



BCC&ⁱ
AIDING BUSINESS
SINCE 1833

REPORT & ACCOUNTS

For the Financial Year ended 31st March, 2024

Kolkata **2024**

**REPORT
&
ACCOUNTS**
for the year ended 31st March, 2024
AIDING BUSINESS
SINCE 1833

The Managing Committee (Elected Members)

President :

Mr. Gautam Ray

President Designate :

Mr. Arnab Basu

Senior Vice President :

Mr. Abhijit Roy

Vice President :

Mr. Abhijit Banerjee

Immediate Past President (Ex-Officio) :

Mr. Subir Chakraborty

Other Elected Members :

Mr. Abhijit Chatterjee
Mr. Adika Ratna Sekhar
Mr. Alok Gupta
Mr. Aninda Chatterjee
Mr. Ardhendu Mandal
Mr. Ashish Anupam
Mr. Atanu Mukherjee
Mr. Avijit Das
Mr. Bihari Kumar Newar
Mr. Binod Kumar Homagai
Dr. Chiranjib Bhattacharya
Mr. Debashis Dutta
Mr. Dhruva Mukherjee
Mr. Dinesh Shastri
Mr. Dip Narayan Mittra

Mr. Gopal Krishna Sharan
Mr. Jayanta Chakraborty
Mr. Jitendra Kumar
Mr. K K Bagchi
Mr. Kaushik Mukherjee
Mr. Manojit Sengupta
Ms. Manoshi Roychowdhury
Mr. Navanit Narayan
Mr. Navarun Sen
Mr. Nazeeb Arif
Mr. Nitin Jain
Mr. Pradeep Kumar Dixit
Mr. Prasanta Kumar Dutt
Mr. Pulak Chamaria
Mr. R S Manku

Mr. R N Lahiri
Mr. Rajarshi Dasgupta
Mr. Rajiv Ghosh
Mr. Sandeep Kumar
Mr. Sarbajit Das
Mr. Satyam Roychowdhury
Mr. Simarpreet Singh
Mr. Somesh Dasgupta
Mr. Subhas Chandra Agarwalla
Mr. Subrata De
Mr. Subrata Dutta
Mr. Supriyo Ghosh
Mr. Tanmoy Banerjee
Mr. Timir Baran Chatterjee
Mr. Vivek Jalan

Director General:

Mr. Subhodip Ghosh

Auditors:

Dutta Ghosh & Associates
Chartered Accountants,
4, Rippon Street, Kolkata – 700 016

Solicitors & Advocates:

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

Bankers:

Canara Bank
6, NS Road,
Kolkata – 700 001

Registered Office:

Royal Exchange,
6, NS Road, Kolkata – 700 001
CIN: U67120WB1893NPL000761

**REPORT OF THE MANAGING COMMITTEE AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2024**

Your Managing Committee is pleased to present their Report for the Financial Year ended 31st March 2024.

1. FINANCIAL HIGHLIGHTS

The Audited Financial Statements of The Chamber for the year ended 31st March 2024 are attached. The year's results from activities of General Public Utility, reflect an excess of Income over Expenditure of ₹ 1,45,57,660.00, after making provision for doubtful debts of ₹ 14,25,449.00.

An accumulated excess of Expenditure over Income (owing primarily to the payment of arrears property tax) of ₹ 3,99,32,396.00 was brought forward from previous years and after adjusting the excess of Income over Expenditure of ₹ 1,45,57,660.00 (from Activities of General Public Utility) and along with Capital Reserve, Revaluation Reserve and General Reserve totalling ₹ 1,59,85,692.00, for the year, shows a debit balance of ₹ 93,89,044.00 which is reflected under Reserve & Surplus in the Balance Sheet.

To accomplish its objective of performing activities for General Public Utility, The Chamber has structured its services for adding more values for promotion and protection of Trade & Industry.

2. MANAGING COMMITTEE MEETINGS

During the Financial Year (FY) 2023-2024, 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 2024 and of the income over expenditure of The Chamber for the Financial Year ended 31st March 2024;
- 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. Energy Audit was conducted by Certified Energy Auditor from CESC Limited during 2023-2024. 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.

The Chamber has recommended the appointment of M/s Dutta Ghosh & Associates, Chartered Accountants – Registration Number 309088E, from the conclusion of the 170th AGM to hold office for a period of 5 years till the conclusion of 175th AGM to be held in 2029 at an annual audit fee of ₹ 2,25,000.00 (Rupees Two Lakh Twenty Five Thousand only) as the Statutory Auditors to conduct the audit of the Chamber for the FY 2024-25 is appearing in the AGM Notice.

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 169th Annual General Meeting dated 29th September 2023, the Managing Committee was reconstituted with a total of 49 Elected Members.

In the newly constituted Managing Committee after the AGM, at its meeting on 29th November 2023, Mr Alok Krishna resigned on 2nd February 2024 from the Managing Committee; while Mr Navanit Narayan was co-opted on 27th March 2024 as a Member of the Managing Committee.

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) in 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 2023-2024, total amount of Principal paid back was ₹ 59,52,000.00 and payment towards Interest incurred was ₹ 88,27,036.00.

9. FOREIGN EXCHANGE EARNING AND OUTGO

During the year under review, foreign exchange earning was ₹ NIL and foreign exchange outgo was ₹19,83,023.00. 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 2024.

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. 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 had 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.

The Chamber has received a favourable Order for the said period by order dated 31st May 2024 wherein the demand of Service Tax has been reduced from ₹ 5,85,720.00 to ₹ 92,456.00. However, The Chamber shall file an appeal to contest the order before the appropriate authority, even for the balance amount.

In addition to the existing approval received from ITAT allowing the status of a Charitable Organization in 2019, ordered in connection with Appeal made for Assessment Year (AY) 2011-12 & 2012-13 and availing Exempted status u/s 12A of The Income Tax Act, 1961 from Income Tax Authority since before, The Chamber filed application for Re-registration of Exempted status u/s 12AB 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.

Further The Chamber has also received a provisional approval 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 has filed an application for renewal for the AY 2025-26 and onwards (awaiting certificate). The Chamber shares the approval copy with interested donors.

The Chamber also obtained a No-Tax Deduction Certificate on 31st July 2023 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 2023-2024 u/s 197 of the Act.

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 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.

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. Corporate Social Responsibility

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. During the Financial Year (FY)2023-2024, The Bengal Chamber received ₹ 16,11,209.00 from Corporates as CSR Funds, which was utilized by The Bengal Chamber towards renovation and maintenance of its Grade – I Heritage Property. All appropriate documentation including the issuance of utilization certificates to corporate donors were complied with.

14. ANNUAL RETURN

Pursuant to section 92(3) read with Section 134(3) (a) of the Companies Act, the Annual Return as on 31st March 2024 is available on the website of The Chamber at the link:

<https://bengalchamber.com/accts/bcci-annual-accounts-2023-2024.pdf>

15. COST RECORDS

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

16. 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

(Arnab Basu)
President Designate

(Gautam Ray)
President

Enclosed: As above.

Place: Kolkata

Date: 30th July, 2024

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, 2024, 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, 2024 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, 2024 and taken on record by the Managing Committee, none of the Managing Committee Members is disqualified as on 31st March, 2024 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 its 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 its 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 mis-statement.
- 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.
- vi. Based on our examination which included test checks, the company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated w.e.f 19th September 2023 for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.
- As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 1st April, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31st March, 2024.
- (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

Place: Kolkata
Date: 30th July, 2024

Dipak Kumar Dutta
Partner
Membership number: 016333

UDIN: 24016333BKCNDV6877

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 2024 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, 2024, 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.

Place: Kolkata
Date: 30th July, 2024

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

Dipak Kumar Dutta
Partner
Membership number: 016333

UDIN: 24016333BKCNDV6877

Incorporated as a Company, Under Section 26 of the Companies Act, 1882

BALANCE SHEET AS AT 31st MARCH, 2024

Particulars	Note No.	Amount in ₹ '000	Amount in ₹ '000
		As at 31 st March, 2024	As at 31 st March, 2023
EQUITY AND LIABILITIES			
Shareholders' Funds			
a) Reserves and Surplus	2	(9,389)	(24,478)
Non Current Liabilities			
a) Long Term Borrowings	3	65,492	71,444
b) Deferred Tax Liabilities (Net)	4	0	22
c) Other Long Term Liabilities	5	5,845	5,440
d) Long Term Provisions	6	4,327	3,617
Current Liabilities			
a) Short Term Borrowings	7	5,952	5,952
b) Trade Payables	8	9,279	9,678
c) Other Current Liabilities	9	6,518	4,262
d) Short Term Provisions	10	77	69
TOTAL		88,101	76,006
ASSETS			
Non Current Assets			
a) Property, Plant & Equipments	11	8,572	9,091
b) Long Term Loans & Advances	12	2,858	2,633
c) Other Non Current Assets	13	11,838	7,723
Current Assets			
a) Inventories	14	339	57
b) Trade Receivables	15	28,068	24,257
c) Cash & Cash Equivalents	16	33,710	30,203
d) Short Term Loans & Advances	17	1,780	1,187
e) Other Current Assets	18	936	855
TOTAL		88,101	76,006

Significant Accounting Policies

1

Notes on Accounts

2 to 34

Notes 1 to 34 form integral part of Financial Statements.

In terms of our attached report of even date.

For Dutta Ghosh & Associates**Chartered Accountants****(FRN 309088E)****(Dipak Kumar Dutta)****Partner**

Membership No. 016333

(Subhodip Ghosh)**Director General****(Arnab Basu)****President Designate****(Gautam Ray)****President**

Place : Kolkata

Date : 30th July, 2024 | **UDIN : 24016333BKCNDV6877**

Incorporated as a Company, Under Section 26 of the Companies Act, 1882
STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED 31ST MARCH, 2024

Particulars	Note No.	Amount in ₹ '000	Amount in ₹ '000
		FY 2023-24	FY 2022-23
Income			
Total Revenue	19	48,061	42,906
Other Income	20	32,826	33,494
Total Revenue		80,887	76,400
Expenses			
Manpower cost	21	35,861	34,741
Energy Cost	22	1,646	1,895
Repair & Maintenance	23	1,959	1,847
Cost of Security Services	24	4,236	3,872
Other Costs	25	12,934	15,472
Finance Cost	26	8,827	7,951
Depreciation & Amortization Expenses	27	867	865
Total Expenses		66,330	66,643
Excess of Income over Expenditure before Tax		14,557	9,757
Tax Expense :			
Less : (Current Tax) / Recovery of Tax			
Less : Deferred Tax Assets / (Liability)		0	23
Excess of Income over Expenditure after tax		14,557	9,780

Significant Accounting Policies

1

Notes on Accounts

2 to 34

Notes 1 to 34 form integral part of Financial Statements.
In terms of our attached report of even date.

For Dutta Ghosh & Associates
Chartered Accountants
(FRN 309088E)

(Dipak Kumar Dutta)
Partner
Membership No. 016333

(Subhodip Ghosh)
Director General

(Arnab Basu)
President Designate

(Gautam Ray)
President

Place : Kolkata
Date : 30th July, 2024 | **UDIN : 24016333BKCNDV6877**

Incorporated as a Company, Under Section 26 of the Companies Act, 1882

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024

Amount in ₹ '000

Particulars	As at 31 st March, 2024	As at 31 st March, 2024	As at 31 st March, 2023	As at 31 st March, 2023
(A) Cash Flow from Operating Activities				
Excess of Income over Expenditure before tax		14,557		9756
Adjustment for				
Depreciation	867		865	
Interest on Income Tax Refund received	0		(554)	
Interest Income	(2,082)		(1,540)	
Interest paid on Loan	8,827		7,951	
Provisions for Gratuity	650		323	
Provisions for Leave Encashment	116		12	
		8,378		7,057
Excess of Income over Expenditure before Working Capital Changes		22,935		16,813
(Increase) / Decrease in Inventory	(281)		0	
(Increase) / Decrease in Accrued Interest on Bank Deposits	(81)		(149)	
(Increase) / Decrease in Trade Receivables	(3,812)		(2,078)	
(Increase) / Decrease in Short Term Loans and Advances	(592)		1044	
Increase / (Decrease) in Current Liabilities	2,234		630	
Increase / (Decrease) in Trade Payables	(399)		1,680	
Entrance Fees received	550		425	
Excess provision on Income Tax written back	0		1,893	
Refund of Income Tax	0	(2,381)	3,585	7030
Cash generated from Operation		20,554		23,844
Income Tax paid	(4,115)	(4,115)	(3,937)	(3,937)
Net Cash from / (used in) Operating Activities		16,439		19,907
(B) Cash Flow From Investing Activities				
Purchases of Fixed Assests	(367)		(1,088)	
Interest received from Bank	2,082		1,540	
Interest on Income Tax Refund received	0		554	
Proceeds / (Repayment) of Long Term Loans & Advances	(225)			
Net cash from / (used in) Investing Activities		1,490		1,006
(C) Cash Flow from Financing Activities				
Proceeds / (Repayments) from Short Time Borrowings				
Proceeds / (Repayments) of Deposits	405		783	
Proceeds / (Repayments) of Long Term Loan	(5,952)		(5,952)	
Interest paid on Loan	(8,827)		(7,951)	
Repayment of Long Term Provision	(48)			
Net Cash from / (used in) Financing Activities		(14,422)		(13,120)
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)		3,507		7,793
Opening Cash & Cash Equivalents		30,203		22,409
Closing Cash & Cash Equivalents		33,710		30,203

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

In terms of our attached report of even date.

For Dutta Ghosh & Associates**Chartered Accountants****(FRN 309088E)****(Dipak Kumar Dutta)****Partner**

Membership No. 016333

(Subhodip Ghosh)**Director General****(Arnab Basu)****President Designate****(Gautam Ray)****President**

Place : Kolkata

Date : 30th July, 2024 | **UDIN : 24016333BKCNDV6877**

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2024

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 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 (if any) are stated at cost.

(d) Inventories

Inventories representing Stock of Stores and liquor, are 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.

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2024

Particulars	Amount in ₹ '000	Amount in ₹ '000
	As at 31 st March, 2024	As at 31 st March, 2023
2 RESERVES AND SURPLUS		
a) Capital Reserve - Opening Balance	200	200
TOTAL	200	200
b) Revaluation Reserve - Opening Balance	4,282	4,301
Less : Withdrawal on account of depreciation on amount added on revaluation	19	19
TOTAL	4,263	4,282
c) General Reserve - Opening Balance	10,973	10,548
Add : Entrance Fees received during the year	550	425
TOTAL	11,523	10,973
d) Excess of Income over Expenditure - Opening Balance	(39,932)	(49,713)
Add : Excess of Income over Expenditure during the year	14,557	9,780
TOTAL	(25,375)	(39,932)
TOTAL	(9,389)	(24,478)
3 LONG TERM BORROWINGS		
Secured Term Loan from Bank	71,444	77,396
(15 year Term Loan from Canara Bank against mortgage of Building)		
Less : Payment during the year	(5,952)	(5,952)
TOTAL	65,492	71,444
4 DEFERRED TAX LIABILITY (NET)		
Deferred Tax - Opening Balance	22	46
Less : Liabilities written back	(22)	(24)
TOTAL	0	22
5 OTHER LONG TERM LIABILITIES		
a) Deposit from Members	217	217
b) Deposit from Others	2,578	2,173
c) Others (Note: C - 1)	3,050	3,050
TOTAL	5,845	5,440
Note: C - 1		
The Bengal Chamber of Commerce & Industry Centenary Scholarship Trust	2,103	2,103
The Bengal Chamber of Commerce & Industry Education Trust	72	72
National Defence Fund	195	195
The Bengal Chamber of Commerce & Industry Trust Fund	680	680
TOTAL	3,050	3,050

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2024

Particulars	Amount in ₹ '000	Amount in ₹ '000
	As at 31 st March, 2024	As at 31 st March, 2023
6 LONG TERM PROVISIONS		
Provision for Gratuity	3,106	2,500
Provision for Leave Encashment	1,221	1,117
TOTAL	4,327	3,617

7 SHORT TERM BORROWINGS		
Secured Loan from Canara Bank	5,952	5,952
TOTAL	5,952	5,952

8 TRADE PAYABLES

TRADE PAYABLES DUES FOR PAYMENT FOR 2023-24

Amount in ₹ '000

Particulars	Outstanding for followings periods from due date of payment				
	Less than 1 year	1 - 2 years	2 - 3 years	More then 3 years	Total
(I) MSME	-	-	-	-	
(ii) OTHERS	8,430	849		0	9,279
(iii) Disputed DUES MSME	-	-	-	-	
(iv) Disputed DUES OTHERS	-	-	-	-	

TRADE PAYABLES DUES FOR PAYMENT FOR 2022-23

Amount in ₹ '000

Particulars	Outstanding for followings periods from due date of payment				
	Less than 1 year	1 - 2 years	2 - 3 years	More then 3 years	Total
(I) MSME	-	-	-	-	
(ii) OTHERS	8,725	954	0	0	9,678
(iii) Disputed DUES MSME	-	-	-	-	
(iv) Disputed DUES OTHERS	-	-	-	-	

9 OTHER CURRENT LIABILITIES

a) Liabilities for Expenses	2,960	2,442
b) Liabilities for GST	1,386	673
c) Advance - Others	2,172	1,147
TOTAL	6,518	4,262

10 SHORT TERM PROVISION

Provision for Gratuity	56	47
Provision for Leave Encashment	21	22
TOTAL	77	69

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 202411. Property, Plant & Equipments

Amount in ₹ '000

Name / Category of Assets	ORIGINAL COST			DEPRECIATION / AMORTISATION				NET BOOK VALUE	
	As at 1 st April, 2023	Additions during the year	Deduction / Adjustment during the year	As at 31 st March, 2024	As at 1 st April, 2023	For the Year	Deduction / Adjustment during the year	As at 31 st March, 2024	As at 31 st March, 2023
Tangible Assets :									
a) Land	4,100	0	0	4,100	0	0	0	4,100	4,100
b) Royal Exchange Building	1,090	0	0	1,090	1,067	0	0	23	23
Do (Revalued)	2,672	0	0	2,672	2,178	19	0	475	494
c) Tubewell, Pumps & Motors	336		0	336	267	11	0	58	69
d) Air Conditioning Plant	6,475	25	0	6,500	3,793	308	0	2,400	2,682
e) Transformer	1,151	0	0	1,151	1,088	13	0	50	63
f) Furniture, Fixture & Equipment	5,072	7	0	5,079	3,790	299	0	989	1,281
g) Computer	3,381	336	0	3,716	3,014	236	0	466	367
h) Electrical Installation	1,043	0	0	1,043	1,033	0	0	10	10
TOTAL	25,320	367	0	25,687	16,229	886	0	8,572	9,091
Previous Year	24,231	1,088	0	25,320	15,344	884	0	9,091	

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. 37,88,088.00 and Rs. 26,71,539.00 respectively which were credited to Revaluation Reserve.

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2024

Particulars	Amount in ₹ '000	Amount in ₹ '000
	As at 31 st March, 2024	As at 31 st March, 2023
12 LONG TERM LOANS AND ADVANCES		
Unsecured and Considered Good		
Security Deposits	1,887	1,887
Deposit - Telephone	16	16
Deposit - Service tax (For Appeal)	730	730
Deposit - ESIC	225	0
TOTAL	2,858	2,633
13 OTHER NON CURRENT ASSETS		
Advance Tax (Net of Provision)	11,838	9,616
Less : Excess provision on Income Tax written back	0	1,893
TOTAL	11,838	7,723
14 INVENTORIES		
Stock of Paper & Other Stationery items	2	2
Stock of Ties And Tie Pins	0	55
Stock of Others	337	0
TOTAL	339	57
15 TRADE RECEIVABLES		
a) Outstanding for more than six months		
Unsecured, considered good	7,629	7,586
Unsecured, considered doubtful	21,521	20,095
	29,150	27,681
Less : Provision for doubtful Trade Receivables	(21,521)	(20,095)
	7,629	7,586
b) Other Trade Receivables		
Unsecured, considered good	20,439	16,671
TOTAL	28,068	24,257

TRADE RECEIVABLES AGEING SCHEDULE FOR 2023-24

Amount in ₹ '000

Particulars	Outstanding for followings 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	20,439	2,892	3,162	1,342	232	28,068
(ii) Undisputed Trade receivables - considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade receivables - considered good	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered doubtful	-	-	-	-	-	-

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2024

TRADE RECEIVABLES AGEING SCHEDULE FOR 2022-23

Amount in ₹ '000

Particulars	Outstanding for followings 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	16,671	2,282	1,640	867	2,797	24,257
(ii) Undisputed Trade receivables - considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade receivables - considered good	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered doubtful	-	-	-	-	-	-

Amount in ₹ '000

Amount in ₹ '000

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
16 CASH AND CASH EQUIVALENTS		
a) Balances with Banks (Including Sweepout)	25,621	22,417
b) Cash in hand	31	38
c) Cash in GST Portal	0	65
*d) Term Deposit with Banks	8,058	7,683
TOTAL	33,710	30,203

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

17 SHORT TERM LOANS AND ADVANCES

Unsecured - Considered Good

a) Advances Recoverable in Cash or in kind or for value to be received	1,328	1,121
b) Staff Advance	366	49
c) GST Recoverable (TDS)	86	17
TOTAL	1,780	1,187

18 OTHER CURRENT ASSETS

a) Accrued Interest on Fixed Deposit	538	418
b) Accrued Interest on Deposit in Sweepout	293	323
c) Interest Receivable on Security Deposit	105	114
TOTAL	936	855

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2024

		Amount in ₹ '000	Amount in ₹ '000
	Particulars	FY 2023-24	FY 2022-23
19 OPERATIONAL REVENUE			
a)	Revenue from services rendered	12,593	13,348
b)	Excess of Income over Expenditure from Seminar, Events etc.	30,965	27,254
	<u>2023-24</u> <u>2022-23</u>		
	Income 59,546 51,848		
	Expenses <u>28,581</u> <u>24,594</u>		
c)	Excess of Income over Expenditure from Survey / Research	4,503	2,304
	<u>2023-24</u> <u>2022-23</u>		
	Income 10,096 3,347		
	Expenses <u>5,593</u> <u>1,043</u>		
	TOTAL	48,061	42,906
20 OTHER INCOME			
a)	Interest	2,082	1,540
b)	Interest on Income Tax Refund	0	554
c)	Rent from Building	24,462	23,873
d)	Hall Rent	224	579
e)	Other Non Operating Income	272	241
f)	KMC Building Tax	5,786	6,707
	TOTAL	32,826	33,494
21 MANPOWER COST			
a)	Salaries, Wages, Bonus and Other Benefits	31,011	30,297
b)	Contribution to Provident Fund	1,086	916
c)	Provision for Gratuity	650	323
d)	Staff Welfare Expenses (including medical benefits)	3,114	3,205
	TOTAL	35,861	34,741
22 ENERGY COST			
	Electricity Charges	1,646	1,895
	TOTAL	1,646	1,895
23 REPAIR & MAINTENANCE			
a)	Building	217	0
b)	Plant & Machinery	508	588
c)	Others including electricals	1,234	1,259
	TOTAL	1,959	1,847

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2024

	Amount in ₹ '000	Amount in ₹ '000
Particulars	FY 2023-24	FY 2022-23
24 COST OF SECURITY SERVICES		
Paymets to S & IB	4,236	3,872
TOTAL	4,236	3,872
25 OTHER COSTS		
a) Printing and Stationery	457	435
b) Travelling, Conveyance and Motor Car Expenses	1,211	1,358
c) Professional Fees	837	493
d) Telephone Expenses	343	344
e) Insurance Premium on Building	111	115
f) Meeting Expenses	1,454	1,100
g) Provision for Doubtful Debts	1,425	1,933
h) Miscellaneous Expenses	1,310	1,828
i) Payment to Auditors		
- Statutory Audit	100	100
- In other capacity	25	45
- Out of Pocket Expenses	8	6
j) Promotional expenses	283	390
k) Computer Maintenance & Other Charges	777	658
l) Fees for renewal of Licence - Rates & Taxes	250	250
m) KMC Building Tax	4,343	6,416
TOTAL	12,934	15,472
26 FINANCE COST		
Interest on Term Loan from Canara Bank	8,827	7,951
TOTAL	8,827	7,951
27 DEPRECIATION AND AMORTISATION EXPENSES		
Depreciation on Tangible Fixed Assets	886	884
Less : Transferred to Revaluation Reserve	(19)	(19)
TOTAL	867	865

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2024

28 FINANCIAL RATIO

SL NO.	Particulars	Formula	Amount in ₹ '000				Variance %	Remarks
			Working 31 st March, 2024	Working 31 st March, 2023	As at 31 st March, 2024	As at 31 st March, 2023		
1	Current Ratio (Times)	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	<u>64,833</u> <u>21,826</u>	<u>56,560</u> <u>19,961</u>	2.97	2.83	4.83%	
2	Acid Test Ratio (Times)	$\frac{\text{Current Assets} - \text{Inventory}}{\text{Current Liabilities}}$	<u>64,494</u> <u>21,826</u>	<u>56,502</u> <u>19,961</u>	2.95	2.83	4.41%	
3	Net Profit Ratio (% age)	$\frac{\text{Net Profit after Tax}}{\text{Net Sales}}$	<u>14,557</u> <u>80,887</u>	<u>9,780</u> <u>76,400</u>	18%	13%	40.58%	Increase in Surplus
4	Trade Receivables Turnover Ratio (Times)	$\frac{\text{Net Credit Sales}}{\text{Average Trade Receivables}}$	<u>80,887</u> <u>26,163</u>	<u>76,400</u> <u>23,218</u>	3.09	3.29	-6.03%	
5	Trade Paybles Turnover Ratio (Times)	$\frac{\text{Net Credit Purchases}}{\text{Average Trade Paybles}}$	<u>20,774</u> <u>9,479</u>	<u>23,086</u> <u>8,838</u>	2.19	2.61	-16.03%	
6	Debt Service Coverage Ratio (Times)	$\frac{\text{EBITDA}}{\text{Repayment (Interest \& Principal)}}$ (EBITDA = Earning before interest, tax and Depreciation & Amortisation)	<u>24,252</u> <u>14,779</u>	<u>18,573</u> <u>13,903</u>	1.64	1.34	22%	

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2024**29 Activities for General Public Utility:**

An accumulated excess of Expenditure over Income (owing primarily to the payment of arrears property tax) of ₹ 3,99,32,396.00 was brought forward from previous years and after adjusting the excess of Income over Expenditure of ₹ 1,45,57,660.00 (from Activities of General Public Utility) and along with Capital Reserve, Revaluation Reserve and General Reserve totalling ₹ 1,59,85,692.00, for the year, shows a debit balance of ₹ 93,89,044.00 which is reflected under Reserves & Surplus in the Balance Sheet.

To accomplish its objective of performing activities for General Public Utility, The Chamber has structured its services for adding more values for promotion and protection of Trade & Industry.

30 Notes on Tax Matters**A. Income Tax**

The Chamber continues to be treated as a tax free Charitable Organization 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. In addition to The Chamber's availment of Exempted status u/s 12A from Income Tax Authority as stated above, The Chamber filed and received Re-registration of Exempted status u/s 12AB of the Act vide 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. Further The Chamber has also received a provisional approval 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 has filed an application for renewal for the AY 2025-26 and onwards (awaiting certificate). The Chamber shares the approval copy with interested donors.

- The Chamber also obtained a No-Tax Deduction Certificate on 31st July 2023 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 2023-2024 u/s 197 of the Act.
- For Assessment Year 2010-11, the matter, where by 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 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 trying 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 2024, 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 (2022-2023): ₹ 4,00,000.00)).

- For AY 2014-15, AY 2016-17 and AY 2018-19 refund orders are being issued amounting to ₹ 35,76,821.00 (awaiting refund). For AY 2017-18, The Chamber has filed petition for rectification u/s 154 of the Income Tax Act, 196 submitted on 21st November 2022. AY 2019-20 rectification order received .

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

B. Notes on Service Tax Matter

Until the FY 2023-24, 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. No further communication was received from the concerned department. In the second case (for 2 Years (2015-16 & 2016-17)), an Appeal was filed, which was heard on virtual mode on 15th June 2022 (details given below), 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 (for the 3 months period of 2017 (April to June 2017)), a personal hearing was held on 16th November 2021 digitally with Assistant Commissioner, CGST & CX BBD Bag I Division Kolkata North Commissionerate and again a personal hearing was held on 22nd February 2023 against the show cause notice of 31st October 2020 for the 3 months period of 2017 (April to June 2017). While all queries were answered during the Hearing, an additional submission was also made on 24th March 2023. The Authority noted the furnished points and issued an order.

The Chamber has received a favourable Order for the period 1st April 2017 to 30th June 2017 by order dated 31st May 2024 wherein the demand of Service Tax has been reduced from ₹ 5,85,720.00 to ₹ 92,456.00. However, The Chamber shall file an appeal to contest the order before the appropriate authority .

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

The main issue was that the Service Tax Authority considered 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 contentions made following which The Chamber filed petitions, 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. The other demands for Renting of Immovable Property Services, Business Support Services, Club Membership Services, etc, were raised on account of dispute in facts and figures by the Department.

During the year 2020-21, The Chamber had received an Order dated 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 2023-24.

Thereafter the matter has been argued accordingly for the subsequent years. 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 the other issues, no liability of any kind is acknowledged.

C. Note on GST Matters

The Chamber has received GST Notices for FY 2017-18, 2018-19 and 2019-20. The Chamber is in appeal at the First stage for FY 2017-18 and FY 2018-19, wherein the matter was w.r.t. the proportionate reversal of ITC w.r.t. certain common services for ₹10,42,745.00 and ₹ 21,62,814.00 respectively. For subsequent years too, notices have been issued and The Chamber is representing at the adjudicating level.

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

31 The amount due to Micro, Small and Medium Enterprises is ₹Nil (2022-2023: ₹Nil).**32 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.

33 The Chamber has not traded or invested in Crypto Currency or Virtual Currency during the year.**34 Previous Year's figures have been regrouped/ rearranged wherever necessary.****For Dutta Ghosh & Associates**

Chartered Accountants

(FRN 309088E)

(Dipak Kumar Dutta)
Partner

Membership No. 016333

(Subhodip Ghosh)
Director General

(Arnab Basu)
President Designate

(Gautam Ray)
President

Place : Kolkata

Date : 30th July, 2024 | **UDIN : 24016333BKCNDV6877**

