

The Samnuggur Jute Factory Company Limited  
Company Number : SC000578  
Directors' Report  
For the year ended 30<sup>th</sup> September 2021



\*SBU73P20\*  
SCT 29/04/22 #124  
COMPANIES HOUSE

The Directors present their report and accounts for the company for the year ended 30<sup>th</sup> September 2021

**Principal Activities:**

The Principal activity of the company continued to be that of temporary receipt of license income from owned jute mills operated under license under Court Orders. The mills are run under supervision of Special Officer appointed by Indian Court.

**Business Review:**

The loss for the year is declared at and there are net liabilities.

The shares of the Company were sold by Indian Provident Fund Authorities against the arrear dues in an auction to Chik Commodities Private Limited. The indebtedness to the Indian Provident Fund is slowly being reduced with the application of the license fee being paid directly to the Fund to reduce the arrears. Although the accounts reveal substantial liabilities the current owners will continue to support the company.

Since the factories are run under the possession of Indian Court, we have relied upon the information provided by the previous management and the valuation report of fixed assets which was prepared by Mr T. C Roy (RICS), Chartered Surveyor, an Indian Government Registered independent valuer.

The valuation of tangible fixed assets has been carried out in accordance with the best practice followed by Chartered Surveyor in India, which may not be in accordance with the Royal Institute of Chartered Surveyors recommended practice in the United Kingdom.

The tangible fixed assets and investment properties were last valued on 30<sup>th</sup> September 2000.

**Director's Interest:**

The Directors' interests in the shares of the company are as stated below:

Ordinary shares of £1 each  
30<sup>th</sup> September 2021

Dhirendra Kumar Jain

Nil

**Directors' Responsibilities:**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss the company for that period.

In preparing those financial statements, the directors are required to :

- Select suitable accounting policies and apply them consistently ;
- Make judgement and estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

By Order of the Board

*Dhirendra Kumar Jain*

Dhirendra Kumar Jain  
Director

**The Samnuggur Jute Factory Company Limited**  
**Profit & Loss Account**  
**For the year ended 30 September 2021**

	Notes	£ 2021	£ 2020
Expenses		(9,87,672)	(6,31,520)
Other Operating Income		1,44,125	1,81,666
Unprovided Liabilities		(28,22,394)	0
Currency fluctuation		9,80,752	0
Loss on Ordinary activities before Taxation	2	(26,85,189)	(4,49,854)
Tax on loss on Ordinary activities	3	0	0
Loss on Ordinary activities after Taxation	10	(26,85,189)	(4,49,854)

The profit and loss account has been prepared on the basis that all operations are continuing Operations

**The Samnuggur Jute Factory Company Limited**  
**Statement of Total Recognised Gains and Losses**  
**For the year ended 30 September 2021**

	Notes	£ 2021	£ 2020
Loss for the financial Year		(26,85,189)	(4,49,854)
Currency translation differences on foreign Currency net investments		0	0
Total recognised gains and losses relating to the year		<u>(26,85,189)</u>	<u>(4,49,854)</u>

**The Samnuggur Jute Factory Company Limited**  
**Balance Sheet as at 30 September 2021**

	Notes	£ 2021	£ 2020
<b>Fixed Assets</b>			
Tangible Assets	4	10,09,341	10,09,341
Investments	5	0	0
		<u>10,09,341</u>	<u>10,09,341</u>
<b>Current Assets</b>			
Cash at bank and in hand		0	0
Creditors: amount falling due within one year	6	0	0
<b>Total assets less current liabilities</b>		<u>10,09,341</u>	<u>10,09,341</u>
<b>Creditors: amounts falling due after more than one year</b>	7	(1,98,85,231)	(1,72,00,042)
<b>Provisions for liabilities and charges</b>	8	(4,12,130)	(4,12,130)
		<u>(1,92,88,020)</u>	<u>(1,66,02,831)</u>
<b>Capital and Reserves</b>			
Called up share capital	9	7,50,000	7,50,000
Revaluation Reserve	10	90,33,843	90,33,843
Other Reserves	10	1,08,63,524	1,08,63,524
Profit & Loss Account		(3,99,35,387)	(3,72,50,198)
<b>Shareholders funds - equity interests</b>		<u>(1,92,88,020)</u>	<u>(1,66,02,831)</u>

For the year ending 30 September 2022, the Company was entitled to exemption from the audit under section 477 of the Companies Act 2006 relating to the small companies.

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476.

**Directors' responsibilities :**

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Previous year figures have been taken on the basis of last available information for the year ended 2010

The financial statements were approved by the Board on 22 October 2021

*Dhirendra Kumar Jain*

Dhirendra Kumar Jain  
 Director

**The Samnuggur Jute Factory Company Limited**  
**Notes to the Financial Statements**  
**For the year ended 30 September 2021**

**1 Accounting policies**

**Foreign currency translation**

The Company's activities are carried out in India and the conversion of figures into Pound sterling is made on the following basis :

Share Capital, unclaimed dividends, and Indian rupee reserve are translated at the rate of exchange ruling at the dates of acquisition.

Tangible fixed assets are accounted for as foreign currency assets and are translated at the rate of exchange prevailing at the balance sheet date. Changes in the sterling value of other assets and liabilities are taken to Profit & Loss together with the difference arising on the translation of the related foreign currency denominated assets.

**The Samnuggur Jute Factory Company Limited**  
**Notes to the Financial Statements**  
**For the year ended 30 September 2021**

	£	£	£
4 <u>Tangible Fixed Assets</u>	<u>Land &amp; Buildings</u>	<u>Plant &amp; Machinery</u>	<u>Total</u>
<b>Cost or valuation</b>			
At 1 October 2020	27,41,932	22,93,343	50,35,275
Exchange Difference	0	0	0
At 30 September 2021	27,41,932	22,93,343	50,35,275
<b>Depreciation</b>			
At 1 October 2020	17,32,591	22,93,343	40,25,934
Exchange Difference	0	0	0
Charge for the year	0	0	0
At 30 September 2021	17,32,591	22,93,343	40,25,934
<b>Net book value</b>			
At 30 September 2021	10,09,341	0	10,09,341
At 30 September 2020	10,09,341	0	10,09,341

Tangible fixed assets were revalued on 30 September 2000 by Mr T.C. Roy (RICS), Chartered Surveyor, an Indian Government Registered independent valuer, at market value for land and buildings and depreciated replacement cost for plant and machinery. The valuation was carried out in accordance with the best practice followed by Chartered surveyors in India which may not be consistent with the Royal Institute of Chartered Surveyors recommended practice in the United Kingdom.

The Potential tax payable if the revalued fixed assets were sold cannot be quantified due to the historic nature of the assets and the interaction of the India tax position. Investment properties were revalued at 30 September 2000 at 880,097 by MR T.C Roy(RICS) Chartered Surveyor, a professional independent valuer, at market value. The investment properties are included within the land and buildings.

The Indian rupee value per MT TC Roy valuation of and buildings was Rs.268,303,000 and for plant and machinery the value was Rs.246,200,000.

The directors have been informed that the title deeds of the tangible fixed assets and the investment properties are held by the Provident Fund as security against the deeds of the historic long term debts of the company

**The Samnuggur Jute Factory Company Limited**  
**Notes to the Financial Statements**  
**For the year ended 30 September 2021**

	£ 2021	£ 2020
<b>5 <u>Fixed asset Investments</u></b>		
Cost or valuation	0	0
<b>6 <u>Creditors: amount falling due within one year</u></b>	0	0
<b>7 <u>Creditors: amounts falling due after more than one year</u></b>		
Other Creditors	1,98,85,231	1,72,00,042
<b>8 <u>Provisions for liabilities and charges</u></b>		
Balance as at 30-09-2020	4,12,130	4,12,130
Changes during the year	0	0
Balance as at 30-09-2021	<u>4,12,130</u>	<u>4,12,130</u>
<b>9 <u>Share Capital</u></b>		
<b>Autorised</b>		
2,500,000 Ordinary Shares of £ 1 each	25,00,000	25,00,000
<b>Allotted called up and fully paid</b>		
750,000 Ordinary Shares of £ 1 each	7,50,000	7,50,000

7,50,000 Ordinary shares are held by Chik Commodities Private Limited.



**The Samnuggur Jute Factory Company Limited**  
**Notes to the Financial Statements**  
**For the year ended 30 September 2021**

**10 Statement of movements on reserves**

	£ Revaluation Reserve	£ Other Reserves	£ P & L Account
Balance as at 01-10-2019	90,33,843	1,08,63,524	(3,68,00,344)
Retained loss during the year	0	0	(4,49,854)
Balance as at 30-09-2020	90,33,843	1,08,63,524	(3,72,50,198)
Retained loss during the year	0	0	(26,85,189)
Balance as at 30-09-2021	90,33,843	1,08,63,524	(3,99,35,387)

**11 Reconciliation of movements in shareholders funds**

	2022	2021
	£	£
Loss for the financial year	(26,85,189)	(4,49,854)
Other recognised gains/losses	0	0
	(26,85,189)	(4,49,854)

**12 Contingent Liabilities**

Within note 8, the Company has provided for retirement gratuities based on an actuarial valuation at 30 September 2000 and other creditors which is the date of last actuarial valuation. The Company would be liable for these further liabilities should the licensee default. The director is confident that the amounts stated reflect expectations. The Company is unable to ascertain the tax implications of such contingent liabilities