CIN | HOLDING / SUBSIDIARY /ASSOCIATE | % OF SHARES HELD | APPLICABLE SECTION |
|----------------|---------------------------------|-----|---------------------------------|------------------|--------------------|
| NOT APPLICABLE | | | | | |

THE RAMESHWARA JUTE MILLS LIMITED

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

| Category of Shareholders | No. of Shares held as on 1st April, 2015 | | | | No. of Shares held as on 31st March, 2016 | | | | % Change during the year |
|---|--|---------------|---------------|-------------------|---|---------------|---------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual/HUF | - | 67733 | 67733 | 25.46 | - | 67733 | 67733 | 25.46 | - |
| b) Central Govt. | - | - | - | - | - | - | - | - | - |
| c) State Govt (s) | - | - | - | - | - | - | - | - | - |
| d) Bodies Corp. | - | 76967 | 76967 | 28.93 | - | 76967 | 76967 | 28.93 | - |
| e) Banks/FIs | - | - | - | - | - | - | - | - | - |
| f) Any Other... | - | - | - | - | - | - | - | - | - |
| Sub-total (A) (1) | - | 144700 | 144700 | 54.39 | - | 144700 | 144700 | 54.39 | Nil |
| (2) Foreign | | | | | | | | | |
| a) NRIs-Individuals | - | - | - | - | - | - | - | - | - |
| b) Others-Individuals | - | - | - | - | - | - | - | - | - |
| c) Bodies Corp. | - | - | - | - | - | - | - | - | - |
| d) Banks/FIs | - | - | - | - | - | - | - | - | - |
| e) Any Others... | - | - | - | - | - | - | - | - | - |
| Sub-total (2) | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| Total shareholding of Promoter (A) =(A)(1)+(A)(2) | Nil | 144700 | 144700 | 54.39 | Nil | 144700 | 144700 | 54.39 | Nil |
| B. Public Shareholding | | | | | | | | | |
| 1. Institution | | | | | | | | | |
| a) Mutual Funds | - | - | - | - | - | - | - | - | - |
| b) Banks/FIs | - | 1500 | 1500 | 0.56 | - | 1500 | 1500 | 0.56 | Nil |
| c) Central Govt | - | - | - | - | - | - | - | - | - |
| d) State Govt(s) | - | - | - | - | - | - | - | - | - |
| e) Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| f) Insurance Companies | - | - | - | - | - | - | - | - | - |
| g) FIs | - | - | - | - | - | - | - | - | - |
| h) Foreign Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| i) Others (specify) | - | - | - | - | - | - | - | - | - |
| Sub-total (B)(1) | - | 1500 | 1500 | 0.56 | - | 1500 | 1500 | 0.56 | Nil |
| 2. Non-Institutions | | | | | | | | | |
| a) Bodies Corp. | | | | | | | | | |
| i) Indian | Nil | 90200 | 90200 | 33.90 | Nil | 90200 | 90200 | 33.90 | - |
| ii) Overseas | - | - | - | - | - | - | - | - | - |
| b) Individuals | | | | | | | | | |
| i) Individuals shareholders holding nominal share capital upto ₹ 1 lakh | Nil | 29556 | 29556 | 11.11 | Nil | 29556 | 29556 | 11.11 | - |
| ii) Individuals shareholders holding nominal share capital excess of ₹ 1 lakh | - | - | - | - | - | - | - | - | - |

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding (Contd.)

| Category of Shareholders | No. of Shares held as on 1st April, 2015 | | | | No. of Shares held as on 31st March, 2016 | | | | % Change during the year |
|--|--|---------------|---------------|-------------------|---|---------------|---------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| c) Others (specify) | | | | | | | | | |
| i) NRI | - | 100 | 100 | 0.04 | - | 100 | 100 | 0.04 | - |
| Sub-total (B)(2) | - | 119856 | 119856 | 45.05 | - | 119856 | 119856 | 45.05 | - |
| Total Public Shareholding (B) = (B)(1)+(B)(2) | - | 121356 | 121356 | 45.61 | - | 121356 | 121356 | 45.61 | - |
| C. Shares held by Custodian for GDRs & ADRs | - | - | - | - | - | - | - | - | - |
| Grand Total (A+B+C) | - | 266056 | 266056 | 100% | - | 266056 | 266056 | 100% | - |

(ii) Shareholding of Promoters

| Sl. No. | Shareholder's Name | Shareholding as on 1st April, 2015 | | | Shareholding as on 31st March, 2016 | | | % change in shareholding 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 Chandrakanta Birla | 51000 | 19.17 | - | 51000 | 19.17 | - | 0.00 |
| 2 | Smt. Sumangala Devi Birla | 4200 | 1.58 | - | 4200 | 1.58 | - | 0.00 |
| 3 | M/s. Padmavati Investment Ltd. | 38778 | 14.57 | - | 38778 | 14.57 | - | 0.00 |
| 4 | M/s. Central India General Agents Ltd. | 19389 | 7.29 | - | 19389 | 7.29 | - | 0.00 |
| 5 | M/s. Bharat Arogya and Gyan Mandir | 7933 | 2.98 | - | 7933 | 2.98 | - | 0.00 |
| 6 | Shri Sidharth Kumar Birla | 5600 | 2.11 | - | 5600 | 2.11 | - | 0.00 |
| 7 | M/s. Nathdwara Investment Co. Ltd. | 6667 | 2.51 | - | 6667 | 2.51 | - | 0.00 |
| 8 | Smt. Vasuri Jhaver | 3600 | 1.35 | - | 3600 | 1.35 | - | 0.00 |
| 9 | Smt. Chandra Lekha Poddar | 1333 | 0.50 | - | 1333 | 0.50 | - | 0.00 |
| 10 | M/s. Shekhavati Investments & Traders Ltd. | 4000 | 1.50 | - | 4000 | 1.50 | - | 0.00 |
| 11 | M/s. Jute Investment Co. Ltd. | 200 | 0.08 | - | 200 | 0.08 | - | 0.00 |
| 12 | Smt. Ganga Somany | 2000 | 0.75 | - | 2000 | 0.75 | - | 0.00 |
| | Total | 144700 | 54.39 | | 144700 | 54.39 | | |

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

| Sl. No. | Name of the Shareholder | Shareholding as on 1st April, 2015 | | Shareholding as on 31st March, 2016 | |
|---------|-------------------------|------------------------------------|----------------------------------|-------------------------------------|----------------------------------|
| | | No. of Shares | % of total Shares of the Company | No. of Shares | % of total Shares of the Company |
| Nil | | | | | |

THE RAMESHWARA JUTE MILLS LIMITED

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

| Sl. No. | Name of the Shareholder | Shareholding as on 1st April, 2015 | | Shareholding as on 31st March, 2016 | |
|---------|---|------------------------------------|----------------------------------|-------------------------------------|----------------------------------|
| | | No. of Shares | % of total Shares of the Company | No. of Shares | % of total Shares of the Company |
| 1 | The Punjab Produces & Trading Co. Pvt. Ltd. | 33250 | 12.50 | 33250 | 12.50 |
| 2 | Gwalior Webbing Co. Pvt. Ltd. | 20550 | 7.72 | 20550 | 7.72 |
| 3 | Birla Corporation Ltd. | 19133 | 7.19 | 19133 | 7.19 |
| 4 | Umang Commercial Co.Ltd. | 11667 | 4.39 | 11667 | 4.39 |
| 5 | Shri R.V. Raveendran and other | 7933 | 2.98 | 7933 | 2.98 |
| 6 | Raiomond K. Irani | 1625 | 0.61 | 1625 | 0.61 |
| 7 | Eastern India Educational Institution | 1400 | 0.53 | 1400 | 0.53 |
| 8 | Universal Cables Limited | 900 | 0.34 | 900 | 0.34 |
| 9 | Astha Foils Pvt. Ltd. | 750 | 0.28 | 750 | 0.28 |
| 10 | Bajoria Finance (P) Ltd. | 600 | 0.23 | 600 | 0.23 |
| | | 97808 | 36.77 | 97808 | 36.77 |

(v) Shareholding of Directors and Key Managerial Personnel:

| Sl. No. | Name | Shareholding as on 1st April, 2015 | | Shareholding as on 31st March, 2016 | |
|---------|------|------------------------------------|----------------------------------|-------------------------------------|----------------------------------|
| | | No. of Shares | % of total Shares of the Company | No. of Shares | % of total Shares of the Company |
| Nil | | | | | |

V. INDEBTEDNESS

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

| Particulars | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|----------------------------------|--------------------|------------|--------------------|
| Indebtedness at the beginning of the financial year (1st April, 2015) | | | | |
| i) Principal Amount | Nil | Nil | Nil | Nil |
| ii) Interest due but not paid | Nil | Nil | Nil | Nil |
| iii) Interest accrued but not due | Nil | Nil | Nil | Nil |
| Total (i+ii+iii) | Nil | Nil | Nil | Nil |
| Change in Indebtedness during the financial year | | | | |
| Addition | Nil | 4,85,00,000 | Nil | 4,85,00,000 |
| Reduction | Nil | Nil | Nil | Nil |
| Net Change | Nil | 4,85,00,000 | Nil | 4,85,00,000 |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | Nil | 4,85,00,000 | Nil | 4,85,00,000 |
| ii) Interest due but not paid | Nil | Nil | Nil | Nil |
| iii) Interest accrued but not due | Nil | Nil | Nil | Nil |
| Total (i+ii+iii) | Nil | 4,85,00,000 | Nil | 4,85,00,000 |

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

| Sl. No. | Particulars of Remuneration | Name of WTD | Total Amount (₹) |
|---------|---|-------------|------------------|
| 1. | Gross Salary | Nil | |
| | (a) Salary as per provisions contained in Section 17(1) of the Income-Tax Act, 1961 | | |
| | (b) Value of perquisites u/s 17(2) Income-Tax Act 1961 | | |
| | (c) Profits in lieu of salary under section 17(3) Income-Tax Act, 1961 | | |
| 2. | Stock Option | | |
| 3. | Sweat Equity | | |
| 4. | Commission - as % of profit - others | | |
| 5. | Others - Provident Fund - Gratuity | | |
| | Total (A) | | |
| | Ceiling as per Act | | |

B. Remuneration to other Directors:

I. Independent Directors

| Particulars of Remuneration | Name of Directors | | | | | | | Total Amount (₹) |
|---|-------------------|--------------|---------------|--------------|----------------|--------------|------------------|------------------|
| | R P Pansari | H C Daga | K P Chaudhary | U C Jain | Gautam Ganguli | S P Patjoshi | P K Chhawchharia | |
| Fees for attending Board & Committee Meetings | 4,500 | 4,500 | 8,500 | 5,500 | 5,500 | 1,000 | 4,500 | 34,000 |
| Commission | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| Others | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| Total (1) | 4,500 | 4,500 | 8,500 | 5,500 | 5,500 | 1,000 | 4,500 | 34,000 |

II. Other Non-Executive Directors

| Particulars of Remuneration | Name of Directors | | Total Amount (₹) |
|---|--|--|------------------|
| | S S Jajodia | | |
| Fees for attending Board & Committee Meetings | 3,000 | | 3,000 |
| Commission | Nil | | Nil |
| Others | Nil | | Nil |
| Total (2) | 3,000 | | 3,000 |
| Total B = (1)+(2) | | | 37,000 |
| Ceiling as per Act | Payment is within limits of provisions of law. | | |

THE RAMESHWARA JUTE MILLS LIMITED

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

| Sl. No. | Particulars of Remuneration | Key Managerial Personnel | | | |
|---------|---|--------------------------|-------------------|-----------------------------|------------------|
| | | Chief Executive Officer | Company Secretary | Chief Financial Officer (₹) | Total (₹) |
| 1. | Gross Salary | | | | |
| | (a) Salary as per provisions contained in Section 17(1) of the Income-Tax Act, 1961 | 2,21,120 | Nil | 10,85,694 | 13,06,814 |
| | (b) Value of perquisites u/s 17(2) Income-Tax Act, 1961 | Nil | Nil | Nil | Nil |
| | (c) Profits in lieu of salary under Section 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 | Nil | Nil | Nil | Nil |
| 5. | Others | | | | |
| | - Provident Fund | 15,048 | Nil | 81,360 | 96,408 |
| | - Superannuation Fund | Nil | Nil | 1,01,700 | 1,01,700 |
| | - Gratuity | Nil | Nil | 32,596 | 32,596 |
| | Total | 2,36,168 | Nil | 13,01,350 | 15,37,518 |

VII. Penalties / Punishment / Compounding of Offences:

| Type | Section of Companies Act | Brief Description | Details of Penalty Punishment/Compounding fees imposed | Authority [RD/ NCLT/Court] | Appeal made, if any |
|-------------------------------------|--------------------------|-------------------|--|----------------------------|---------------------|
| A. Company | | | | | |
| | Penalty | | Nil | | |
| | Punishment | | | | |
| | Compounding | | | | |
| B. Directors | | | | | |
| | Penalty | | Nil | | |
| | Punishment | | | | |
| | Compounding | | | | |
| C. Other Officers in Default | | | | | |
| | Penalty | | Nil | | |
| | Punishment | | | | |
| | Compounding | | | | |

INDEPENDENT AUDITOR'S REPORT

To the Members of The Rameshwara Jute Mills Limited Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **The Rameshwara Jute Mills Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

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

Auditor's Responsibility

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

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

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

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

THE RAMESHWARA JUTE MILLS LIMITED

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-2 a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
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 purpose of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) The Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) Our separate report on adequacy of internal financial control system and operating effectiveness of such controls is enclosed in Annexure-1.
3. 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, in our opinion and to the best our information and according to the explanations given to us:
 - a) The Company has no pending litigation.
 - b) The Company did not have any long-term contract including derivative contract which may lead to any foreseeable loss.
 - c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Place : Kolkata
Dated : 27th May, 2016

For **G. BASU & CO.**
Chartered Accountants
R. No. 301174E
(GAUTAM GUHA)
Partner
(M. No. 054702)

Annexure-1

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 **The Rameshwara Jute Mills Limited** (“the Company”) as of 31st March 2016 in conjunction with our audit of the standalone 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. 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.

Auditors’ 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

THE RAMESHWARA JUTE MILLS LIMITED

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 2016, 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 **G. BASU & CO.**
Chartered Accountants
R. No. 301174E
(GAUTAM GUHA)
Partner
(M. No. 054702)

Place : Kolkata
Dated : 27th May, 2016

Annexure - 2

Re: The Rameshwara Jute Mills Limited

This is referred to in Paragraph 1 of our Report of even date

- 1 a. The Company has maintained proper records to show full particulars including quantitative details and situation of fixed assets.
 - b. The fixed assets have been physically verified during the year, at reasonable intervals by the management and no material discrepancies were noticed on such verification.
2. The Company has adequate arrangement for periodical verification of inventory and last verification has been conducted on 31.03.2016.
3. The Company has not guaranteed any loans secured or unsecured to companies, firm, limited liability partnership or other parties covered in register maintained U/s 189 of the Companies Act, 2013.
4. The Company has made investments during the year amounting to Rs. 6.4 lacs, which are duly complied with the Section 185 and 186 of the Companies Act, 2013.
5. In our opinion and according the information and explanations given to us the Company has not accepted any deposit from the public.
6. The Central Government has not prescribed maintenance of cost records under Section 148(1) of the Companies Act, 2013 for the year under review.
- 7 a. According to the books and records of the Company, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees state insurance, income tax, service tax, vat, cess and any other statutory dues to the extent applicable to it following statutory dues have not been paid for dispute.

THE RAMESHWARA JUTE MILLS LIMITED

7 b. Following statutory dues have not been paid for dispute.

| Items of dispute | Years of dispute | Amount (Rs. In lacs) | Forum where the dispute is Pending |
|---------------------------------|---|-------------------------|--|
| Sales Tax | 2009-10 2010-11 2011-12 | 358.97 | Commercial Tax Officer, Chaibasa, Jharkhand |
| Demand U/s 21(5) of MMDR Act | 1995-96, 1996-97 2001-02, 2007-08 & 2011-12 | 14079.20 | Apex Court |
| Surface Rent | Since 2005-06 | 863.11 | Apex Court |

8. The Company has not defaulted in repayment of loans to banks, financial institutions and debenture holders.
9. The Company has not raised any fund by way of initial public offer or further public offer or term loan.
10. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.
11. No managerial remuneration has been paid by the Company during the year.
12. The Company is not a Nidhi Company.
13. There has been no non-compliance with relevant provisions of Companies Act in respect of transaction with related parties.
14. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. The Company has not entered into any non cash transactions with directors or persons connected with him.
16. The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act 1934.

Place : Kolkata
Dated : 27th May, 2016

For **G. BASU & CO.**
Chartered Accountants
R. No. 301174E
(GAUTAM GUHA)
Partner
(M. No. 054702)

THE RAMESHWARA JUTE MILLS LIMITED

BALANCE SHEET as at 31st March, 2016

(₹ in lacs)

| | Notes | 31st March, 2016 | 31st March, 2015 |
|-----------------------------------|---------|------------------|------------------|
| I EQUITY AND LIABILITIES | | | |
| 1 SHAREHOLDERS' FUND | | | |
| (a) Share Capital | 2 | 26.61 | 26.61 |
| (b) Reserves and Surplus | 3 | 873.57 | 1,437.84 |
| 2 NON-CURRENT LIABILITIES | | | |
| (a) Long Term Provisions | 4 | 6.65 | 13.76 |
| 3 CURRENT LIABILITIES | | | |
| (a) Short term Borrowings | 5 | 486.35 | — |
| (b) Trade Payables | 6 | 45.76 | 27.54 |
| (c) Other Current Liabilities | 7 | 916.34 | 834.64 |
| (d) Short term Provisions | 8 | 7.51 | 75.23 |
| TOTAL | | 2,362.79 | 2,415.62 |
| II ASSETS | | | |
| 1 NON-CURRENT ASSETS | | | |
| (a) Fixed Assets | | | |
| (i) Tangible Assets | 9 (i) | 92.99 | 122.89 |
| (ii) Intangible Assets | 9 (ii) | 5.93 | 39.98 |
| (iii) Capital work in Progress | 9 (iii) | 496.98 | 476.17 |
| (b) Non Current Investments | 10 | 54.23 | 105.83 |
| (c) Long-term Loans and Advances | 15 | 1,192.95 | 1,160.10 |
| (d) Other Non Current Assets | 11 | 18.58 | 18.58 |
| 2 CURRENT ASSETS | | | |
| (a) Inventories | 12 | 319.94 | 319.94 |
| (b) Trade Receivables | 13 | 36.61 | 38.10 |
| (c) Cash and Cash Equivalents | 14 | 27.54 | 17.51 |
| (d) Short-term Loans and Advances | 15 | 109.06 | 110.49 |
| (e) Other Current Assets | 16 | 7.98 | 6.03 |
| TOTAL | | 2,362.79 | 2,415.62 |

Significant Accounting Policies 1

The accompanying notes are an integral part of the Financial Statements.

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

For **G. BASU & CO.**
Chartered Accountants
Firm Registration Number 301174E
(GAUTAM GUHA)
Partner
(M. No. 054702)
Place: Kolkata
Date: 27th May, 2016

Suresh Sharma
Chief Executive Officer

Kishor Kumar Sharma
Chief Finance Officer

Shampa Ghosh Roy
Company Secretary

R. P. Pansari
H. C. Daga
K. P. Chaudhury
S. S. Jajodia
U. C. Jain
G. Ganguli
Smt. S. P. Patjoshi
P. K. Chhawchharia

Chairman

Directors

STATEMENT OF PROFIT AND LOSS for the year ended 31st March, 2016

(₹ in lacs)

| | Notes | 2015-2016 | 2014-2015 |
|--|-------|-----------------|-----------------|
| INCOME | | | |
| Revenue from operations | 17 | 149.64 | 2,890.80 |
| Other Income | 18 | 34.72 | 36.75 |
| I Total Revenue | | 184.36 | 2,927.55 |
| EXPENSES | | | |
| a. Changes in inventories of finished goods | 19 | — | 2.56 |
| b. Employee benefits expense | 20 | 275.13 | 241.65 |
| c. Depreciation and amortization expense | 9 | 63.68 | 65.19 |
| d. Finance Cost | 21 | 27.88 | 7.75 |
| e. Other expenses | 22 | 381.94 | 903.74 |
| II Total Expenses | | 748.63 | 1,220.89 |
| Profit before extra-Ordinary items and tax | | (564.27) | 1,706.66 |
| Extra-ordinary items (Prior Period Expenses) | | — | 14.51 |
| Profit / (Loss) before tax (I-II) | | (564.27) | 1,692.15 |
| Tax Expense | | | |
| Current tax | | — | 604.19 |
| Profit / (Loss) for the period | | (564.27) | 1,087.96 |
| Earnings per Equity Share (Nominal value ₹ 10 per share) | | | |
| Before consideration of extra-ordinary items | | (212.09) | 414.37 |
| After consideration of extra-ordinary items | | (212.09) | 408.92 |

Significant Accounting Policies 1

The accompanying notes are an integral part of the Financial Statements.

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

| | | | |
|---|---|--|------------------|
| For G. BASU & CO. <i>Chartered Accountants</i> Firm Registration Number 301174E | Suresh Sharma <i>Chief Executive Officer</i> | R. P. Pansari H. C. Daga K. P. Chaudhury | <i>Chairman</i> |
| (GAUTAM GUHA) <i>Partner</i> (M. No. 054702) Place: Kolkata Date: 27th May, 2016 | Kishor Kumar Sharma <i>Chief Finance Officer</i> | S. S. Jajodia U. C. Jain G. Ganguli | <i>Directors</i> |
| | Shampa Ghosh Roy <i>Company Secretary</i> | Smt. S. P. Patjoshi P. K. Chhawchharia | |

THE RAMESHWARA JUTE MILLS LIMITED

CASH FLOW STATEMENT for the year ended 31st March, 2016

(₹ in lacs)

| | <u>2015-2016</u> | <u>2014-2015</u> |
|---|------------------|------------------|
| A. Cash Flow From Operating Activities | | |
| Net Profit/(Loss) before taxation and Extra-ordinary Items | (564.27) | 1,706.66 |
| Adjusted for :- | | |
| Depreciation/Amortisation | 63.68 | 65.19 |
| Dividend from Long Term Investment | (7.69) | (30.28) |
| Interest on Loan | 27.88 | 7.75 |
| Interest Income | (2.16) | (2.01) |
| Profit on sale of Investments | (21.44) | (3.92) |
| Loss on sale of Fixed Assets | 0.02 | - |
| Liabilities as no longer required written back | (2.54) | (0.50) |
| Operating Profit/(Loss) before Working Capital Changes : | (506.52) | 1,742.89 |
| Adjustments for : | | |
| Trade & other receivables | (10.44) | 75.26 |
| Loans & Advances | - | - |
| Inventories | - | 2.56 |
| Trade Payables | 101.57 | (1,010.09) |
| Income tax paid | (90.84) | (532.41) |
| Cash Flow from Operating Activities | (506.23) | 278.21 |
| B. Cash Flow from Investing Activities | | |
| Sale of Fixed Assets | 0.81 | - |
| Purchase of Investment | (6.41) | - |
| Sale of Investment | 79.45 | 34.11 |
| Purchase of Fixed Assets | (0.56) | (7.96) |
| Payment made for CWIP | (23.19) | (224.14) |
| Dividend Received | 7.69 | 30.28 |
| Net Cash used in Investing Activities | 57.79 | (167.71) |
| C. Cash Flow from Financing Activities | | |
| Proceeds from Short Term Borrowings | 486.35 | (120.00) |
| Interest Paid | (27.88) | (2.18) |
| Net Cash used in Financing Activities | 458.47 | (122.18) |
| Net increase in Cash and Cash equivalents | 10.03 | (11.68) |
| Cash and Cash equivalents at the beginning of the year | 36.09 | 47.77 |
| Cash and Cash equivalents at the end of the year | 46.12 | 36.09 |
| (Refer Note No.11 & 14 of Balance Sheet) | | |

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

For **G. BASU & CO.**
Chartered Accountants
Firm Registration Number 301174E
(GAUTAM GUHA)
Partner
(M. No. 054702)
Place: Kolkata
Date: 27th May, 2016

Suresh Sharma
Chief Executive Officer

Kishor Kumar Sharma
Chief Finance Officer

Shampa Ghosh Roy
Company Secretary

R. P. Pansari
H. C. Daga
K. P. Chaudhury
S. S. Jajodia
U. C. Jain
G. Ganguli
Smt. S. P. Patjoshi
P. K. Chhawchharia

Chairman

Directors

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March, 2016

NOTE NO. 1

GENERAL INFORMATION

1.1. GENERAL INFORMATION

The Rameshwara Jute Mills Ltd. (the Company) is a public company domiciled and incorporated under the Act VII of the legislative Council of India entitled "The Indian Companies Act, 1913." The Company is in the business of Mining and business support services. Its' shares are listed in India at the Calcutta Stock Exchange Ltd.

1.2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

These financial statements have been prepared in accordance with generally accepted accounting principles in India under the historical cost convention on accrual basis. These financial statements have been prepared in all material aspects in application of Accounting Standards specified under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of Companies (Accounts Rules), 2014 and the other relevant provisions of the Act.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and equivalents, the Company has ascertained its operating cycle of 12 months for the purpose of current – non current classification of assets and liabilities.

Tangible & Intangible Fixed Assets & Depreciation

Tangible Fixed Assets are valued at their original cost, which includes expenditure in the acquisition, construction and / or installation, less accumulated depreciation. An impairment loss is recognized whenever the carrying amount of the Tangible Fixed Assets of a cash generating unit exceeds its recoverable amount (i.e. higher of net selling price and value in use.) Intangible Fixed Assets are recorded at the consideration paid for acquisition.

Depreciation on Tangible Fixed Assets has been provided on straight line method in terms of life span of assets specified in Schedule II of the Act. Intangible Assets are amortized over a period of five years.

Inventories

Inventories are valued at lower of cost or net realizable value. Cost is generally determined on weighted average cost basis. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale. Provision is made for obsolete/slow moving/defective stocks, wherever necessary.

Investments

Non-current Investments are stated 'At Cost'. Provision for diminution in carrying cost of investment other than temporary in nature, is made as and when required. Current Investment is valued at lower of Cost or Market Value.

Employee Benefits

Employee benefits of short-term (i.e. benefits payable within one year) nature are recognized as expenses as and when it occurs. Long-term employee benefits (e.g. long-service leave) and post employment benefits (e.g. gratuity), both unfunded and funded, are recognized as expenses based on actuarial valuation at year end which takes into account actuarial gains and losses.

Revenue Recognition

Revenue is recognized to the extent that it is probable that economic benefits will flow to the Company and the revenue can be reliably measured.

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March, 2016

Taxes on Income

Provision for Income tax has been made on the actual incidence of tax on current year's profit by taking due cognizance of admissible/inadmissible items.

Deferred tax is recognized subject to consideration of prudence on timing difference between taxable income and accounting income or originating in one year and are capable of reversal in one or more subsequent years. Deferred tax assets have not been recognized in view of virtual uncertainty with regard to future profitability in the Company.

Provision & Contingent Liabilities

Provisions : Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date and are not discounted to its present value.

Contingent Liabilities : Contingent liabilities are disclosed when there is a possible obligation arising from past events, 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 where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is termed as a contingent liability.

Cash and Cash Equivalents

In the cash flow statement, cash and cash equivalents include cash on hand, demand deposits with bank, Other short-term highly liquid investments with original maturities of three months or less.

Borrowing Cost

Borrowing costs directly attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of assets up to the date the assets is ready for their intended use. All other borrowing costs are recognized in Statement of Profit and Loss of the year in which they are incurred / accrued.

Segment Reporting

The Company's operating business are organized and managed separately according to the nature of products, with each segment representing a strategic business unit that offers different products and serves different markets. The Company operates predominantly within the geographical limits of India and accordingly secondary segments have not been considered.

The Company accounts for inter-segment sale and transfers at cost.

Unallocated items include general corporate income and expense items, which are not allocable to any business segment.

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the Financial Statements of the Company as a whole.

Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity Shareholders, by the weighted average number of equity shares outstanding during the year.

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

Other Income

Interest is recognized on a time proportion basis taking into account outstanding amount and the rate applicable. Dividend income is recognized when the Company's right to receive dividend is established by the reporting date.

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March, 2016

| | (₹ in lacs) | |
|--|-------------------------|-------------------------|
| | <u>31st March, 2016</u> | <u>31st March, 2015</u> |
| NOTE NO. 2 : SHARE CAPITAL | | |
| Authorised | | |
| 3,00,000 (3,00,000 31st March, 2015) Equity Shares of ₹ 10 each | 30.00 | 30.00 |
| 2,00,000 (2,00,000 31st March, 2015) 8.57% Cumulative Preference Shares of ₹ 10 each | 20.00 | 20.00 |
| | <u>50.00</u> | <u>50.00</u> |
| Issued & Subscribed | | |
| 2,66,056 Ordinary Shares of ₹ 10 each fully paid up | <u>26.61</u> | <u>26.61</u> |

Notes :

Terms/rights attached to Ordinary Shares

The Company has only one class of ordinary shares (equity shares) having a par value ₹ 10 each. Each holder of equity shares is entitled to one vote per share. The dividend, if any, proposed by the Board is subject to approval of the Shareholders except in the case of Interim Dividend.

In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amount, if any, in the proportion to their shareholdings.

i) Subscribed and paid-up shares capital includes:

Details of shares held by Shareholders holding more than 5% of the aggregate shares in the Company.

| <u>Name of the Shareholders</u> | <u>Percentage</u> | <u>31.03.16</u> | <u>31.03.15</u> |
|---|-------------------|-----------------|-----------------|
| a) Chandrakant Birla | 19.17% | 51000 | 51000 |
| b) Central India General Agents Ltd. | 7.29% | 19389 | 19389 |
| c) Padmavati Investment Ltd. | 14.57% | 38778 | 38778 |
| d) The Punjab Produce & Trading Co. Pvt. Ltd. | 12.50% | 33250 | 33250 |
| e) Gwalior Webbing Co. Pvt. Ltd. | 7.72% | 20550 | 20550 |
| f) Birla Corporation Ltd. | 7.19% | 19133 | 19133 |

ii) There has been no movement of Shares during the year preceding five year to the year ended 31.03.2016.

iii) Transferability of Shares is not subject to any restriction.

iv) There are no Shares either on which any calls are unpaid or have been forfeited during the year.

NOTE NO. 3 : RESERVES & SURPLUS

| | | | |
|--|----------------------|------------------------|------------------------|
| Capital Reserve (Surplus on Amalgamation) | | 26.25 | 26.25 |
| Preference Share Capital Redemption Reserve | | 7.00 | 7.00 |
| General Reserve | | 25.76 | 25.76 |
| Surplus/(Deficit) | | | |
| | <u>2015-16</u> | <u>2014-15</u> | |
| Balance as per last Profit & Loss Account | 1,378.83 | 291.00 | |
| Profit / (Loss) for the year | (564.27) | 1,087.96 | |
| Surplus | 814.56 | 1,378.96 | |
| Less: Depreciation charged under Companies Act, 2013 | - | 0.13 | |
| (Based on transitional provision provided in Note 7(b) of Schedule II of the Act) | <u>873.57</u> | <u>1,378.83</u> | <u>1,437.84</u> |
| (There is no movement in Capital Reserve/General Reserve and Preference Share Capital Redemption Reserve during the year and in previous year) | | | |

THE RAMESHWARA JUTE MILLS LIMITED

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March, 2016

(₹ in lacs)

| | <u>31st March, 2016</u> | <u>31st March, 2015</u> |
|---|-------------------------|-------------------------|
| NOTE NO. 4 : LONG TERM PROVISIONS | | |
| Employees benefit payable | | |
| Leave Encashment | <u>6.65</u> | <u>13.76</u> |
| | <u>6.65</u> | <u>13.76</u> |
| NOTE NO. 5 : SHORT TERM BORROWINGS | | |
| Loan from others - Unsecured | 485.00 | - |
| Advances from Customers | <u>1.35</u> | <u>-</u> |
| | <u>486.35</u> | <u>-</u> |
| NOTE NO. 6 : TRADE PAYABLES | | |
| For Goods & Services | <u>45.76</u> | <u>27.54</u> |
| | <u>45.76</u> | <u>27.54</u> |
| NOTE NO. 7 : OTHER CURRENT LIABILITIES | | |
| Statutory dues payable | 16.26 | 13.94 |
| Advances from Customers | - | 9.69 |
| Surface Rent | 863.11 | 783.11 |
| Audit Fee | 0.32 | 0.29 |
| Tax Audit Fee | 0.11 | 0.10 |
| Internal Audit Fee | 0.25 | 0.23 |
| Creditors for Capital Goods | 5.32 | 7.69 |
| Others | <u>30.97</u> | <u>19.59</u> |
| | <u>916.34</u> | <u>834.64</u> |
| NOTE NO. 8 : SHORT TERM PROVISIONS | | |
| Employees benefit payable | | |
| Leave encashment | 6.67 | 2.82 |
| Contribution to PF Assets | 0.84 | 0.84 |
| Provision of Income tax (net of advance tax | - | 71.57 |
| ₹ Nil, Previous year ₹ 532.62) | <u>7.51</u> | <u>75.23</u> |

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March, 2016

NOTE NO. 9 : NON-CURRENT ASSETS

Fixed Assets

(₹ in lacs)

| Sl | Particulars of Assets | GROSS BLOCK | | | DEPRECIATION / AMORTISATION | | | NET BLOCK | | |
|------|--|-----------------|---------------------------|-----------------------|-----------------------------|------------------------|-----------------------|-----------------------------------|-----------------|-----------------------|
| | | 31st March 2015 | Additions During the year | Deletions/ Adjustment | 31st March 2016 | As on 31st March, 2015 | For the year the year | Sale/ Adjustments during the year | 31st March 2016 | W.D.V 31st March 2015 |
| i) | Tangible Assets | | | | | | | | | |
| | Building | 94.25 | - | - | 94.25 | 29.53 | 16.95 | - | 46.48 | 64.72 |
| | Plant & Equipment | 36.41 | - | - | 36.41 | 15.88 | 5.09 | - | 20.97 | 20.53 |
| | Furniture & Fixtures | 19.48 | - | - | 19.48 | 17.24 | 0.18 | - | 17.42 | 2.24 |
| | Office Equipment | 13.78 | - | 0.21 | 13.57 | 5.08 | 2.60 | 0.17 | 7.51 | 8.70 |
| | Electrical Equipments | 20.69 | - | - | 20.69 | 2.29 | 1.93 | - | 4.22 | 18.40 |
| | Vehicles | 6.50 | - | 1.00 | 5.50 | 0.79 | 0.97 | 0.21 | 1.55 | 5.71 |
| | Other (Computer Accessories) | 7.27 | - | - | 7.27 | 4.68 | 1.35 | - | 6.03 | 2.59 |
| | Total: (i) | 198.38 | - | 1.21 | 197.17 | 75.49 | 29.07 | 0.38 | 104.18 | 122.89 |
| ii) | Intangible Assets* | | | | | | | | | |
| | Mining rights | 169.60 | - | - | 169.60 | 129.62 | 34.54 | - | 164.16 | 39.98 |
| | Computer Software | - | 0.56 | - | 0.56 | - | 0.07 | - | 0.07 | - |
| | Total: (ii) | 169.60 | 0.56 | - | 170.16 | 129.62 | 34.61 | - | 164.23 | 39.98 |
| | Total (i + ii) | 367.98 | 0.56 | 1.21 | 367.33 | 205.11 | 63.68 | 0.38 | 268.41 | 162.87 |
| iii) | Intangible Assets in Progress** | 476.17 | 20.81 | - | 496.98 | - | - | - | - | 476.17 |
| | Grand Total | 844.15 | 21.37 | 1.21 | 864.31 | 205.11 | 63.68 | 0.38 | 268.41 | 639.04 |
| | Previous Year | 609.92 | 366.56 | | 609.92 | 139.79 | 65.19 | - | 139.79 | 470.13 |

Notes:

* Company obtained mining right from the Divisional Forest office, Chabasa on 30.06.2011 for 23,233 hectare of land against which ₹ 169.60 lacs paid earlier has been capitalized and out of which ₹ 34.54 lacs were amortized during the year (Previous year also ₹ 34.54 Lacs). The balance amount of NPV ₹ 1056.40 lacs (₹ 1226 lacs - ₹ 169.60 lacs) paid earlier for non-broken up area of 111,759 hectare and safety zone is awaiting permission for mining which has been shown under other non-current assets due to uncertainty involved in timing of obtaining permission.

** Company has purchased 220.98 acres of land for compensatory afforestation mandated for allotment of mining rights. The above land stand registered in the name of company but mutation & pillar work are under process. Ownership right in land stand marked for afforestation is expiring during the tenure of mining right thereby entailing classification of consideration money paid thereon as mining right being of intangible nature.

THE RAMESHWARA JUTE MILLS LIMITED

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March, 2016

NOTE NO. 10 : NON CURRENT INVESTMENTS

(₹ in lacs)

| | Shares/ Units | Face Value | 31st March, 2016 | 31st March, 2015 |
|---|------------------|---------------|------------------|------------------|
| Other than trade | | | | |
| Equity Shares | | | | |
| Century Enka Ltd. | 82810 | 10 | 1.00 | 1.00 |
| Chambal Fertilizers Ltd. | 1650 | 10 | 0.30 | 0.30 |
| Birla Corporation Ltd. | 280 | 10 | 0.14 | 0.14 |
| Universal Cables Ltd. (12576 Acquired during the year) | 37728 | 10 | 37.30 | 30.89 |
| Vindhya Telelinks Ltd. | 100 | 10 | 0.06 | 0.06 |
| Birla Ericsson Optical Ltd. | 100 | 10 | 0.02 | 0.02 |
| Essel Mining & Industries Ltd. | 6789 | 10 | 0.43 | 0.43 |
| Birla Consultants Ltd. | 14382 | 10 | 0.72 | 0.72 |
| Birla Building Ltd. | 10000 | 10 | 1.03 | 1.03 |
| Mutual Funds | | | | |
| HDFC TOP 200 FUND - Div.-Pay | 13750.459 | 10 | 5.95 | 20.37 |
| HDFC TOP 200 FUND - Growth* | 5844.430 | 10 | — | 10.00 |
| Birla Equity Growth Fund* | 2759.001 | 10 | — | 6.00 |
| Reliance Growth Fund | 1961.215 | 10 | 7.57 | 10.00 |
| Templeton India Ultra Short Bond Fund | 151437.755 | 10 | — | 15.16 |
| - Retail Reinvestment* | | | | |
| Birla Sun Life Front Line Equity Fund Plan | 42535.091 | 10 | — | 10.00 |
| - Div. Payout * | | | | |
| *All redeemed during the year | | | | |
| | | | 54.52 | 106.12 |
| Less: Provision for other than temporary diminution | | | 0.29 | 0.29 |
| | | | 54.23 | 105.83 |
| Aggregate amount of quoted Investments | | | 52.34 | 103.94 |
| Aggregate amount of unquoted Investments | | | 2.18 | 2.18 |
| Aggregate value of provision for diminution in value of Investments | | | 0.29 | 0.29 |
| Aggregate market value of quoted Investments | | | 193.62 | 242.61 |

NOTE NO. 11 : OTHER NON CURRENT ASSETS

| | | | | |
|---|--|--|--------------|--------------|
| Non current bank balance (Refer Note No.14) | | | 18.58 | 18.58 |
| | | | 18.58 | 18.58 |

NOTE NO. 12 : INVENTORIES

| | | | | |
|----------------|--|--|---------------|---------------|
| Finished Goods | | | 319.87 | 319.87 |
| Stores | | | 0.07 | 0.07 |
| | | | 319.94 | 319.94 |

NOTE NO. 13 : TRADE RECEIVABLES

Unsecured, considered good except otherwise stated :

| | | | | |
|---|--|--|--------------|--------------|
| Debts outstanding for a period exceeding six month from the date of payment | | | 65.49 | 64.49 |
| Less : Provision for Doubtful Debts | | | 29.09 | 29.09 |
| | | | 36.40 | 35.40 |
| Other Debts (Less than six months) | | | 0.21 | 2.70 |
| | | | 36.61 | 38.10 |

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March, 2016

(₹ in lacs)

NOTE NO. 14 : CASH AND CASH EQUIVALENTS

| | Non current | | Current | |
|---|-------------|------------|--------------|--------------|
| | 31.03.16 | 31.03.2015 | 31.03.16 | 31.03.2015 |
| Cash and cash equivalents | | | | |
| Cash in hand | – | – | 3.91 | 2.55 |
| Balances with banks : | | | | |
| In Current accounts | – | – | 23.63 | 14.96 |
| Deposit with Bank | | | | |
| (with maturity of more than 12 months) | 18.58 | 18.58 | – | – |
| Deposit pledged and held as lien by the Bank against Bank Guarantee | 18.58 | 18.58 | – | – |
| Amount disclosed under other Non Current Assets, refer Note No.11 | (18.58) | (18.58) | – | – |
| | <u>–</u> | <u>–</u> | <u>27.54</u> | <u>17.51</u> |

NOTE NO. 15 : LONG/SHORT TERM LOANS & ADVANCES

| | | | | |
|---|-----------------|-----------------|---------------|---------------|
| Unsecured, Considered good | | | | |
| Service Tax | 13.47 | 12.96 | 0.83 | 0.72 |
| Security Deposit | 0.07 | 0.09 | – | – |
| Advances recoverable in cash or kind | – | – | 21.08 | 22.99 |
| Prepaid Expenses | 1.32 | 0.79 | – | – |
| Advance Sales tax | – | – | 14.00 | 1.29 |
| Advance recoverable in cash or kind or value to be received | 1,056.11 | 1,056.11 | – | – |
| Advance Income tax (Net of provision for Taxation) (Previous year ₹ 604.19) | 121.98 | 90.15 | 73.15 | 85.49 |
| | <u>1,192.95</u> | <u>1,160.10</u> | <u>109.06</u> | <u>110.49</u> |

| | 31st March, 2016 | 31st March, 2015 |
|---|------------------|------------------|
| NOTE NO. 16 : OTHER CURRENT ASSETS | | |
| Interest accrued on Fixed Deposit | 7.98 | 6.03 |
| | <u>7.98</u> | <u>6.03</u> |

NOTE NO. 17 : REVENUE FROM OPERATIONS

| | | |
|-------------------------------|---------------|-----------------|
| Sales of Iron & Manganese Ore | – | 2,810.05 |
| Less: Value Added Tax | – | 96.78 |
| Sale of Services | 149.64 | 177.53 |
| | <u>149.64</u> | <u>2,890.80</u> |

THE RAMESHWARA JUTE MILLS LIMITED

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March, 2016

| | (₹ in lacs) | |
|--|-------------------------|-------------------------|
| | <u>31st March, 2016</u> | <u>31st March, 2015</u> |
| NOTE NO. 18 : OTHER INCOME | | |
| Dividend on Investment - Non current (Other than Trade) | 7.69 | 30.28 |
| Interest Received from Bank on Deposit | 2.16 | 2.01 |
| Profit on sale of Non current Investment | 21.44 | 0.10 |
| Profit on sale of current Investment | - | 3.82 |
| Excess provision against gratuity/other liability written back | 2.54 | 0.50 |
| Miscellaneous Receipts | 0.89 | 0.04 |
| | <u>34.72</u> | <u>36.75</u> |
| NOTE NO. 19 : CHANGE IN INVENTORIES OF FINISHED GOODS | | |
| Closing Stock | 319.94 | 319.94 |
| Opening Stock | <u>319.94</u> | <u>322.50</u> |
| | - | <u>2.56</u> |
| NOTE NO. 20 : EMPLOYEE BENEFITS EXPENSE | | |
| Salary, Wages & Bonus | 175.02 | 159.46 |
| Contribution To Provident Fund & Other Funds | 14.33 | 14.72 |
| Notice/Retrenchment Compensation | 19.78 | - |
| Staff Welfare Expenses & Other Allowances | 66.00 | 67.47 |
| | <u>275.13</u> | <u>241.65</u> |
| NOTE NO. 21 : FINANCE COST | | |
| Interest on ICD | 27.88 | 2.17 |
| Interest on Others | - | 5.58 |
| | <u>27.88</u> | <u>7.75</u> |
| NOTE NO. 22 : OTHER EXPENSES | | |
| Iron Ore Raising Expenses | - | 144.85 |
| Screening Expenses | - | 34.57 |
| Rent | 224.95 | 214.36 |
| Loading Charges | - | 32.00 |
| Service Charges | 22.80 | 22.80 |
| Royalty | - | 275.95 |
| Environment Expenses | - | 3.54 |
| Water & Electricity Charges | 17.86 | 20.29 |
| Consultancy Charges | 9.08 | 7.48 |
| General Charges | 12.89 | 18.51 |
| Insurance | 2.83 | 3.10 |
| Rates & Taxes | 1.67 | 2.62 |
| Legal Charges | 27.98 | 2.43 |
| Repairs & Maintenance | 1.22 | 16.45 |
| Security Expenses | 23.96 | 26.69 |
| Travelling & Conveyance Expenses | 6.71 | 10.77 |
| Vehicle Hire Charges | 21.31 | 34.85 |
| Sampling Expenses | 0.06 | 7.06 |
| Other Expenses | 5.49 | 21.27 |
| Service tax | 2.03 | 3.14 |
| Auditors Remuneration | <u>2015-16</u> | <u>2014-15</u> |
| - As Auditors | 0.64 | 0.60 |
| - Service Tax & Cess | 0.09 | 0.07 |
| Directors Fees | <u>0.37</u> | <u>0.34</u> |
| | <u>381.94</u> | <u>903.74</u> |

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March, 2016

23. Employee Benefits

a) Defined Contribution Obligations

(₹ in lacs)

| | <u>2015-16</u> | <u>2014-15</u> |
|--------------------------|----------------|----------------|
| Provident Fund | 7.18 | 7.59 |
| Superannuation Fund | 2.34 | 2.59 |
| Employees Pension Scheme | 4.81 | 4.27 |

b) Defined Benefit Obligations

Particulars in respect of post retirement/other long term defined benefit Plans of the Company are as follows :

| Description | <u>2015-16</u> | | <u>2014-15</u> | |
|--|----------------|--------------|----------------|--------------|
| | Gratuity | Leave Salary | Gratuity | Leave Salary |
| (i) Reconciliation of Opening & Closing Balance of obligation | | | | |
| a Present value of obligation | 30.04 | 16.58 | 24.61 | 12.48 |
| b Current Service Cost | 1.84 | 1.05 | 3.36 | 1.20 |
| c Past Service Cost | - | - | - | - |
| d Interest Cost | 1.55 | 0.91 | 1.97 | 0.96 |
| e Benefit Paid | (21.45) | (10.41) | - | (1.05) |
| f Actuarial Gain/Loss | 7.98 | 5.19 | 0.10 | 2.99 |
| g Present Value of obligation at the end of the year (31.03.2016) | 19.96 | 13.32 | 30.04 | 16.58 |
| (ii) Reconciliation of Opening and Closing Balances of the fair value of Plan Assets | | | | |
| a Fair Value of Plan Assets at Beginning of the year | 70.33 | | 67.52 | |
| b Acquisition Adjustment | - | | - | |
| c Expected Return on Plan Assets | 5.63 | | 5.40 | |
| d Contributions | - | | - | |
| e Benefits Paid | (21.45) | | - | |
| f Actuarial Gain/Loss on Plan Assets | 30.84 | | (2.60) | |
| g Fair Value of Plan Assets at the end of year | 85.35 | | 70.32 | |
| (iii) Reconciliation of Fair Value of Plan Assets & Present value of defined benefit obligation | | | | |
| a Present Value of obligation (31.03.2016) | 19.96 | 13.32 | 30.04 | 16.58 |
| b Fair value of Plan Assets (31.03.2016) | 85.35 | | 70.32 | |
| Net liabilities recognised in Balance Sheet | (65.39) | 13.32 | (40.28) | 16.58 |
| (iv) Expenses recognised in the period | | | | |
| a Current Service Cost | 1.84 | 1.05 | 3.36 | 1.20 |
| b Past Service Cost | - | - | - | - |
| c Interest Cost | 1.55 | 0.91 | 1.97 | 0.96 |
| d Expected Return on Plan Assets | (5.63) | - | (5.40) | - |
| e Actuarial Gain/Loss | (22.87) | 5.19 | 2.70 | 2.99 |
| f Expenses recognised during the year | (25.11) | 7.15 | 2.63 | 5.15 |

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March, 2016

(₹ in lacs)

| | | |
|---|------------------|------------------|
| (v) Other Information | 2015-2016 | 2014-2015 |
| Discount Rate Used | 8.00% | 8.00% |
| Inflation Rate | 6.00% | 6.00% |
| Estimated Rate of return on Plan Assets | 8.00% | 8.00% |
| Method used | PUCM | PUCM |
| Expected Remaining life of employees | 11 | 16 |

Note :

No provision has been made against gratuity due to excess of Planned Assets over obligation in this regard. The difference of the two proving Assets has not been recognized.

Leave Encashment liability has been determined on Actuarial Valuation and ₹ 7.15 lacs has been provided in the accounts for the year under review.

24. Business Segment Information

Primary Segment Reporting (Business Segment) :

The Company has two reportable segments i.e. Mining & others which have been identified in line with AS 17 on Segment Reporting issued by ICAI: (₹ in lacs)

| PARTICULARS | 2015-2016 | | | 2014-2015 | | |
|---------------------------------|-----------------|-------------------|-----------------|-----------------|-------------------|-----------------|
| | Mining | Services & Others | Total | Mining | Services & Others | Total |
| REVENUE | | | | | | |
| Sales | – | 149.64 | 149.64 | 2,713.27 | 177.53 | 2,890.80 |
| Dividend/Other Income | 4.96 | 29.76 | 34.72 | 24.89 | 11.86 | 36.75 |
| Less : Inter Segment Adjustment | – | – | – | – | – | – |
| Total Revenue | 4.96 | 179.40 | 184.36 | 2,738.16 | 189.39 | 2,927.55 |
| RESULTS | | | | | | |
| Gross Profit / (Loss) | (495.47) | (50.76) | (546.23) | 1,695.50 | (27.89) | 1,667.61 |
| Interest (Expenses)/Income | (25.73) | – | (25.73) | (5.74) | – | (5.74) |
| Dividend Income | – | 7.69 | 7.69 | 18.56 | 11.72 | 30.28 |
| Profit/(Loss) before Tax | (521.20) | (43.07) | (564.27) | 1,708.32 | (16.17) | 1,692.15 |
| OTHER INFORMATION | | | | | | |
| Segment Assets | 2,060.29 | 302.51 | 2,362.80 | 2,083.76 | 331.86 | 2,415.62 |
| Un-allocated Assets | – | – | – | – | – | – |
| Total Assets | 2,060.29 | 302.51 | 2,362.80 | 2,083.76 | 331.86 | 2,415.62 |
| Segment Liabilities | 1,431.79 | 30.83 | 1,462.62 | 852.21 | 98.96 | 951.17 |
| Un-allocated Liabilities | – | – | – | – | – | – |
| Total Liabilities | 628.50 | 271.68 | 900.18 | 1,231.55 | 232.90 | 1,464.45 |
| Capital Expenditure | 20.81 | 0.56 | 21.37 | 233.73 | 0.50 | 234.23 |
| Depreciation | 63.45 | 0.23 | 63.68 | 65.00 | 0.19 | 65.19 |

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March, 2016

25. Information pursuant to AS-18

- a) List of parties where control exists NIL
 Previous Year - NIL
- b) List of transactions with related parties :
- i) Remuneration to Sri Suresh Kumar Sharma, CEO ₹ 2.36 lacs and to Sri Kishor Kumar Sharma, CFO ₹ 13.01 lacs in addition to reimbursement of expenses ₹ 0.11 lacs during the year.
- ii) Meeting fee to Directors ₹ 0.37 lacs (Previous Year ₹ 0.34 lacs)
- | | |
|---------------------|----------|
| R. P. Pansari | Chairman |
| H. C. Daga | Director |
| K. P. Chaudhury | Director |
| S. S. Jajodia | Director |
| U. C. Jain | Director |
| G. Ganguli | Director |
| Mrs. S. P. Patjoshi | Director |
| P. K. Chhawchharia | Director |

26. Information on Earning per Share - pursuant to AS-20

(a) after consideration of extra ordinary items

| | Year Ended 31st March, 16 | Year Ended 31st March, 15 |
|---|------------------------------|------------------------------|
| Profit/(Loss) after tax | ₹ (564.27) Lacs | ₹ 1087.96 Lacs |
| i. Amount used as numerator in calculating basic & diluted earning per share. | ₹ (564.27) Lacs | ₹ 1087.96 Lacs |
| Weighted average no. of Equity Shares - Basic | 266056 | 266056 |
| Weighted average no. of Equity Shares - Diluted | 266056 | 266056 |
| ii. Earning Per Share (Basic) | ₹ (212.09) | ₹ 408.92 |
| iii. Earning Per Share (Diluted) | ₹ (212.09) | ₹ 408.92 |

(b) without consideration of extra ordinary items

| | | |
|---|-----------------|----------------|
| Profit/(Loss) after tax | ₹ (564.27) Lacs | ₹ 1087.96 Lacs |
| Add : Extra ordinary items (Prior period expenses) | ₹ — | ₹ 14.51 Lacs |
| Basic & diluted earning per share. | | |
| i. Amount used as numerator in calculating basic & diluted earning per share. | ₹ (564.27) Lacs | ₹ 1102.47 Lacs |
| Weighted average no. of Equity Shares - Basic | 266056 | 266056 |
| Weighted average no. of Equity Shares - Diluted | 266056 | 266056 |
| ii. Earning Per Share (Basic) | ₹ (212.09) | ₹ 414.37 |
| iii. Earning Per Share (Diluted) | ₹ (212.09) | ₹ 414.37 |

27. Contingent Liabilities not provided for -

- (a) Claims not acknowledge as debt :
- i) Sales Tax (VAT) demand ₹ 358.97 lacs (Previous year ₹ 358.97 lacs)
- ii) Income tax demand disputed ₹ 10.04 lacs (Previous year ₹ 10.04 lacs)

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March, 2016

- iii) Demand of ₹ 14079.20 lacs u/s 21(5) of the MMDR Act 1957 by District Mining Office, Chaibasa, Singhbhum, Jharkhand disputed (Previous year ₹ 14079.20 lacs)
- (b) Bank guarantee provided ₹ 18.58 lacs (Previous year ₹ 18.58 lacs)
- (c) Contingent Liabilities provided for : (Pursuant to AS-29)
- (d) During the year the Company has provided for ₹ 80 lacs towards surface rent demand disputed by the Company in Apex Court, ₹ 863.00 lacs now forms part of other current liabilities (Previous year ₹ 783.00 lacs). No part of provision has been withdrawn during the year.
- Timing of possible outflow of fund is not readily ascertainable, provision has been made as a measure of abundant precaution.

28. OTHERS

- 28.1 Renewal of Tenancy Agreement with UCO Bank for premises situated at New Delhi is still pending.
- 28.2 a) Value of Imported and Indigenous Raw Material, Stores, Spare Parts and Components Consumed during the year - Nil
- b) Sale of services relate to business support extended to third companies
- 28.3 Pursuant to operationalisation of Schedule - II to the Companies Act, 2013 downward revision of life span of assets has been made;
- a) Over-aged assets have been reduced to residual value, the amount thereof ₹ Nil lacs has been charged to reserve & surplus (Previous Year ₹ 0.13 lacs).
- b) Remaining assets are depreciated at a rate to reduce them to residual value during remaining life span of assets, which added to depreciation charge & reduced profit for the year by ₹ Nil (Previous Year ₹ 10.03 lacs).
- 28.4 Following notification No. G.S.R 5 to (E) dated 18.07.2014 issued by GOI amending Rule 24 A(b) of Mineral Concession Rules, 1960 rendering continuing mining right subject to approval of State Government, mining operation has remained suspended since 09.08.2014 pending nod thereof from Govt. of Jharkhand
- 28.5 Previous years figures have been re-grouped / re-arranged as and where necessary so as to conform to current year groupings.
- 28.6 All figures are represented in ₹ Lacs upto two decimals unless stated otherwise.
- 28.7 There has been no transaction with enterprises belonging to micro and small categories under MSMED.

For **G. BASU & CO.**
Chartered Accountants
Firm Registration Number 301174E
(GAUTAM GUHA)
Partner
(M. No. 054702)
Place: Kolkata
Date: 27th May, 2016

Suresh Sharma
Chief Executive Officer

Kishor Kumar Sharma
Chief Finance Officer

Shampa Ghosh Roy
Company Secretary

R. P. Pansari
H. C. Daga
K. P. Chaudhury
S. S. Jajodia
U. C. Jain
G. Ganguli
Smt. S. P. Patjoshi
P. K. Chhawchharia

Chairman

Directors

THE RAMESHWARA JUTE MILLS LIMITED

CIN: L17119WB1935PLC046111

Registered Office: 'Birla Building', 8th Floor, 9/1 R.N.Mukherjee Road, Kolkata 700 001
Phone: +91 33 30227212/13(Extn. 1883); Website: <http://www.rameshwarajute.com>; Email: rjm.ho@rjm.co.in

ATTENDANCE SLIP
ANNUAL GENERAL MEETING ON 23RD SEPTEMBER, 2016

| | |
|-----------------------|--|
| Name of the Member(s) | |
| Registered Address | |
| Registered Folio No. | |
| No. of Share(s) held | |

I/We hereby record my/our presence at the Annual General Meeting of the Company held on Friday, 23rd September, 2016 at 3:00 P.M. at 16th Floor, Birla Building, 9/1 R.N.Mukherjee Road, Kolkata- 700001.

.....
Member's / Proxy's name in Block Letters

.....
Member's / Proxy's Signature

Note: Please complete the Name, Address and Folio No., sign this Attendance Slip and hand it over at the Attendance Verification Counter at the entrance of the Meeting Hall.

----- Please cut here and bring the above attendance slip to the meeting hall -----

THE RAMESHWARA JUTE MILLS LIMITED

CIN: L17119WB1935PLC046111

Registered Office: 'Birla Building', 8th Floor, 9/1 R.N.Mukherjee Road, Kolkata 700 001
Phone: +91 33 30227212/13(Extn. 1883); Website: <http://www.rameshwarajute.com>; Email: rjm.ho@rjm.co.in

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

ANNUAL GENERAL MEETING ON 23RD SEPTEMBER, 2016

| | |
|-----------------------|--|
| Name of the Member(s) | |
| Registered Address | |
| Registered Folio No. | |
| No. of Share(s) held | |

I/We, being the member(s) of.....shares of the above named company, hereby appoint:

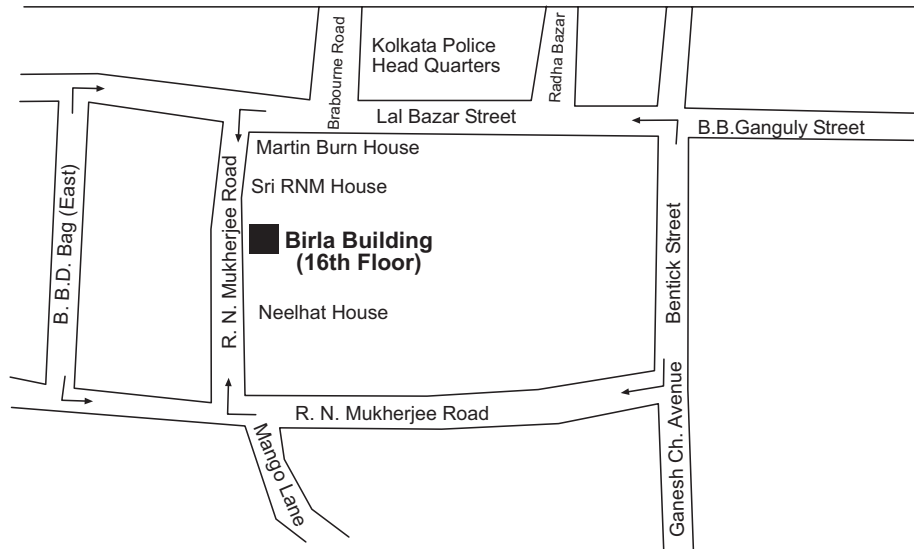
- Name :
Address :
E-mail ID : Signature:....., or failing him;
- Name :
Address :
E-mail ID : Signature:....., or failing him;
- Name :
Address :
E-mail ID : Signature:.....

as my /our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on Friday, 23rd day of September, 2016 at 3:00 P.M. at 16th Floor, Birla Building, 9/1 R.N.Mukherjee Road, Kolkata-700 001, any adjournment thereof in respect of such resolutions as is indicated overleaf:



ROUTE MAP to AGM Venue

Birla Building, 16th Floor, 9/1 R.N.Mukherjee Road, Kolkata 700 001



| Resolution No. | Resolution Proposed | Please tick (✓) |
|----------------|---|-----------------|
| 1 | Adoption of Annual Financial Statements for the year ended 31st March, 2016, the Report of the Auditors and Report of Board of Directors for the year ended 31st March, 2016. | |
| 2 | Approval to the re-appointment of Shri S.S.Jajodia, Director retiring by rotation. | |
| 3 | Approval to the appointment of Statutory Auditor and fixation of remuneration. | |

Signed this.....day of....., 2016.

Folio No :Signature of Shareholder:.....

Signature of Proxy holder(s);.....

Affix
Revenue
Stamp

Note:

1. **This form of proxy in order to be effective should be duly completed, stamped, signed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**
2. For the text of the Resolutions, Statement & Notes, please refer to the Notice convening the Annual General Meeting dated 27th May, 2016.