

REPORT & ACCOUNTS

For the Financial Year ended
31st March, 2022



Kolkata 2022

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THE BENGAL CHAMBER

**REPORT
&
ACCOUNTS**

for the year ended 31st March, 2022

THE BENGAL CHAMBER

The Managing Committee (Elected Members)

President :

Mr. Abraham George Stephanos

President Designate:

Mr. Subir Chakraborty

Senior Vice President :

Mr. Gautam Ray

Vice President :

Mr. Arnab Basu

Immediate Past President (Ex-Officio) :

Mr. Deb A Mukherjee

Other Elected Members :

Mr. Abhijit Banerjee
Mr. Ardhendu Mandal
Mr. Binod Kumar Homagai
Mr. Debashis Dutta
Mr. Dhruv Bhalla
Mr. Gopal Krishna Sharan
Mr. Joydeep Datta Gupta
Mr. Krishna Kumar Maskara
Mr. Nazeeb Arif
Mr. Prasanta Kumar Dutt
Mr. R. N. Lahiri
Mr. Sandeep Kumar
Mr. Subhasendu Chatterjee
Mr. Subrata Dutta
Mr. Tanmoy Banerjee

Mr. Abhijit Roy
Mr. Atanu Mukherjee
Mr. Chandan Bora
Mr. Dhruv Jyoti Basu
Mr. Dip Narayan Mittra
Mr. Jahan Numazar Mehta
Mr. Kaushik Mukherjee
Prof. Manoshi Roy Chowdhury
Mr. Nitin Jain
Wing Commander Pratul Show (Retd.)
Mr. Raghav Raj Kanoria
Mr. Satyam Roy Chowdhury
Dr. Suborno Bose
Ms. Sucharita Basu
Mr. Timir Baran Chatterjee

Mr. Alok Gupta
Mr. Bihari Kumar Newar
Mr. Chiranjib Bhattacharya
Mr. Dhruva Mukherjee
Mr. Gandharv Roy
Mr. Jayanta Chakraborty
Mr. Kishan Kumar Kejriwal
Mr. Navarun Sen
Mr. Pradeep Kumar Dixit
Mr. Pulak Chamararia
Dr. Rupali Basu
Mr. Simarpreet Singh
Mr. Subrata De
Dr. Suryanil Ghosh
Mr. Vivek Jalan

Director General :

Mr. Subhodip Ghosh

Auditors :

Dutta Ghosh & Associates
Chartered Accountants,
4, Ripon Street, Kolkata-700 016

Solicitors & Advocates :

Victor Moses and Company
6, Old Post Office Street,
Ground Floor, Kolkata-700 001

Bankers :

Canara Bank 6, N S Road
Kolkata - 700 001

Registered Office :

Royal Exchange
6 N S Road, Kolkata-700 001
CIN : U67120WB1893NPL000761

NOTICE

To All Members of The Bengal Chamber of Commerce and Industry

THE ANNUAL GENERAL MEETING OF THE BENGAL CHAMBER OF COMMERCE & INDUSTRY

Notice is hereby given that the Hundred and Sixty-eighth Annual General Meeting of The Bengal Chamber of Commerce & Industry will be held at 10:30 am on Thursday, the 29th September, 2022 at the premises of The Bengal Chamber of Commerce & Industry, Royal Exchange, 6 Netaji Subhas Road, Kolkata 700 001, to transact the following business :

ORDINARY BUSINESS

- I. To consider and adopt the audited Financial Statements for the financial year ended 31st March 2022, comprising the Balance Sheet, Statement of Income and Expenditure and Cash Flow Statement together with the Report of the Managing Committee and Auditors thereon.
- II. To elect the Managing Committee in place of the retiring Committee.
- III. To fix the remuneration of Auditor for the year 2022-2023 by passing the following resolution:

“Resolved that in compliance with Section 142 of the Companies Act, 2013 and in consonance with the appointment of M/s Dutta Ghosh & Associates, Statutory Auditors, at the Annual General Meeting of 2019, the Audit Fee of the Auditors be and is hereby fixed at ₹ 1,00,000/- (Rupees One Lakh) to conduct the audit for the financial year 2022-2023.”

By Order of the Managing Committee

Subhodip Ghosh
Director General

Place : Kolkata

Date : 25th August, 2022

**REPORT OF THE MANAGING COMMITTEE AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2022**

Your Managing Committee is pleased to present their Report for the Financial Year ended 31st March 2022.

1. FINANCIAL HIGHLIGHTS

The Audited Financial Statements of The Chamber for the year ended 31st March 2022 are attached. The year's results from Ordinary Operations reflect an excess of Income over Expenditure of ₹ 95,15,866.00 after making provision for doubtful debts of ₹ 22,98,044.00.

An exceptional item of income during the year was from the sale of 2875 unlisted Equity Shares of Woodlands Multispeciality Hospital Ltd to Rainbow Investments Ltd (a Group Company of RP-SG Group) at a total consideration of ₹ 37,37,500.00 (2875 Shares @ ₹ 1300/-per Share) being the highest offer received for such sale. Following deductions of the original cost of Shares (2875 Shares @ ₹ 10/- each) and payment to Stock Holding Corporation of India Limited, the Gain from Sale of Shares (net of Provision for tax of ₹ 7,51,839.00) stands at ₹ 29,53,911.00.

An accumulated excess of Expenditure over Income (owing primarily to the payment of arrears property tax) of ₹ 6,22,45,378.00 was brought forward from previous years and after adjusting the excess of Income over Expenditure of ₹ 1,25,32,709.00 (from Ordinary Operations, of ₹ 95,15,866.00 and the Gain from Sale of Shares being ₹ 29,53,911.00 {net of taxes} and the Deferred Tax Asset being ₹ 62,932.00) along with Capital Reserve, Revaluation Reserve and General Reserve totalling ₹ 1,50,48,692.00, for the year, shows a debit balance of ₹ 3,46,63,977.00 which is reflected under Reserves & Surplus in the Balance Sheet.

2. MANAGING COMMITTEE MEETINGS

During the Financial Year (FY) 2021-22, The Chamber had held eleven Managing Committee Meetings.

3. COMMITTEE MEMBERS' RESPONSIBILITY STATEMENT

As required under Section 134(5) of the Companies Act, 2013('ACT'), your Committee Members confirm:

- a) In the preparation of the annual accounts, the applicable accounting standards have been followed and material departures thereto, if any, have been explained;
- b) The Committee Members have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of The Chamber at the end of the Financial Year on 31st March 2022 and of the income over expenditure of The Chamber for the Financial Year ended 31st March 2022;
- c) The Committee Members have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of The Chamber and for preventing and detecting fraud and other irregularities;
- d) The Committee Members have prepared the annual accounts on a going concern basis; and
- e) The Committee Members have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and are operating effectively.

4. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

The particulars as required under the provisions of Section 134(3) (m) of the Act in respect of conservation of energy and technology absorption have not been furnished, considering the nature of activities undertaken by The Chamber.

The Chamber however appreciates the need to conserve energy though energy consumption by The Chamber is insignificant. Based on recommendations of energy auditor, Enfragy Solutions Pvt Ltd (appointed in 2014) and EESL (a JV of PSUs under the Ministry of Power, Government of India), appointed thereafter for implementation, resulted in energy savings in lighting and cooling. All energy appliances are purchased in sync with energy conservation goals and energy consumption is also rationalized appropriately.

5. STATUTORY AUDITORS

Pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Act, read with the Companies (Audit & Auditors) Rules 2014, including any modification or re-enactment thereof, at the 165th Annual General Meeting (AGM), the Members have approved the appointment of M/s. Dutta Ghosh & Associates, Chartered Accountants – Registration Number 309088E, to hold office as the Statutory Auditors of The Chamber till the conclusion of the 170th AGM to be held in 2024 at an annual audit fee of ₹ 1,00,000.00 (Rupees One Lakh only) to conduct the audit of The Chamber. The Statutory Auditors have given their written consent and provided the Consent and Certificate to The Chamber as required under Section 139 read with Section 141 of the Act. At the 167th AGM, the audit fee of M/s. Dutta Ghosh & Associates, Statutory Auditors was fixed at ₹ 1,00,000.00 (Rupees One Lakh Only) to conduct the audit for the financial year 2021-22, the resolution for which was carried unanimously.

Appropriate resolution seeking your approval to the audit fee of ₹ 1,00,000.00 (Rupees One Lakh only) to the Statutory Auditors to conduct the audit of The Chamber for the FY 2022-23 is appearing in the Notice of the AGM.

Report of the Statutory Auditors, including reference made therein to the Notes forming part of the Financial Statements, are self-explanatory. There are no qualifications or reservations made by the Auditors in their Report.

6. CHANGES IN THE MANAGING COMMITTEE

At the 167th Annual General Meeting dated 29th September 2021, the Managing Committee was reconstituted with a total of 49 Elected Members. No further co-options were undertaken during the year. Necessary Forms were filed with ROC, Kolkata and all formalities were complied with.

All Committee Members are liable to retire at the forthcoming AGM as per the Articles of Association of The Chamber.

7. RISK MANAGEMENT AND INTERNAL FINANCIAL CONTROLS

The Chamber has in place defined Risk Management Framework to identify, assess, monitor and mitigate various risks. The Chamber also has implemented Standard Operating Procedures (SOP) on diverse areas to further strengthen internal controls.

The responsibility for management of risks vests with the Director General, who as Chief Executive Officer and the Key Managerial Personnel (KMP) of The Chamber, supported by Secretariat officers and staff, is responsible for day-to-day conduct of the affairs of The Chamber. The Chamber has in place adequate financial controls with respect to the Financial Statements commensurate with its size and scale of operations, which has also been endorsed by the Statutory Auditors in their Report.

8. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Chamber had availed a Term Loan of ₹ 8,93,00,000.00 from Canara Bank (as mentioned in the Financial Statements and Notes thereon for the Year Ended 31st March 2021). During the Financial Year 2021-22, total amount of Principal paid back was ₹ 59,52,000.00 and payment towards Interest incurred was ₹ 77,55,271.00.

During the year 2021-22, The Chamber has, as noted earlier, disposed of 2875 Equity Shares of Woodlands Multispeciality Hospital Ltd, which was shown earlier under Non-Current Investments of ₹ 28,750.00 as at 31st March 2021. Such Non-Current Investments relating to Share Certificate No. 56, bearing distinctive no. 2594694 to 2597568 for 2875 unlisted Equity Shares of Woodlands Multispeciality Hospital Ltd, which were in Demat Form with DP ID IN3011330, were transferred by way of sale to Rainbow Investments Ltd (a Group Company of RP-SG Group) at a total consideration of ₹ 37,37,500.00 (2875 Shares @ Rs. 1300/-per Share), being the highest offer received for such sale. Following deductions of the original cost of Shares (2875 Shares @ ₹ 10/- each) and payment to Stock Holding Corporation of India Limited, the Gain from Sale of Shares stood at ₹ 37,05,750.00 (before tax).

9. FOREIGN EXCHANGE EARNING AND OUTGO

During the year under review, foreign exchange earning was ₹ 58,32,856.96 and foreign exchange outgo was ₹ 24,43,383.00. While converting the same from Foreign Currency to INR the applicable accounting standards have been complied with.

10. PARTICULARS OF RELATED PARTY TRANSACTIONS

There was no related party transaction entered into by The Chamber during the financial year ended 31st March 2022.

11. PARTICULARS OF EMPLOYEES

None of the officers and employees of The Chamber is covered by the provisions in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

12. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNALS

Status of Service Tax case for 4 years (2011-12 to 2014-15), as reported in the last year's Managing Committee Report, remains unchanged. That is, the case was remanded back to the adjudicating authority. Service Tax Case for the 2-YEAR period (2015-16 & 2016-17), which was under Appeal was heard on 15th June 2022 by the Commissioner, CGST & CX (Appeal-1) on virtual mode. It was represented that the nature of the case was similar to the case for 4 years, which was remanded by the Commissioner to the adjudicating authority. The Commissioner has asked for a copy of the said order and the fee paid for filing the Appeal – both of which were complied with thereafter. Like earlier years' matter, in the interest of winding up the litigation, The Commissioner also suggested that the Declarations by large sponsors on payment of service tax by them as per the Service Tax Rules (RCM) be availed of by The Chamber although it was not a condition as per the Service Tax Laws. It is the Chamber's endeavour to comply with the said directions also and the Secretariat has taken steps in the direction and connecting with the service recipients. The consequential Order in the matter is awaited. Service tax case for 3 months of 2017 (April to June) also progressed during the year. The nature of the case was also similar to that of other two cases discussed above. After submission of The Chamber's reply against the Show Cause-cum-Demand Notice, a personal hearing by virtual mode was held on 16th November 2021 before the Assistant Commissioner, CGST & CX, BBD Bag. While all queries were answered during the Hearing, an additional submission was also made. The Assistant Commissioner noted the furnished points and reserved his order, which may be pronounced in due course of time.

Not with standing existing approval received from ITAT allowing the status of a Charitable Organisation in 2019, ordered in connection with Appeal made for Assessment Year (AY) 2011-12 & 2012-13 and availing Exempted status u/s 12A from Income Tax Authority since before, The Chamber had to file application for Re-registration of Exempted status u/s 12AB (new insertion) of the Act and obtained the Order from the Income Tax Authority in Form-10AC on 30th September 2021. The Order is valid from AY 2022-23 to AY 2026-27.

Subsequent to the above, The Chamber applied for Certificate u/s 80G of Income Tax Act under Form-10A. On 30th March 2022, a provisional approval was received from Income Tax Authority, allowing provisional approval u/s 80G (5) of the Act for three years from 30th March 2022 to conclusion of AY 2024-25. The Chamber is sharing the approval copy with interested donors.

The Chamber also obtained a No-Tax Deduction Certificate on 12th April 2022 from the Income Tax Authority approving non deduction of Tax by the payers while making payment to different invoices raised by The Chamber during 2022-23 u/s 197 of the Income Tax Act. The Chamber has appropriately communicated this to its members and other payers.

In addition to the above two approvals u/s 12A and 80G of Income Tax Act, 1961 under Government of India and besides being a Section-8 Company, The Chamber has also obtained a certificate by applying through Form CSR-1 issued by Registrar of Companies, Kolkata under Ministry of Corporate Affairs, Government of India, approving Registration for undertaking CSR activities on 24th November 2021 vide CSR Registration No. SRN-T60014602.

The Chamber has also requested corporates which are undertaking CSR expenditures as mandated by the Companies Act 2013, for earmarking the restoration of the "Royal Exchange" heritage premises (Grade I Heritage

Property) of The Bengal Chamber as an eligible CSR activity. Schedule-VII of Section 135 of the Companies Act, 2013 encapsulates the activities eligible for CSR spending. Point 5 of Schedule VII of Section 135 of the Act includes activities relating to “protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art, setting up public libraries, promotion and development of traditional art and handicrafts” as CSR activities. Since The Bengal Chamber's Royal Exchange Building is Grade I Heritage building declared by KMC, the maintenance and restoration of the Building counts as a CSR activity. Corporates mandated to spend towards CSR activities may direct a part or their full spending towards restoration of the heritage premises of The Bengal Chamber, which is a building of historical importance.

In the matter of Kolkata Municipal Corporation (KMC), The Bengal Chamber made the full settlement of demanded Property Tax till FY 2019-20 by paying ₹ 9,61,33,694.00 to KMC under the latter's Waiver Scheme 2020. Since then, The Chamber has been making full payments of all property tax bills received from KMC while appealing to KMC for a review and reassessment of its property tax rates such that the pending property tax dues for FY 2020-21 are rationalized before the same are cleared by The Chamber. The reassessment was applied for by The Chamber since the KMC's assessments were found to be erroneously high. Necessary papers and self-assessment forms were submitted by The Chamber to KMC. Since then, The Chamber has received favourable feedback in FY 2022-23 from KMC, which have significantly rationalized the property tax.

No other significant or material orders have been passed by the Regulators/Courts /Tribunals impacting the going concern status of The Chamber and its future operations.

13. ANNUAL RETURN

Pursuant to section 92(3) read with Section 134(3) (a) of the Companies Act, the Annual Return as on 31st March 2022 is available on the website of The Chamber at the link :

https://bengalchamber.com/accts/bengalchamber-Form_MGT_7_20212022.pdf

14. COST RECORDS

The maintenance of Cost Records u/s 148(1) of the Act is not applicable to The Chamber.

15. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Chamber has zero tolerance towards any sexual harassment at the workplace. In line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder, The Chamber has in place an Internal Complaints Committee for conducting inquiry into any complaints received on harassments at the workplace. During the year under review, there were no complaints received by the Internal Complaints Committee.

ACKNOWLEDGEMENT

The Committee places on record the support received from all the Members towards the development of The Chamber. The Committee also places on record its appreciation for the services rendered by all employees and for their continued commitment despite the challenging times.

For and on behalf of the Managing Committee.

(Subhodip Ghosh)
Director General

(Subir Chakraborty)
President Designate

(Abraham G Stephanos)
President

Enclosed : As above.

Place : Kolkata

Date : 11th August, 2022.

INDEPENDENT AUDITOR'S REPORT
To the Members of The Bengal Chamber of Commerce and Industry

Report on Audit of the Financial Statements Opinion

We have audited the financial statements of **The Bengal Chamber of Commerce and Industry** ("the Association"), which comprise the Balance Sheet as at 31st March, 2022, the Statement of Income and Expenditure and Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Association as at 31st March, 2022 and surplus and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Association in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management for the Financial Statements

The Association's Management is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Association in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Association and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Chamber or to cease operations, or has no realistic alternative but to do so.

The Management is also responsible for overseeing the Association's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Chamber has internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Chamber's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Chamber to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. In view of the non-applicability of the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government in terms of section 143(11) of the Act, to the Association, the requirements of paragraphs 3 and 4 of the said Order have not been dealt with in the report.

2. As required by section 143(3) of the Act, we report that:
- (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) in our opinion, proper books of account as required by law have been kept by the Association so far as it appears from our examination of those books.
 - (c) the Balance Sheet, the Statement of Income and Expenditure and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) in our opinion, the aforesaid 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 Managing Committee Members as on 31st March, 2022 and taken on record by the Managing Committee, none of the Managing Committee Members is disqualified as on 31st March, 2022 from being appointed as a Managing Committee Member in terms of Section 164(2) of the Act.
 - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Association and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and
 - (g) with respect to the other matters 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 of our information and according to the explanations given to us:
 - i. The Association does not have any pending litigations which would impact its financial position.
 - ii. The Association does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Association.
 - iv. (1) The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Association to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Association ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (2) The management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Association from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - (3) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (1) and (2) contain any material misstatement.

- v. The Association is a company registered u/s 8 of Companies Act 2013 and does not have Share Capital. Hence provision of section 123 of the Companies Act, 2013 is not applicable.
- (h) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, the limit prescribed by section 197 for maximum permissible managerial remuneration is not applicable to the Association.

For and on behalf of
Dutta Ghosh & Associates
Chartered Accountants
FRN: 309088E

Sandip Dey
Partner
Membership number: 069862

Place: Kolkata
Date: 11th August, 2022
UDIN: 22069862AOXEZO5124

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF THE BENGAL CHAMBER OF COMMERCE AND INDUSTRY**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 Bengal Chamber of Commerce and Industry ("the Association") as of 31st March 2022 in conjunction with our audit of the Financial Statements of the Association for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Association'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 as specified 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 with reference to these financial statements 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 over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these financial statements, 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 internal financial controls over financial reporting with reference to these financial statements.

Meaning of Internal Financial Controls over Financial Reporting

The Association'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. The Association'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 Association;

(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 Association are being made only in accordance with authorisation of management and Managing Committee of the Association; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Association 's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Association has, in all material respects, adequate internal financial controls over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at 31st March, 2022, based on the internal control over financial reporting criteria established by the Association 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 and on behalf of
Dutta Ghosh & Associates
Chartered Accountants
FRN: 309088E

Sandip Dey
Partner
Membership number: 069862

Place: Kolkata
Date: 11th August, 2022
UDIN: 22069862AOXEZO5124

Incorporated as a Company, Under Section 26 of the Companies Act, 1882
BALANCE SHEET AS AT 31ST MARCH, 2022

Particulars	Note No.	(Amount in ₹)	(Amount in ₹)
		As at 31st March, 2022	As at 31st March, 2021
EQUITY AND LIABILITIES			
Shareholders' Funds			
a) Reserves and Surplus	2	(3,46,63,977)	(4,76,02,686)
Non Current Liabilities			
a) Long Term Borrowings	3	7,73,96,000	8,33,48,000
b) Deferred Tax Liabilities (Net)	4	45,861	1,08,793
c) Other Long Term Liabilities	5	46,56,668	48,72,108
d) Long Term Provisions	6	32,93,832	30,23,568
Current Liabilities			
a) Short Term Borrowings	7	59,52,000	59,52,000
b) Trade Payables	8	79,97,926	83,86,119
c) Other Current Liabilities	9	36,32,674	38,73,160
d) Short Term Provisions	10	57,000	52,000
TOTAL		6,83,67,984	6,20,13,062
ASSETS			
Non Current Assets			
a) Property, Plant & Equipments & Intangible Assets	11		
i) Property, Plant & Equipments		88,86,954	94,01,796
ii) Intangible Assets		-	-
b) Non Current Investments	12	-	28,750
c) Long Term Loans & Advances	13	26,32,866	26,32,866
d) Other Non Current Assets	14	92,64,263	1,45,65,284
Current Assets			
a) Inventories	15	57,910	57,983
b) Trade Receivables	16	2,21,78,797	1,99,88,644
c) Cash & Cash equivalents	17	2,24,08,531	1,25,53,398
d) Short Term Loans & Advances	18	22,32,288	23,23,716
e) Other Current Assets	19	7,06,375	4,60,625
TOTAL		6,83,67,984	6,20,13,062

Significant Accounting Policies
Notes on Financial Statements

1
2 to 36

Notes 1 to 36 form integral part of Financial Statements.
In terms of our attached report of even date.

For Dutta Ghosh & Associates
Chartered Accountants
(FRN 309088E)
UDIN: 22069862AOXEZO5124

(Sandip Dey)
Partner
Membership No. 069862

(Subhodip Ghosh)
Director General

(Subir Chakraborty)
President Designate

(Abraham G Stephanos)
President

Place : Kolkata
Date : 11th August, 2022

Incorporated as a Company, Under Section 26 of the Companies Act, 1882
STATEMENT OF INCOME & EXPENDITURE FOR THE YEAR ENDED 31ST MARCH, 2022

Particulars	Note No.	(Amount in ₹)	(Amount in ₹)
		2021-22	2020-21
Income :			
Revenue from Operation	20	4,26,62,562	3,22,75,755
Other Income	21	2,89,09,661	1,68,39,714
Total Income		7,15,72,223	4,91,15,469
Expenses :			
Employee Benefit Cost	22	3,29,45,083	2,95,34,078
Energy Cost	23	14,03,799	11,60,534
Repair & Maintenance	24	18,61,567	14,51,768
Cost of Security Services	25	34,49,623	30,51,631
Other Costs	26	1,37,71,086	73,52,592
Finance Cost	27	77,55,271	–
Depreciation & Amortization Expenses	28	8,69,928	9,39,522
Total Expenses		6,20,56,357	4,34,90,125
Excess of Income over Expenditure before exceptional and extraordinary items and Tax		95,15,866	56,25,344
Add : Exceptional Income	29	37,05,750	–
Excess of Income before Extraordinary Items & Tax		1,32,21,616	56,25,344
Less : Extraordinary Items Income / (Expenses)	30	–	(9,62,69,740)
Excess of Income over expenditure before Tax		1,32,21,616	(9,06,44,396)
Tax Expenses :			
Less : Current Tax		7,51,839	–
Add: Deferred Tax Assets/(Liability)		62,932	26,863
Excess of Income over Expenditure after tax		1,25,32,709	(9,06,17,533)

Significant Accounting Policies

1

Notes on Financial Statements

2 to 36

Notes 1 to 36 form integral part of Financial Statements.
In terms of our attached report of even date.

For Dutta Ghosh & Associates

Chartered Accountants

(FRN 309088E)

UDIN: 22069862AOXEZO5124

(Sandip Dey)
Partner

Membership No. 069862

(Subhodip Ghosh)
Director General

(Subir Chakraborty)
President Designate

(Abraham G Stephanos)
President

Place : Kolkata

Date : 11th August, 2022

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

Particulars	31st March,2022 (Amount in ₹)	31st March,2022 (Amount in ₹)	31st March,2021 (Amount in ₹)	31st March,2021 (Amount in ₹)
(A) Cash Flow from Operating Activities				
Excess of Income over Expenditure before tax		1,32,21,616		(9,06,44,396)
Adjustment for				
Depreciation	8,69,928		9,39,522	
Interest Income	(7,22,452)		(6,31,247)	
Interest on Income Tax Refund Received	(5,13,681)		(80,000)	
Provision for Doubtful Debts	22,98,044		17,49,781	
Provision for Gratuity	3,19,206		2,09,668	
Provision for Leave Encashment	1,88,783		900	
Other Non Operating Income	(2,62,591)		(3,21,027)	
Interest Paid on Loan	77,55,271		-	
Sale of Shares	(37,05,750)	62,26,758	-	18,67,597
		1,94,48,374		(8,87,76,799)
Excess of Income over Expenditure before working capital changes				
(Increase) / Decrease in Inventory	(73)		1,643	
Decrease / (Increase) in Accrued Interest on Bank Fixed Deposits	(2,32,671)		2,22,736	
(Increase) / Decrease in Trade Receivables	(21,90,153)		80,64,671	
Increase / (Decrease) in Current Liabilities	(6,28,679)		(32,17,458)	
Entrance Fees Received	4,25,000		3,00,000	
Increase in Accrued Interest on Security Deposit	(13,079)		(1,01,793)	
Increase in Bank Fixed Deposits including Interest	15,99,731		(40,70,668)	
Decrease of Advance Tax	53,01,021	42,61,097	9,84,945	21,84,076
Cash generated from Operation		2,37,09,471		(8,65,92,723)
Income Tax Paid	(37,19,720)	(37,19,720)		
Net Cash from Operating Activities		1,99,89,751		(8,65,92,723)
(B) Cash Flow From Investing Activities				
Interest on Income Tax Refund	5,13,681		80,000	
Other Non-Operating Income	2,62,591		3,21,027	
Purchase of Fixed Asset	(3,74,086)		(3,15,226)	
Interest Received from Bank	4,310		1,26,156	
Proceeds from Sale of Shares	37,05,750		-	
Proceeds / (Repayment) of Loans & Advances	(91,428)		14,12,989	
Net Cash used in Investing Activities		40,20,818		16,24,946
(C) Cash Flow from Financing Activities				
Proceeds / (Repayments) from Short Term Borrowings			(14,43,935)	
Interest Paid on Loan	(77,55,271)		-	
(Repayment) / Proceeds of Long Term Loan	(59,52,000)		8,93,00,000	
(Repayment) / Proceeds of Deposit	(2,15,440)		(20,28,950)	
Repayment of Long Term Provision	(2,32,725)		-	
Net Cash from/ (used) in Financing Activities		(1,41,55,436)		8,58,27,115
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)		98,55,133		8,59,338
Opening Cash & Cash Equivalents		1,25,53,398		1,16,94,060
Closing Cash & Cash Equivalents		2,24,08,531		1,25,53,398

The above Cash Flow Statement has been prepared under "Indirect Method" as set out in Accounting Standard 3 issued by The Institute of Chartered Accountants of India.

As per our report of even date
For Dutta Ghosh & Associates
Chartered Accountants
(FRN 309088E)
UDIN: 22069862AOXEZO5124

(Sandip Dey)
 Partner
 Membership No. 069862

(Subhodip Ghosh)
 Director General

(Subir Chakraborty)
 President Designate

(Abraham G Stephanos)
 President

Place : Kolkata
 Date : 11th August, 2022

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

1. Significant Accounting Policies

Some of the significant accounting policies are summarised below:

(a) Accounting Convention

The financial statements have been prepared in accordance with the historical cost convention modified by revaluation of certain fixed assets.

(b) Property, Plant and Equipments and Depreciation

Tangible Property, Plant and Equipments are stated at cost except for Land and Building which have been stated at revalued cost. Cost includes inward freight, duties, taxes and incidental expenses related to acquisition and installation.

Since the dates of acquisition of many of the assets were not available with The Chamber which was necessary to determine the useful life of the assets, The Chamber, based on report of a professional valuer, determined the future useful life of its assets. Such useful life was adopted for calculation of depreciation on the assets under Companies Act 2013.

(c) Investments

Non current Investments are stated at cost.

(d) Inventories

Inventories representing Stock of Stores is valued at cost or net realisable value, whichever is lower. Cost is calculated on FIFO basis and includes inward freight, duties, taxes. Where necessary, provision is made for obsolete, slow-moving and defective stocks.

(e) Employee Benefit

- (i) Accrued liability for gratuity has been actuarially determined on Projected Unit Credit Actuarial Method and provided for in these Accounts.
- (ii) Leave encashment benefits on retirement has been actuarially determined on Projected Unit Credit Actuarial Method and provided for in these Accounts.

(f) Deferred Tax

Deferred Tax is calculated as per Accounting Standard 22 on accounting for taxes on income issued by The Institute of Chartered Accountants of India, on all timings differences to the extent it is probable that a liability or asset will crystallize.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

	(Amount in ₹)	(Amount in ₹)
	As at 31st March 2022	As at 31st March 2021
2 RESERVES AND SURPLUS		
a) Capital Reserve - Opening Balance	2,00,000	2,00,000
Total	2,00,000	2,00,000
b) Revaluation Reserve - Opening Balance	43,20,091	43,39,091
Less : Withdrawal on account of depreciation on amount added on revaluation	19,000	19,000
Total	43,01,091	43,20,091
c) General Reserve - Opening Balance	1,01,22,601	98,22,601
Added : Entrance Fees received during the year	4,25,000	3,00,000
Total	1,05,47,601	1,01,22,601
d) Excess of Income over Expenditure - Opening Balance	(6,22,45,378)	2,83,72,155
Added : Excess of Income over Expenditure during the year	1,25,32,709	(9,06,17,533)
Total	(4,97,12,669)	(6,22,45,378)
Total	(3,46,63,977)	(4,76,02,686)
3 LONG TERM BORROWINGS		
Secured Term Loan from Bank (From Canara Bank for a term of 15 Years against mortgage of Building)	8,33,48,000	8,93,00,000
Less : Transferred to Short Term Borrowings (Due in Next 12 Months)	59,52,000	59,52,000
Total	7,73,96,000	8,33,48,000
4 DEFERRED TAX LIABILITIES (NET)		
Deferred Tax Liabilities - Opening Balance	1,08,793	1,35,656
Add : Deferred Tax Assets - during the year	(62,932)	(26,863)
Total	45,861	1,08,793
5 OTHER LONG TERM LIABILITIES		
a) Deposit from Members	2,17,000	2,17,000
b) Deposit from Others	13,90,036	16,05,476
c) Others (Note - C - 1)	30,49,632	30,49,632
Total	46,56,668	48,72,108
Note C - 1		
The Bengal Chamber of Commerce & Industry Centenary Scholarship Trust	21,02,820	21,02,820
The Bengal Chamber of Commerce & Industry Education Trust	71,812	71,812
National Defence Fund	1,95,000	1,95,000
The Bengal Chamber of Commerce & Industry Trust Fund	6,80,000	6,80,000
Total	30,49,632	30,49,632

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

	(Amount in ₹)	(Amount in ₹)		
	As at 31st March 2022	As at 31st March 2021		
6 LONG TERM PROVISIONS				
Provision for Gratuity	21,84,297	20,38,668		
Provision for Leave Encashment	11,09,535	9,84,900		
Total	32,93,832	30,23,568		
7 SHORT TERM BORROWINGS				
Secured Loan from Canara Bank	59,52,000	59,52,000		
Total	59,52,000	59,52,000		
8 TRADE PAYABLES				
<u>TRADE PAYABLES DUES FOR PAYMENT FOR 2021-22</u>				
Particulars	Outstanding for Following Periods from Due Date of Payment			
	Less than 1 year	1 - 2 years	2 - 3 years	Total
(i) MSME	-	-	-	-
(ii) OTHERS	78,54,069	23,303	120,554	79,97,926
(iii) DISPUTED DUES	-	-	-	-
MSME				
(iv) DISPUTED DUES	-	-	-	-
OTHERS	-	-	-	-
<u>TRADE PAYABLES DUES FOR PAYMENT FOR 2020-21</u>				
Particulars	Outstanding for Following Periods from Due Date of Payment			
	Less than 1 year	1 - 2 years	2 - 3 years	Total
(i) MSME	-	-	-	-
(ii) OTHERS	80,50,208	3,35,911	NIL	83,86,119
(iii) DISPUTED DUES	-	-	-	-
MSME				
(iv) DISPUTED DUES	-	-	-	-
OTHERS	-	-	-	-
9 OTHER CURRENT LIABILITIES				
a) Liabilities for Expenses	11,87,882			15,22,101
b) Liabilities for GST	6,07,404			6,19,238
c) Advance - Others	17,80,489			16,74,223
d) Input TDS (IGST)	56,899			57,598
Total	36,32,674			38,73,160
10 SHORT TERM PROVISION				
Provision for Gratuity	39,000			34,000
Provision for Leave Encashment	18,000			18,000
Total	57,000			52,000

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

11. Property, Plant & Equipments and Intangible Assets

(Amount in ₹)

NAME/CATEGORY OF ASSETS	ORIGINAL COST			DEPRECIATION / AMORTISATION			NET BOOK VALUE		
	AS AT 1st APRIL, 2021	ADDITIONS DURING THE YEAR	DEDUCTION/ ADJUSTMENT DURING THE YEAR	AS AT 31st MARCH, 2022	AS AT 1st APRIL, 2021	FOR THE YEAR	DEDUCTION/ ADJUSTMENT DURING THE YEAR	AS AT 31st MARCH, 2022	AS AT 31st MARCH, 2021
Tangible Assets :									
a. Land	41,00,000	-	-	41,00,000	-	-	-	41,00,000	41,00,000
b. Royal Exchange Building	10,90,068	-	-	10,90,068	10,65,996	425	-	23,647	24,072
Do (Revalued)	26,71,539	-	-	26,71,539	21,39,535	19,000	-	5,13,004	5,32,004
c. Tubewell, Pumps & Motors	2,94,255	-	-	2,94,255	2,52,302	6,502	-	35,451	41,953
d. Air Conditioning Plant	58,03,469	-	-	58,03,469	32,17,112	2,77,993	-	23,08,364	25,86,357
e. Transformer	11,51,251	-	-	11,51,251	10,62,179	12,926	-	76,146	89,072
f. Furniture, Fixture & Equipment	47,64,767	1,35,916	-	49,00,683	31,72,314	2,98,050	-	14,30,319	15,92,453
g. Computer	29,38,940	2,38,170	-	31,77,110	25,22,220	2,65,298	-	3,89,592	4,16,720
h. Electrical Installation	10,43,066	-	-	10,43,066	10,23,901	8,734	-	10,431	19,165
TOTAL : -	2,38,57,355	3,74,086	-	2,42,31,441	1,44,55,559	8,88,928	-	88,86,954	94,01,796
Previous Year	2,35,42,129	3,15,226	-	2,38,57,355	1,34,97,037	9,58,522	-	94,01,796	-

NOTE - Land & Building in Premises No 6. Netaji Subhas Road, Kolkata were revalued in May, 1988 by a firm of Professional Valuer which resulted in an increase in gross value

by Rs. 37,88,088 and Rs. 26,71,539 respectively which were credited to Revaluation Reserve.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

	(Amount in ₹)	(Amount in ₹)
	As at 31st March, 2022	As at 31st March, 2021
12 NON CURRENT INVESTMENTS		
Investment in Equity Shares (2875 Nos shares of Rs 10 each fully paid up in Woodlands Multispeciality Hospital Ltd)	-	28,750
Total	-	28,750
13 LONG TERM LOANS AND ADVANCES		
Unsecured and Considered Good		
Security Deposits	18,86,618	18,86,618
Deposit - Telephone	16,350	16,350
Deposit - Service tax (Under Appeal)	7,29,898	7,29,898
Total	26,32,866	26,32,866
14 OTHER NON CURRENT ASSETS		
a) Advance Tax (Net of Provision for Taxation)	92,64,263	1,45,65,284
Total	92,64,263	1,45,65,284
15 INVENTORIES		
Stock of Paper & Other Stationery items	2,552	2,624
Stock of Ties And Tie Pins	55,358	55,359
Total	57,910	57,983
16 TRADE RECEIVABLES		
a) Outstanding for more than six months		
Unsecured , considered good	93,08,118	1,07,22,704
Unsecured , considered doubtful	<u>1,81,61,967</u>	<u>1,58,63,923</u>
	2,74,70,085	2,65,86,627
Less : Provision for doubtful Trade Receivables	<u>1,81,61,967</u>	<u>1,58,63,923</u>
	93,08,118	1,07,22,704
b) Other Trade Receivables		
Unsecured , considered good	1,28,70,679	92,65,940
Total	2,21,78,797	1,99,88,644

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

	(Amount in ₹)	(Amount in ₹)
	As at	As at
	31st March, 2022	31st March, 2021

RECEIVABLES AGEING SCHEDULE FOR 2021-22

Particulars	Outstanding for Following Periods from Due Date of Payment					
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	1,28,70,679	8,33,323	23,75,063	16,14,903	44,84,829	2,21,78,797
(ii) Undisputed Trade receivables - considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade receivables - considered good	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered doubtful	-	-	-	-	-	-

TRADE RECEIVABLES AGEING SCHEDULE FOR 2020-21

Particulars	Outstanding for Following Periods from Due Date of Payment					
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	92,65,940	11,24,546	23,91,845	28,98,991	43,07,322	1,99,88,644
(ii) Undisputed Trade receivables - considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade receivables - considered good	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered doubtful	-	-	-	-	-	-

17 CASH AND CASH EQUIVALENTS

a) Balances with Banks (Including Sweep-out)	1,50,36,492	67,66,455
b) Cash in hand	23,112	7,213
c) Cash in Electronic Cash Ledger (GST Portal)	10,928	28,863
c) Term Deposit with Banks *	73,37,999	57,38,268
d) Earmarked Balance in ESCROW Account	-	12,599
Total	2,24,08,531	1,25,53,398

* Term Deposits with Banks are those Deposits which are having maturity within 12 months from Balance Sheet Date

18 SHORT TERM LOANS AND ADVANCES

Unsecured - Considered Good		
a) Advances Recoverable in Cash or in kind or for value to be received	18,39,671	22,66,134
b) Staff Advance	88,050	41,600
c) GST Recoverable (ITC)	3,04,567	15,982
Total	22,32,288	23,23,716

19 OTHER CURRENT ASSETS

a) Accrued Interest on Fixed Deposit	4,03,877	3,58,832
b) Accrued Interest on Deposit in Sweep-out	1,87,626	-
c) Interest Receivable on Security Deposit	1,14,872	1,01,793
Total	7,06,375	4,60,625

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

			(Amount in ₹)	(Amount in ₹)
			For the Year 2021-22	For the Year 2020-21
20 REVENUE FROM OPERATION				
a) Revenue from services rendered			1,33,15,664	1,30,30,663
b) Excess of Income over Expenditure from Seminar, Events, etc			2,59,99,395	1,55,05,121
		<u>2021-22</u>	<u>2020-21</u>	
Income	4,42,72,506		2,27,93,696	
Expenses	<u>1,82,73,111</u>		<u>72,88,575</u>	
c) Excess of Income over Expenditure from Survey/ Research Projects			33,47,503	37,39,971
		<u>2021-22</u>	<u>2020-21</u>	
Income	62,98,112		1,01,77,390	
Expenses	<u>29,50,609</u>		<u>64,37,419</u>	
Total			4,26,62,562	3,22,75,755
21 OTHER INCOME				
a) Interest			7,22,452	6,31,247
b) Interest on Income Tax Refund			5,13,681	80,000
c) Rent from Building			2,09,41,977	1,56,23,372
d) Hall Rent			6,00,339	1,84,068
e) Other Non Operating Income			2,62,591	3,21,027
f) Recovery of KMC Building Tax			58,68,621	-
Total			2,89,09,661	1,68,39,714
22 EMPLOYEE BENEFIT COST				
a) Salaries, Wages, Bonus and Other Benefits			2,87,47,290	2,59,25,520
b) Contribution to Provident Fund			8,21,234	7,67,614
c) Provision for Gratuity			3,19,206	2,09,668
d) Staff Welfare Expenses (including medical benefits)			30,57,353	26,31,276
Total			3,29,45,083	2,95,34,078

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

	(Amount in ₹)	(Amount in ₹)
	For the Year 2021-22	For the Year 2020-21
23 ENERGY COST		
Electricity Charges	14,03,799	11,60,534
Total	14,03,799	11,60,534
24 REPAIR & MAINTENANCE		
- Building	4,28,604	65,275
- Plant & Machinery	4,23,387	4,86,776
- Others including electricals	10,09,576	8,99,717
Total	18,61,567	14,51,768
25 COST OF SECURITY SERVICES	34,49,623	30,51,631
Total	34,49,623	30,51,631
26 OTHER COSTS		
a) Printing and Stationery	4,24,622	3,73,237
b) Travelling , Conveyance and Motor Car Expenses	10,52,538	9,33,117
c) Professional Fees	5,85,370	5,78,726
d) Telephone Expenses	7,12,192	8,29,055
e) P R Retainership	–	90,000
f) Meeting Expenses	6,76,402	9,91,032
g) Provision for Doubtful Debts	22,98,044	17,49,781
h) Miscellaneous Expenses	18,70,681	10,82,443
i) Payment to Auditors		
- Statutory Audit	1,00,000	1,00,000
- In other capacity	–	–
- Out of Pocket Expenses	3,090	2,750
j) Promotional Expenses	2,51,096	96,906
k) Computer Maintenance & Other Charges	6,39,775	5,25,545
l) Fees for renewal of Licence - Rates & Taxes	2,50,000	–
m) Payment of KMC Building Tax	49,07,276	–
Total	1,37,71,086	73,52,592
27 FINANCE COST		
Interest on Term Loan from Canara Bank	77,55,271	–
Total	77,55,271	–

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

	(Amount in ₹)	(Amount in ₹)
	For the Year 2021-22	For the Year 2020-21
28 DEPRECIATION AND AMORTISATION EXPENSES		
Depreciation on Tangible Fixed Assets	8,88,928	9,58,522
Less : Transferred to Revaluation Reserve	19,000	19,000
Total	8,69,928	9,39,522
29 EXCEPTIONAL INCOME		
Proceeds from Sale of Shares (2875 Shares @ Rs 1300/- each)	37,37,500	-
Less : Original Cost of Shares (2875 Shares @ Rs 10/- each)	<u>28,750</u>	-
	37,08,750	-
Less : Payment to Stock Holding Corporation of India Ltd.	<u>3,000</u>	-
Gain from Sale of Shares	37,05,750	-
30 EXTRA ORDINARY ITEMS		
Payment of KMC Property Tax Demand	-	9,61,33,694
Less : Recovery of Current KMC PropertyTax (Payment received from tenant)	-	<u>24,80,000</u>
	-	9,36,53,694
Add: Charges for secured Term Loan availed for Payment of KMC Property Tax Demand	-	26,16,046
Total	-	9,62,69,740

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

31 FINANCIAL RATIOS

Sl No.	Particulars	Formula	Working 31st March, 2022	Working 31st March, 2021	As at 31st March, 2022	As at 31st March, 2021
1	Current Ratio (Times)	$\frac{\text{Current Asset}}{\text{Current Liabilities}}$	$\frac{4,75,83,901.00}{1,76,39,600.00}$	$\frac{3,53,84,366.00}{1,82,63,279.00}$	2.70	1.94
2	Acid Test Ratio (Times)	$\frac{\text{Current Asset - Inventory}}{\text{Current Liabilities}}$	$\frac{4,75,25,991.00}{1,76,39,600.00}$	$\frac{3,53,26,383.00}{1,82,63,279.00}$	2.69	1.93
3	Net Profit Ratio (% age)	$\frac{\text{Net profit before tax}}{\text{Net Sale}}$	$\frac{1,32,21,616.00}{7,15,72,223.00}$	$\frac{(9,06,44,396.00)}{4,91,15,469.00}$	0.18	-1.85
4	Trade Reccivable Turnover Ratio (Times)	$\frac{\text{Net Credit Sale}}{\text{Average Trade Reccivable}}$	$\frac{7,15,72,223.00}{2,10,83,720.50}$	$\frac{4,91,15,469.00}{2,40,20,980.00}$	3.39	2.04
5	Tarde Payable Turnover Ratio (Times)	$\frac{\text{Net Credit Purchase}}{\text{Average Tarde Payables}}$	$\frac{2,04,86,075.00}{81,92,022.50}$	$\frac{1,30,16,525.00}{1,03,92,406.00}$	2.50	1.25
6	Debt Service Coverage Ratio (Times)	$\frac{\text{EBITDA}}{\text{Repayment (Interest \& Principal)}}$ EBITDA= Earning before Interest, tax and Depreciation & Amortisation)	$\frac{2,18,46,815.00}{1,37,07,271.00}$	$\frac{(8,97,04,874.00)}{59,52,000.00}$	1.59	-15.07

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

32 Exceptional Item :

During the year 2021-22, The Chamber has disposed of 2875 Equity Shares of Woodlands Multispeciality Hospital Ltd, which was shown earlier under Non-Current Investments at the historical value of ₹ 28,750.00 as at 31st March 2021. Such Non-Current Investments relating to Share Certificate No. 56, bearing distinctive no. 2594694 to 2597568 for 2875 unlisted Equity Shares of Woodlands Multispeciality Hospital Ltd, which were in Demat Form with DP ID IN3011330, were transferred by way of sale to Rainbow Investments Ltd (a Group Company of RP-SG Group) at a total consideration of ₹ 37,37,500.00 (2875 Shares @ ₹ 1300/-per Share), being the highest offer received for such sale. Following deductions of the original cost of Shares (2875 Shares @ ₹ 10/- each) and payment to Stock Holding Corporation of India Limited, the Gain from Sale of Shares (net of Provision for tax of ₹ 7,51,839.00) stood at ₹ 29,53,911.00.

An accumulated excess of Expenditure over Income (owing primarily to the payment of arrears property tax) of ₹ 6,22,45,378.00 was brought forward from previous years and after adjusting the excess of Income over Expenditure of ₹ 1,25,32,709.00 (from Ordinary Operations, of ₹ 95,15,866.00 and the Gain from Sale of Shares being ₹ 29,53,911.00 {net of taxes} and the Deferred Tax Asset being ₹ 62,932.00) along with Capital Reserve, Revaluation Reserve and General Reserve totalling ₹ 1,50,48,692.00, for the year, shows a debit balance of ₹ 3,46,63,977.00 which is reflected under Reserves & Surplus in the Balance Sheet.

33 Notes on Tax Matters

A. Income Tax

- The Chamber continues to be treated as a tax free Charitable Organisation under Section 11 of The Income Tax Act 1961 in accordance with Order Nos 705 & 706 dated 20th September 2019, passed by The Hon'ble Income Tax Appellate Tribunal (ITAT) for The Assessment Years 2011-12 & 2012-13. Notwithstanding The Chamber's availing of Exempted status u/s 12A from Income Tax Authority as stated above, The Chamber filed an application for Re-registration of Exempted status u/s 12AB (new insertion) of the Act and obtained the Order from the Income Tax Authority in Form-10AC on 30th September 2021. The Order is valid from AY 2022-23 to AY 2026-27. For certain Assessment Years (AYs), The Chamber is appropriately petitioning before the Income Tax Department towards tax refunds due in the face of The Chamber's Charitable Organization status. The Chamber applied for Certificate u/s 80G of Income Tax Act under Form-10A. On 30th March 2022, a provisional approval was received from Income Tax Authority, allowing provisional approval u/s 80G (5) of the Act for three years from 30th March 2022 to conclusion of AY 2024-25. The Chamber is sharing the approval copy with interested donors.
- The Chamber also obtained a No-Tax Deduction Certificate on 12th April 2022 from the Income Tax Authority approving non deduction of Tax by the payers while making payment to different invoices raised by The Chamber during FY 2022-23 u/s 197 of the Act. The Chamber has appropriately communicated this to its members and other payers.
- For Assessment Year 2010-11, a matter, whereby The Chamber was not allowed the benefit u/s 11 of The Income Tax Act, is under appeal before The CIT (Appeals) since long. Orders of the Hon'ble ITAT for the subsequent years have been received and submitted to Commissioner of Income Tax (CIT) (Appeal). The matter is being followed up and an early hearing petition had also been filed on 13th May 2021 along with a reminder on 26th April 2022. An e_Nivaran petition was further filed with the Income Tax Authority in January 2021. As per response received from the Income Tax Officer (ITO), the original demand of ₹ 8,00,400.00 was made on 15th March 2013 by the Department. The same has been fully adjusted through

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

OLTAS (Online Tax Accounting System) against successive refunds and also by charging interest on dues, leaving a net demand due at ₹ 2,08,067.00. However, the Order of CIT (Appeal) is still awaited, along with clarifications on adjustments and refunds due for The Chamber. Subsequently, a letter was filed before Principal Chief Commissioner of Income Tax on 29th April 2022 followed by a meeting with the CIT-Exemption (Ex) in the month of June 2022 to expedite the matter. The Chamber is hoping for a hearing with CIT (Appeal) to resolve the matter pertaining to such unilateral adjustments.

- A Bank Guarantee of ₹ 4,00,000.00 continues to be outstanding as on 31st March 2022, (having validity upto 1st September 2022) being provided to Income Tax Department as per direction of Hon'ble Calcutta High Court in the matter pertaining to AY 2010-11 (Previous Year (2020-21): ₹ 4,00,000.00).
- For the AYs 2013-14, 2014-15 and 2015-16, The Chamber has filed petitions for condonation of delay for rectification petition before the CIT(A)-EX and the matter is under consideration by the CIT-EX. For AY 2016-17 & 2017-18, petition for condonation of delay in filing rectification petition are in the process of preparation.
- During FY 2021-22, The Chamber has received refund of the following amounts for different AYs, viz:
For AY 2018-19: ₹ 36,16,470.00
For AY 2020-21: ₹ 43,38,300.00
For AY 2021-22, it is noticed from the Intimation u/s 143(1), received on 4th July 2022, that the total TDS refund of ₹ 20,07,584.00 as filed has been disallowed for some unknown reasons, with only ₹ 15,074.00 having been refunded. The Chamber is examining the issue in depth and a rectification petition u/s 154 will be filed shortly.

The afore-stated management views were arrived at in consultation with The Chamber's Fiscal Affairs (including Direct Tax) Committee.

B. Property Tax Matters

An update on Property Tax matters with the Kolkata Municipal Corporation (KMC) is provided below:

In the matter of Kolkata Municipal Corporation (KMC), The Bengal Chamber made the full settlement of demanded Property Tax till FY 2019-20 by paying ₹ 9,61,33,694/- to KMC under the latter's Waiver Scheme 2020. Since then, The Chamber has been making full payments of all property tax bills received from KMC while appealing to KMC for a review and reassessment of its property tax rates such that the pending property tax dues for FY 2020-21 are rationalized before the same are cleared by The Chamber. The reassessment was applied for by The Chamber since the KMC's assessments were found to be erroneously high. Necessary papers and self-assessment forms were submitted by The Chamber to KMC. Since then, The Chamber has received favourable feedback in FY 2022-23 from KMC, which have significantly rationalized the property tax.

KMC has issued a Fresh/Supplementary Bill of Property Tax for The Chamber dated 21st June, 2022. Along with the Fresh/Supplementary Bill the KMC has also provided a detailed ledger showing the payment schedule.

The afore-stated management views were arrived at in consultation with The Chamber's Legal Committee.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

C. Notes on Service Tax Matter

Until the last year, three demands have been raised by the Service Tax Department, out of which the first case (for 4 years (2011-12 to 2014-15)) was disposed of by the Appellate Authority on 2nd September 2020 by remanding the matter back to the adjudicating authority. In the second case, an Appeal was filed, which was heard on virtual mode on 15th June 2022 (details given below under 2), the representation being that the nature of the case was similar to the case for 4 years. All documents required by the Commissioner including the previous Order (for the first case) had been submitted (by email on 17th June 2022 and hard copy on 20th June 2022), with the response being awaited. In the third case also, a personal hearing was held on 16th November 2021 digitally with Assistant Commissioner, CGST & CX BBD Bag I Division Kolkata North Commissionerate. The details are given under point no.3 below. While all queries were answered during the Hearing, an additional submission was also made. The Assistant Commissioner noted the furnished points and reserved his order, which may be pronounced in due course of time.

The facts of cases in all the years are similar and are stated in brief as follows -

1. PERIOD- FY- 2011-12 TO 2014-15 (4 YEARS)

DEMAND RAISED BY THE SERVICE TAX AUTHORITY -

i. Service tax	₹	69,17,822.00
ii. Interest	₹	69,17,822.00
iii. Penalty u/s 78	₹	69,17,822.00
iv. Penalty u/s 77(2)	₹	10,000.00
Total	₹	2,07,63,466.00

The Service Tax Authority (CGST & CX BBD Bag I Division) issued a Show-Cause-cum-Demand Notice dated 19th October 2016, considering the Sponsorship payments received by The Chamber as 'Convention Service' for which tax was payable under Forward Charge Mechanism. The Department disputed The Chamber's contention made in its reply dated 10th March 2017 following which The Chamber filed an Appeal before the Commissioner (Appeal 1), CGST & CX Kolkata, contesting that Service Tax on Sponsorship payments received are to be borne by the service recipients, i.e., the sponsors, under Notification No - 30/2012 - ST dated 20th June 2012 on Reverse Charge Mechanism (RCM), and not by the service provider, i.e., The Bengal Chamber. The Chamber also submitted a number of declarations received from reputed organisations, which have sponsored different programmes / seminars of The Chamber, stating that they have devolved the Service Tax for the transaction.

During the year 2020-21, The Chamber had received an Order dt. 2nd September 2020 from The Hon'ble Commissioner (Appeals-1), Kolkata in the matter. In the said order, the Hon'ble Commissioner (Appeals-1) ordered that since the issue was affiliated more towards finding the correctness of facts and figures by the Department; hence the matter was remanded back to the original adjudicating authority who should first determine the correctness of the stated figures from the Audited Balance Sheet and classification of "Convention Service" in view of documents made available by The Chamber and re-quantify if required the demand for Service Tax. The status remains same for 2021-22.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

2. PERIOD- FY- 2015-16 TO 2016-17 (2 YEARS)

DEMAND RAISED BY THE SERVICE TAX AUTHORITY ALLEGEDLY FOR -

i. Non- payment of Service tax	₹	29,04,527.00
ii. Interest at appropriate rate	₹	29,04,527.00
iii. Penalty u/s 78	₹	2,90,453.00
iv. Penalty u/s 77(2)	₹	10,000.00
Total	₹	61,09,507.00

The case is identical to that stated in (1) above.

The Chamber filed an Appeal before the Commissioner (Appeal 1) CGST & CX Kolkata on 28th May 2019 contesting the Show-Cause-cum-Demand Notice received from Commissioner, CGST & CX BBD Bag I Division dated 27th March 2018. The Chamber, in its Appeal, contested that Service Tax on Sponsorship payments are to be borne and actually borne by the service recipients, i.e., the Sponsors under Notification No - 30/2012 - ST dated 20th June 2012 on RCM, and is not a liability of the service provider, i.e., The Bengal Chamber. Recently, a Hearing Notice dt. 7th June 2022 WAS received by The Chamber on 10th June 2022 fixing a personal hearing in virtual mode with the Commissioner, CGST & CX (Appeal-1) on 15th June 2022. The Chamber's expert representative along with The Chamber officials represented on the case online. The Chamber submitted that the similar matter for 4 years was remanded back by the same Com (A) to the JC (North) for re-considering the matter on facts and evidences produced. The Chamber also submitted in brief that earlier Sponsorship Services were treated as 'Convention Centre' Service and that there were calculation related mistakes in the Order of the JC with Challans that had already been paid had not been considered while passing the Order. The Commissioner observed that the best way to settle the matter was to get declaration from the sponsors that they had paid Service Tax on the events. He also asked to make an additional submission and to submit the copy of the earlier remand order and the pre-deposit challan. The Chamber accordingly made an additional submission on 17th June 2022 online enclosing all the relevant documents including proof on service tax payment made by some sponsors relating to this period (2015-16 & 2016-17).

3. PERIOD- 1st APRIL 2017 TO 30th JUNE 2017 (3 months)

DEMAND RAISED BY THE SERVICE TAX AUTHORITY ALLEGEDLY FOR -

i. Non-payment of Service tax	5,85,720.00
ii. Interest at appropriate rate	Not specified
Total	5,85,720.00

Nature of the dispute is identical to that stated in (1) and (2) above. The Chamber's response is similar to the position taken in the said two cases. The Chamber had filed its reply dated 4th March 2020 to the Show-Cause-cum-Demand Notice dated 31st January 2020. The Chamber, along with its reply, had submitted documents on various programmes / events held during the said months supporting its contention.

A Hearing Notice for the case was received by The Chamber on 10th November 2021, fixing a personal hearing on virtual mode on 16th November 2021 before the Assistant Commissioner, CGST & CX, BBD Bag-1 Division. The Chamber's expert representative appeared and clarified all the disputed points. Further to the hearing, The Chamber also submitted an additional submission enclosing relevant documents on 30th November 2021

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

with its submissions on facts and merits like in earlier cases. The Officer noted the furnished points and reserved his order, which may be pronounced in due course.

The Chamber, being the provider of Sponsorship Service, is of the view that there is no liability of any kind in the said matters for any of the years. Even for other demands for Renting of Immovable Property Services, Business Support Services, Club Membership Services, etc, on account of dispute in facts and figures by the Department, no liability of any kind is acknowledged.

The afore-stated management views were arrived at in consultation with The Chamber's Fiscal Affairs Committee.

34 The amount due to Micro, Small and Medium Enterprises is ₹ Nil (2020-2021: ₹ Nil).

35 Old Non-Operating Trusts of The Bengal Chamber

The Chamber has searched its old records extensively but could not find any mention of activities of old non-operating Trusts of The Bengal Chamber, nor the original Trust deeds or Banking details of the Trusts. These Trusts had been in existence for decades, some going back to nearly a century. No mention has also been observed in The Bengal Chamber's Managing Committee Meetings since 1991 with respect to the activities or transactions of these Trusts. The Chamber's Legal Committee is now seized of the matter. Due to continuation of COVID pandemic for two years (2020 and 2021), the legal route through which the Trusts could be dissolved could not be explored fully. The Chamber's Legal Committee is now weighing the options that The Chamber has for dissolving Trusts which have become dormant and not been functioning for decades.

36 Previous Year's figures have been regrouped/ rearranged wherever necessary.

For Dutta Ghosh & Associates
Chartered Accountants
(FRN 309088E)
UDIN: 22069862AOXEZO5124

(Sandip Dey)
Partner
Membership No. 069862

(Subhodip Ghosh)
Director General

(Subir Chakraborty)
President Designate

(Abraham G Stephanos)
President

Place : Kolkata
Date : 11th August, 2022

